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THE 2nd INTERNATIONAL ACADEMIC CONFERENCE ON SOCIAL SCIENCES

CONFERENCE PROCEEDINGS

26-27 July 2014 – Istanbul, Turkey

Edited by

Dr. Malkhaz Nakashidze



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Advance Placement/International Baccalaureate/ Dual Course Enrollment Procedures among School Districts in the United States

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Abstract

The aim of the study was to investigate the similarities and differences among the school district policies on Advanced Placement (AP), International Baccalaureate (IB), and Dual Enrollment (DE) programs across the United States and how complicated the policies are for parents and students. A total of forty-two school districts were randomly selected across the nation, and their policies on these three advanced programs were used as the data source in this study. According to the test results of Flesch-Kincaid, most of the district policies were found "Very difficult" to understand based on the pattern of reading ease score guideline.

1. Introduction

For over fifty years, there has been a driving force for stronger academic standards in the United States following World War II [1]. The push for more rigorous curricula has expanded greatly with the vast array of educational reform movements. This was particularly true with the need to ensure students went to college in order to face the world challenges. Over the years, these reform movements have implemented many changes to the educational system to improve the standards for students in the United States. Today, there are a variety of programs and course offerings that allow students to be challenged at higher levels and

standards in order to prepare them for college and career readiness. Some of these include Advanced Placement (AP), International Baccalaureate (IB), and Dual Enrollment (DE, or Dual Credit) courses.

Advanced Placement, Dual Enrollment, and International Baccalaureate enrollment are on the rise. Specifically, since the 1960's there has been much emphasis on AP and IB, and more so on dual credit since the 1970's [2]. Currently in the IB program there are over 145 countries participating with almost 1.1 million students in the program [3]. Moreover, Advanced

Placement has taken off within the last several decades with an increased number of students in these classes. "In 1954, only 532 students took AP tests. Fifty years later that number was 1.1 million" [4, p. 814]. "It is no surprise, therefore, that the number of students taking AP courses and exams has increased substantially, with 3 times as many students taking exams in 2009 (1.7 million) than in 1997 (0.6 million) [1, 5]. Dual enrollment participation has also increased, from 204,790 students in 1996 to 1.2 million students in 2003 [6].

Although the standards for International Baccalaureate programs have remained ultimately the same over the years, there has been some controversy over the continual

increase in the number of students taking part in Advanced Placement courses. Specifically, due in part to the growing popularity of the AP programs that “has brought about a great demand for it, and, in meeting that demand, educators and reformers have weakened the status of AP in high-status high schools” [4, p. 822]. Furthermore, there has been continual criticism of the strength and the credibility of AP programs [4]. The quality of the dual enrollment programs, on the other hand, is dependent on the quality of the faculty and university for the program or class that is being offered.

2. Advanced Placement, International Baccalaureate, and Dual Enrollment

Advanced Placement began in 1955 and the original intent of the AP program was to provide students the opportunity to take college-level coursework and earn college credit while still in high school [7]. Advanced Placement courses have significantly increased in popularity as students have tried to set themselves apart from their peers by taking these classes, so students are challenged at a college level with the opportunity to take assessments for college credit. There have been many studies showing the progress and academic level of students taking such courses. With the growing popularity and competitive market, schools have expanded the AP programs from the high school level to the middle school level by offering Pre-AP classes to prepare students for these college level courses in high school.

The International Baccalaureate is a not for profit foundation that sets strict focus on four programs for students ranging in age from 3 to 19 to “help develop the intellectual, personal, emotional and social skills to live, learn and work in a rapidly globalizing world” [3]. Students in IB programs at the high school levels “must devote their full junior and senior years to the program, which requires English and another language, math, science, social science and art, plus a course on the theory of knowledge, a 4000-word essay, oral presentation and community service” [8, para. 5]. Many view the IB program as a more well-rounded approach to setting exceptionally

challenging curricula with developing students’ ability to problem solve and to think more critically. The IB program

“...[A]ims to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect. To this end the organization works with schools, governments and international organizations to develop challenging programs of international education and rigorous assessment. These programs encourage students across the world to become active, compassionate and lifelong learners who understand that other people, with their differences, can also be right.” [3]

Although IB offers four different programs including primary year, middle year, diploma programs, and IBCC programs, for the purposes of this study, we will focus on the secondary levels (Diploma program [DP]) of the IB course programs as a comparison to advanced placement and dual credit courses. Similarly, IB has continued to grow in popularity as well. The IB program has become an alternative to AP by setting up an extremely dedicated two-year program is for high school students to focus on a wide array of subjects.

DE enables high school students to be enrolled in classes that count for high school and college credit concurrently [9]. DE programs have been in existence since the 1970’s but did not experience significant growth until the 1980’s [6]. These programs can vary from school to school; some DE programs involve students taking college courses at their high schools via distance learning and others have students traveling to the college or university campus for classes.

2.1. Distinctions AP, IB, and DE programs

The importance of the AP and IB programs exist primarily to challenge students, prepare them for college and career readiness, and to make them more marketable to college and universities worldwide. Although the IB programs offers an extensive two-year program, more colleges and universities accept or give credit for AP courses than for IB courses. Dual credit courses are very similar to AP classes whereby students are given high school

and college credit for one class. These dual credit types of programs are also growing in attractiveness to students as they are offered in every state in the United States, and can be taught by college professors or by high school teachers with specialized training. One primary difference however is that dual credit courses have been expanded to include students who are not only high achieving but also those that are low or average achievers [2]. Although many educators have been rejuvenated over the years with the ability to teach higher achieving students in these programs, the ultimate benefits are for the students. Students often receive college credits for such courses and can even enter college at a sophomore level or beyond in some cases. Additionally, colleges and universities seek out these students for their strong academic success and willingness to demonstrate their abilities on college level work [1].

Dual enrollment programs “increase the rigor of the high school curriculum, reduce the costs of college, and extend a wider range of academic courses to rural or economically disadvantaged school districts” [10, p. 6]. Many schools choose to offer dual enrollment rather than AP because the acquisition of college credit does not depend on making a certain score on a high-stakes test as it does in AP. Dual enrollment also creates a needed feedback loop between universities and high schools where each system can communicate its needs and goals for student achievement. The benefits of dual enrollment endure long after the high school career ends; students who participated in dual enrollment “had earned 15.1 more college credits on average than nonparticipants three years after high school” [9, p. 53].

AP, IB, and DE programs offer students an opportunity to set themselves apart from their peers. Students in these programs clearly demonstrate their level of academic strengths as well as prove their competitiveness for acceptance into colleges and universities. Many students receive scholarships and spend less time and money taking basic college level courses. Other outcomes include exposure to a more stringent curriculum and lower costs for attending college [2]. Dual enrollment courses

can ease the transition from high school to college [10].

2.2. Reasons behind school participation

With the ever changing demands on education and the need for continual reform, there is a vast array of options available for students. With Adequate Yearly Progress (AYP), state accountability standards, vouchers, charter schools, private schools, funding, and so on, school districts and individual schools have now become marketers of their programs in order to attract and retain students and increase student achievement. Therefore, there is a growing need for differentiation of programs, which drives school participation in an assortment of programs. Furthermore, with differentiation, schools are able to attract and retain more highly qualified teachers with the options to educate a more diverse student population in terms of higher degrees of motivation, performance, and creativity.

Specifically, the Advanced Placement Incentive Program (APIP) is a novel program that includes cash incentives for both teachers and students for each passing score earned on an advanced placement (AP) exam. The APIP has been expanded to over 40 schools in Texas and is targeted primarily to low-income, minority/majority school districts with a view toward improving college readiness [11].

More importantly, “anecdotal evidence and surveys of teachers suggests that many schools do have open access policies regarding AP courses, which allow for greater student participation as well” [5, p. 356]. It appears that “Florida’s incentive system for increasing advanced course offerings to relatively underserved populations may be too mild and that stronger mandates or incentives are needed” [5, p. 356]. However, with greater demands placed on schools, now more than ever, districts and schools are continuing to diversify their programs. For these reasons, among others, school participation and student enrollment in these programs have continued to increase over the years and will most likely serve a more diversified student population.

2.3. What has been the policy of enrollment in these programs by schools?

Advanced Placement program was primarily developed for the highest-achieving students at elite high schools in 1950s. The big idea behind the initiative was to challenge the highest-achieving students, and it provided these students an opportunity to finish their post-secondary education early [4]. The second director of Advanced Placement, Dudley, (1958) stated that “the basic philosophy of the Advanced Placement Program is simply that all students are not created equal” (p. 1). In other words, this initiative concerned gifted and talented students. At that time, the program was not open for all students, and students who wanted to take any AP course were evaluated based on their academic performance, teacher recommendations, and GPA in order to take AP courses. Advanced Placement has become more open to all students with the reforms in American education over years. Students’ interest in taking AP courses has increased since the first AP course was offered. Whereas only 532 students took AP exams in 1954 [4], over a million students took over two million AP exams in 2005 [12]. The AP program currently offers more than 30 courses in six groups of subjects, arts, English, history and social science, math and computer science, sciences, and world languages and cultures to all students [1]. The College Board that administers AP programs encourages teachers, school administrators, and educators to make AP courses accessible to all students [13]. Recently, most school districts endeavor to provide students opportunities to take AP courses, and they only state parents’ permissions as a requirement to take AP courses on their AP policies. However, they sometimes have “hidden prerequisites” that can vary from school to school. For example, taking another course before taking an AP course, having a high GPA, standardized test results on a comprehension test may be set as hidden prerequisites by an AP counselor in a school campus [14]. As results of the hidden prerequisites, low performed students cannot take any AP course even if they are willing to take them.

Many schools in the world take part in the International Baccalaureate programs. Currently, there are 3500 schools in over 145 countries participating in IB programs. The process for schools to become IB is very rigid and there is a very strict set of criteria that must be met and adhered to [3]. Therefore, these programs are rarer than the otherwise more popular dual enrollment and advanced placement programs. Additionally, the student criteria and standards of performance for these programs are exceptionally time consuming. Many students find themselves hard pressed for time and simply put, stressed out and have less time for extracurricular and social activities. Specifically, once students are enrolled in these programs, they must adhere to the specific requirements of the program. Specifically, “at each grade level, and in each content area, IB provides an extremely detailed and carefully sequenced set of standards and objectives, which have been tested and refined over four decades” [3, p. 12]. Additionally, the international standards for these programs are extremely rigid where students are held to very high expectations via multiple assessments. These assessments are “Criterion referenced, so students around the world are measured against pre-specified criteria for each subject group” [3, p. 12]. This system maintains a worldwide set of standard.

Policies regarding dual enrollment (dual credit) classes vary widely among the fifty states. State-level enrollment policies and student eligibility for dual credit classes run the gamut from having no admission requirements to having restrictive admission requirements [15]. These policies install gatekeeping measures for entrance into dual enrollment programs; examples of these gatekeeping measures are grade point average (GPA), students’ grade level, written approval or recommendation, students meeting college entrance requirements, parental approval, students having taken certain high school courses, and students passing state assessments [10, 15]. These measures are put into place for a variety of reasons. If there is a concern that the dual credit classes are not rigorous enough, having restrictive gatekeeping measures in place can help address that issue. However, a drawback to having stringent gatekeeping policies in place

is that these policies might favor high-achieving students and have a chilling effect on the enrollment of less academically successful students who could potentially benefit more from participation in dual credit classes [15].

3. Methodology

In order to examine the characteristics of school districts' policies on AP, IB, and DE and reveal how they are hard to read by parents according to the Flesch-Kincaid scale, the study was conducted as a qualitative document analysis [16] by collecting and analyzing policies of forty-two school districts across the United States. The analysis of the documents was found appropriate because it allowed the researchers to examine district policies deeply and get insight of each policy. In addition to the qualitative document analysis, words of each district policy were counted to reveal how they are hard to read by parents, students, and people who are looking for information about advanced programs. The following research questions were addressed in this study,

- 1) What are the characteristics of school district policies on advanced programs across the United States?
- 2) How complicated were policies for parents and students to read and understand?

3.1. Data Sources

The data of this study was originated from records [17], school district policies of IB, AP, and DE programs. As Merriam (1988) stated "documents of all types can help the researcher uncover meaning, develop understanding, and discover insights relevant to the research problem." (p. 133) A total of forty-two school districts were selected randomly across the country. The reason behind choosing the districts randomly was to accomplish unbiased results. These districts were selected randomly from the website of National Center for Education Statistics (NCES) in 2012 in order to give an equal opportunity of being selected to each one of the school districts across the nation. Therefore, a total of forty-two school districts from nineteen states (out of 50 states) were randomly selected for the present study. The policies of each school district for three

advanced programs, AP, IB, DE, were used as main data sources of the study.

3.2. Data Collection

The list of forty-two school districts was randomly divided into four groups, and then each group of districts was assigned to a researcher, who was a graduate student at a university in Southwest Texas in the United States. Each researcher looked for AP, IB, and DE policies of each school district that was assigned. All of the policies of the school districts were retrieved from each school district website. Whereas most of the policies were placed under the board policies' sections on their websites, some of them were in student handbooks or under the gifted and talented programs. Overall, the policies were accessible for everyone, but searching was time intensive. As showed in figure 1, 77%, 72%, and 79% of forty-two school districts had specific policies of Advanced Placement, International Baccalaureate, and Dual Enrollment, respectively.

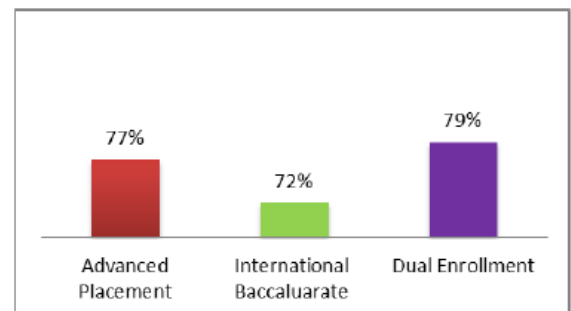


Figure 1. Percentage of AP, IB, and DE policies in the study

The AP, IB, and DE policies of the remaining of the forty-two school districts were not accessible through their websites. Therefore, the researchers tried to contact the school districts via email or phone. No response was received from several of these school districts. Some of them claimed that they do not have specific IB, DE, and, especially AP policies, but they open AP programs to every student and offer IB programs to students who meet the requirements that are set by IB. The people who the researchers contacted stated that the IB program has its own policy on its website, so they referred their students to the website of the advanced program instead of having their own policy.

3.3. Readability Score

To measure the readability of district policies, a Flesch-Kincaid readability test was used. The Flesch-Kincaid scale provides an appropriate measure for readability for materials intended for the general public [18]. The Flesch-Kincaid (FK) scale measures readability based on the average number of syllables per word and the average number of words per sentence [19]. Rudolf (1948) came up with a table that explains how a text is hard to understand based on the Flesch-Kincaid's index. The following table was prepared by Rudolf to classify texts or reading materials based upon their readability scores to reveal the ease or difficulty for understanding. For example, a readability score of a reading passage or text falls in the range of 60-70, standard, that means the passage can be understood by 13- to 15-year-old students (Grade level is about 8th).

Table 1. Pattern of "Reading Ease" scores

"Reading Ease"	
Score	Description of Style
0 to 30	Very Difficult
30 to 50	Difficult
50 to 60	Fairly Difficult
60 to 70	Standard
70 to 80	Fairly Easy
80 to 90	Easy
90 to 100	Very Easy

Note. Adapted from "A new readability yardstick", 1948, p. 230.

3.4. Data analysis

To draw the characteristics of each advanced program, AP, DE, IB, separately, document analysis [16] was used. However, an informal data analysis was done throughout the data collection. The analysis of qualitative data was defined as an ongoing process [17], so the researchers started and continued the informal data analysis along with data collection using constant-comparison method. After policies were collected, all of the policies were grouped under AP, IB, and DE folders that made the researchers analyze the policies of each advanced program together. After the data

collection was completed, a formal data analysis was made, as well. In that analysis, the following steps, "skimming (superficial examination), reading (through examination), and interpretation" (p. 32) were followed. In addition to that, the researchers met consistently once a week during five weeks throughout the formal data analysis procedure in order to discuss the findings of the analysis. That peer debriefing [20] helped building the trustworthiness of the data analysis.

To answer the second research question of the present study, policies were copied and pasted to the Flesch-Kincaid readability test to count their vocabularies and measure their "Reading ease" scores. The scores of each policy were entered into a Microsoft Excel spreadsheet to compare the "Reading ease" scores according to frequency distribution of each advanced program. Figures 2, 3, and 4, which were explained in the result section, were given to show the distribution of AP, IB, DE policies by FK scores

4. Results

4.1. Research question 1: What are the characteristics of school district policies on advanced programs across the nation?

4.1.1. Advanced placement. The characteristics of Advanced Placement (AP) in the forty-two school districts that were randomly selected for this study had both similarities and differences. Most of them briefly gave a description of AP, AP exams, offered AP courses and benefits of taking AP courses. For example, most of the districts' AP policies underlined earning college credits while students were in their high school years and the role of taking AP courses that increased the possibility of being accepted to colleges or universities. One of the school district stated AP courses are counted at most of the colleges or universities across the country. In addition, a few of the school districts' AP policies gave further information about how to earn an AP diploma and receiving college credits. According to this policy, students needed to earn a minimum of five AP credits, and four of them should be from the main subjects

(Mathematics, social studies, natural studies, languages, computer science or fine arts). Students also needed to take five AP exams as a final step.

Not all of the school districts' AP policies were like the latter school policy; in other words, they just gave general information about their AP programs. Because of that reason, most of the policies suggested parents and students to contact their local school counselor or guidance office or district counselor for further information such as deadlines for an application or which AP courses would be offered at their school. Several of the district policies added the link of the College Board web page to redirect parents and students to get more information about AP. The AP policies of several school districts were very short, so parents and students have to meet with a counselor at their high schools in order to get information about the AP courses that were offered.

Most of the school districts placed their AP policies in different locations. Two school districts placed their AP policies under the instructions session in their policy manual. While most of the other school districts placed them under advanced academic, honor courses, or early earning college credit programs in the student handbook, manual or guide.

Although few school districts gave information about the payment of fees for books, exams, or anything that related to AP courses, variations were detected among these school districts. For instance, whereas several school districts kept their students who took AP courses exempt from all the fees, another one required students to pay the cost of any expenses that are related to their AP courses. However, the school district had information for availability of financial assistance on their policy. Another school district required students to pay their exam fees.

All policies of the school districts have lists of requirements that were varied for enrollment in AP programs. Some school districts claimed in their AP policies that AP programs were open to all students who are willing and motivated to study challenging coursework, and students only needed to get permissions from their

parents. Moreover, several of the school districts considered students previous test results, GPA, teacher/local school counselor recommendations, and past grades of students while making a decision whether a student could take an AP course or not. On the other hand, one of the school districts stated that each school needs to make a decision about student eligibility for AP courses by themselves.

4.1.2. International Baccalaureate. For the most part, International Baccalaureate policies viewed in the sample fluctuated in what criteria they decided to present. There was also a distinction between the policies readability and word count. Some policies were located in the student handbook, while others required extensive investigation in various locations.

Some were short and to the point, and others gave more in depth descriptions of everything the IB requires and entails. The most basic policies gave a short description of what is expected of the students in the IB program. Some of the school policies were simplistic, in that they had a brochure for parents to review. Charlotte-Mecklenburg was an actual legal/policy service that had rules and listed what must be completed in A, B, C, and D format.

Some school districts had GPA/age requirements for students interested in pursuing the IB diploma. Furthermore, a district requires the principal's approval. Many of the policies that gave a brief description lead to a referral to talk with a guidance counselor or specific school contact. A large portion of schools had their policies under innovative programs/magnet schools. Many policies did not spread to the majority of their respective states.

Some districts were very specific with how students would be awarded credit for enduring the IB program. Districts vary when it comes to funding and awarding students with free money (tuition, books). For instance, a district gives free tuition to all students within the county where the district is located.

4.1.3. Dual Enrollment. The characteristics of the policies for dual enrollment vary widely

among the school districts in the sample. In addition to the word count and readability, variations among the policies are evident in areas such as location found, format, and the criteria presented.

Many of the policies were actual legal school board policies; this trend was most evident in the Southern school districts in the United States. All of those school districts in the sample had dual enrollment policies located in their school board policies. This feature of the school districts makes the policies easy to locate if one knows to seek out the board policies, but parents and students most likely do not search the school board policies as often as they use the district’s campus webpages. Also, legal and local board policies were not typically written in “parent-friendly” language, thus making them possibly more difficult for parents and students to understand.

Regarding the location of the policies in the sample as a whole, there was great variation in the location of the policies. Some of the policies were located on campus webpages or webpages devoted to the districts’ special programs, and others were found inside student handbooks or graduation manuals. These latter policies were probably the most difficult to find when searching online, but for students and parents who may already be using these handbooks this location may be convenient.

The format of the dual enrollment policies varied as much as the location where they were found. Bulleted lists were common and some policies seemed to be more a promotional or advertising document. Another method of presenting the information was to include a brief summary of information on a webpage and then refer the reader to a particular staff member or department in the district for more information.

Finally, the information in the actual policies regarding dual enrollment was another source of variation among the districts in the sample. For example, policies on tuition and book fees varied widely; some districts charged neither, some charged only for books and other fees but not tuition. One particularly unfortunate district remarks on its website that the dual enrollment

program has been discontinued due to budget cuts.

School districts typically had in their policies a list of requirements that students must meet in order to take dual enrollment classes, and these requirements varied from district to district as well. Many districts had requirements that stated a student must have a certain grade point average (GPA) and other districts required a certain level of performance on a standardized or other high-stakes test. A district mandates that prospective dual enrollment students meet both a GPA and a testing requirement. Still other districts included college entrance requirements as part of the stipulations for enrolling in dual credit classes.

4.2. Research question 2: How complicated were policies for parents and students to understand?

Some similarities and variations were found across school districts in the United States. The average word count was 641.1 for all of the policies. After using the FK score, “Reading ease” scores were obtained (See figure 2 for IB policies, figure 3 for AP policies, figure 4 for DE policies). According to the FK readability scale, the average readability of IB, AP, DE, was 14.22, 12.57, and 12.4, respectively.

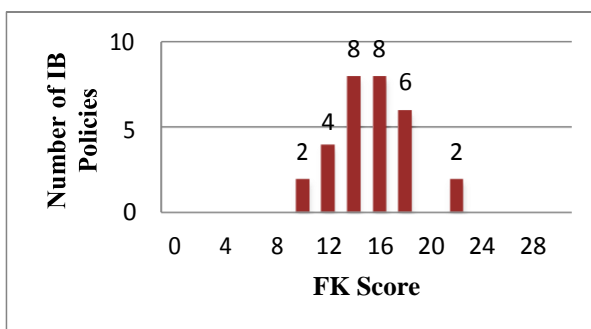


Figure 1. Distribution of 30 IB policies by FK score

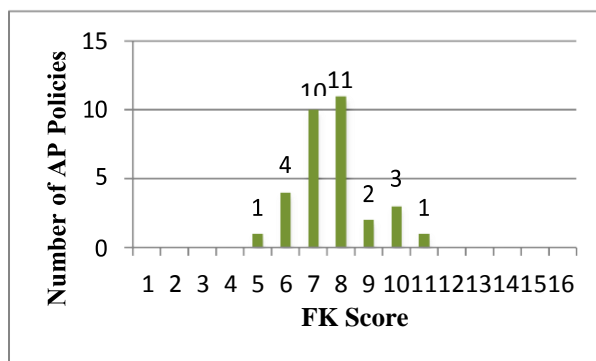


Figure 2. Distribution of 32 AP policies by FK score

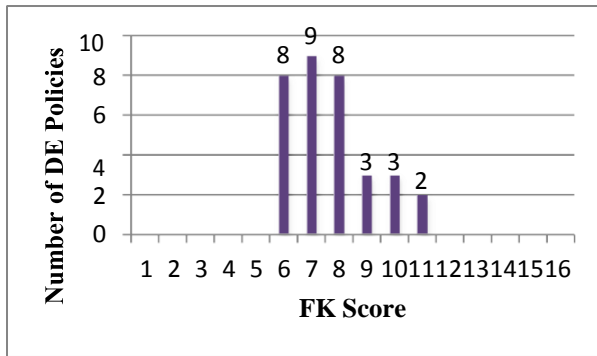


Figure 3. Distribution of 33 DE policies by FK score

All of the averages were in the 12-14 ranges and they were lower than the 30 that is the upper reading ease score of “very difficult” category on the FK table. In other words, the majority of AP, IB, DE policies, was very difficult. These scores correlated with reading level (grade), and could be associated with the number of years of education someone would need when reading the material. To understand the policies, the education level of parents need to be university or higher than that. That being said, it could be expected that most parent would have a hard time comprehending the material of such policies. Some were in the student handbook, and other schools used actual legal documents that were a little harder to understand and navigate through. Parents that might not have had extended education past high school, or might not have English and a primary language, could run into trouble when trying to grasp some of the concepts listed. Furthermore, policies which were found hard to read might be a problem for some parents with low socioeconomic status. Regardless, parents that really want information on AP/IB/DE policies would find it on a website or can talk with school counselors/principals if they have further questions.

5. Conclusions

The results of the present study show that there is variation among the policies for word count and readability. Based on the readability scores of the policies in the sample, comprehending and using the information found in the policies are very difficult. The goal of the policies may vary from school to school, but ideally policies

need to provide easy-to-understand information to as many parents as possible. The FK scale provides an appropriate measure for readability for materials intended for the general public [18].

This study also has several implications for practice. The findings indicate that the readability level of the policies for AP, IB, and DE are of high school level and above. This fact may discourage some families from pursuing these opportunities for their students. Therefore, school districts should ensure that their policies for these programs are of a readability level that is appropriate for 8th or 9th grade students, as these are most likely the students who are looking at high school course offerings and making plans for their futures. For parents whose literacy skills are not at this level, schools need to provide parent-friendly materials that are at an even lower readability level and also offer materials printed in other languages that may be spoken at home in their community. In addition, schools should offer meetings for parents where the course options are presented orally and opportunities are provided to work one-on-one with counselors or other school staff, including bilingual staff, in order for all parents to have access to the information.

Another consideration for the policies is the location. Parents and students should not have to wade through layers of links to locate the policies. Policies need to be labeled clearly and be accessible by navigating just a few “clicks” from the school district homepage. Contact information for appropriate personnel at the district who can answer questions needs to also be clearly provided with the policy information.

The navigation of the websites in order to find the information needed for these programs was difficult. Most school districts did not have individualized section headings for each specified program so there was much digging that was needed to locate the specific requirements for students. Once the information was located on a particular program the policies varied by districts. Some of the policies were literal, meaning they were directly tied to the school boards policies and procedures manuals. However, the majority of

school districts did not have policies directly tied to their board policies. In these cases, individual school policies had to be located by navigating through a variety of schools within each district.

In reality, many parents would most likely contact the individual schools they are interested in sending their child to in order to get the information on the programs offered. Often the pieces of information needed on the particular programs were buried within student handbooks or graduation manuals. Most of the information found on these programs did not include information on policies but rather included information on background of the programs, history, diploma requirements, course credits, assessment information, and so on. Additionally, some are very general and one would have to contact the schools directly by phone or email in order to find specific requirements.

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Skinner's Verbal Behavior and the Acquisition of Verbal Operants for Children with Autism

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Abstract

Skinner (1957) provided a functional analysis of language by identifying controlling conditions in which a particular response occurs. His conceptual analysis is functional rather than structural. There is a growing body of research supporting his behavior analysis of language which suggested that significant gains can be made with children with autism by using his analysis for both language assessment and treatment of language deficits. Gaining solid understanding of Skinner's behavioral analysis of language is critical for educators and professionals to develop effective language skills for children with autism. Thus, this paper presents a review of the literature for the purpose of describing verbal operants and teaching procedures to promote the acquisition of them. The majority of studies have illustrated that there is a positive clinical impact related to use of motivation operations, and instructional strategies such as using transfer of stimulus control procedures and multiple control procedure to teach verbal operants.

Keywords: *Skinner's verbal behavior, verbal operants, teaching procedures.*

1. Introduction

Children who are diagnosed with autism display impairments in the area of communication abilities. These deficits limit their ability to share needs, intentions, and experiences with their caregivers and peers in a social context. Communication and social abilities are interdependent and the development of language abilities facilitates the emergence of social skills. Therefore, researchers focus primarily on the development of language skills among children with autism in order to provide insight into under what circumstances the language occurs, what tools can be used to assess the language deficits, what evidence-

based strategies can be utilized to promote language acquisition and how those children's language abilities can be used for social development (Skinner, 1957; Sundberg, 2007; 2008; Higbee & Sellers, 2011). B.F. Skinner made significant contributions to education, provided an analysis of language behavior derived from basic principles of behavior analysis and used the term "Verbal Behavior". Research based on Skinner's verbal behavior has focused on the independence of the verbal operants (Lamarre & Holland, 1985; Hall & Sundberg, 1987) and promoting acquisition of verbal operants (Sundberg, Endicott & Eigenheer, 2000; Barbera & Kubina, 2005; Petursdottir, Carr & Michael, 2005; Arntzen & Almas, 2002). This paper reviews the research literature for the purpose of describing the verbal operants which are derived from Skinner's conceptual analysis of language, with special attention to the procedures that facilitate the development of verbal behavior skills. Specifically, the research review provides information about which teaching procedures are effective to teach mand, tact, echoic, and intraverbal skills for children with autism.

Skinner's Verbal Behavior

Skinner (1957) identified verbal behavior as "behavior reinforced through the mediation of other persons' needs" (Skinner, 1957, p.2). That is, verbal responses are acquired and maintained by consequences and these consequences are delivered by people within a person's environment (Higbee & Sellers, 2011). For example, when a child wants to gain access to a toy car, the child will say "car" (i.e., verbal response) and an adult will deliver the car (i.e., reinforcer). Saying "car" is an instance of verbal behavior because the response reinforced through the adult's behavior (i.e., deliver the car). In addition, any response form can be a verbal behavior, it does not need to be vocal (Sundberg, 2007). For example, behaviors such

as pointing to a car, crying, and gesturing for attention can be identified as verbal behavior. If a child cries for attention, an adult becomes aware of the child's behavior and gives attention. Verbal behavior occurs between the child and the adult since the behavior is reinforced through the adult's action. In other words, verbal behavior involves the establishment of social interaction between a speaker and a listener whereby the speaker changes the behavior of the listener (e.g., the listener turns his/her head towards the speaker) and gains access to reinforcement (e.g., the speaker gets attention) (Sundberg, 2007; Catania, 1998 p.262).

Skinner (1957) proposed that language is behavior and the basic principles of behavior can help to create occasions for language learning if language training follows these same basic principles. Learning occurs and is maintained through the controlling of variables such as antecedents and consequences within the environmental context. From this point of view, Skinner provided insight into what verbal operants are and under what circumstances they occur. He outlined the elementary verbal operants as mand, tact, intraverbal, echoic, textual, and transcription based on the functional rather than the structural or grammatical relation. In this paper, Skinner's four verbal operants are reviewed: mand, tact, echoic, and intraverbal.

Skinner (1957) proposed that verbal operants have independent response function and one operant does not automatically transfer into another operant. For example, a child may learn to say "car", when the car is present in his/her environment, but this does not mean that the child will mand car unless transfer between tact and mand is directly trained. To investigate Skinner's notion of functional independence, Lamarre and Holland (1985) examined the functional independence of mands and tacts to test whether teaching one verbal operant would provide the emergence of another verbal operant for nine preschool children. Four participants received mand training for the placement of objects with the prepositional phrases "on the left" and "on the right" whereas five participants received tact training for these prepositional phrases. Following mand and tact training, the experimenter tested to see if taught mands would emerge as tacts and taught tacts

would emerge as mands. Results provided support for Skinner's notion of functional independence that teaching one operant did not result in the development of another verbal operant. The functional independence of mands, tacts, and intraverbals was investigated by Hall and Sundberg (1987) and Miguel, Petursdottir and Carr (2005). Their results were consistent with previous research and confirmed the idea that verbal operants needed to be taught directly. Hall and Sundberg (1987) evaluated whether tact training would be effective for the acquisition of mand skills and they concluded that manding occurred after direct mand training. In addition, Miguel et al (2005) investigated whether multiple tact training and receptive discrimination training were effective for teaching intraverbals. During the multiple tact training, the participants learned to tact both the item and the category to which the item belonged. For receptive discrimination teaching, the experimenter presented a question regarding the item or its category and taught the participants to select the target picture card. Neither multiple tact training nor receptive discrimination training resulted in the emergence of intraverbal skills. Thus, their results contributed to the existing data on the functional independence of verbal operants.

Research on Mand Training

Skinner (1957) described the mand as a verbal operant which occurs under the control of a motivation operation (MO) and specific behavioral consequences. In other words, the related function of motivation operations controls and evokes the child's particular response that is maintained by specific consequences (Sundberg & Michael, 2001). Michael (1988; 2007) described the motivation operation and suggested that it has two functions: a) it changes the reinforcer effectiveness of some stimulus and other events; and b) it can increase or decrease the frequency of all behavior that has been reinforced. For instance, when a child is exposed to water deprivation and receives water after asking for it, the MO increases the value of asking for water which results in an increase in the rate of target behavior. However, when the mand occurs under the functional control of praise—its occurrence depends on the reinforcement the child receives—there may be seen decrease in

displaying manding skill since other variables rather than the child's motivation can control the child's response. For example, even if a child does not have a strong MO to play with a car, an adult can teach the child to mand for "car" by providing edible reinforcers. After following this teaching procedure for a longer period of time, the number of mands may decrease since the target response is not under the function of the motivation operation. In other words, the child does not really want to obtain the car, instead he wants to receive edibles. As a result of manding under the functional control of praise, the child will not be able to emit the manding for "car" neither will he maintain his manding skill. Therefore, MO plays a crucial role in the acquisition of manding and educators should make sure that MO is present during the training to evoke and maintain manding skills.

Manding skills are critical for the early development of language skills and should be taught first since the mand is the only type of language that benefits the child by gaining access to preferred items/activities or by removing aversive stimuli (Sunberg, & Partington, 1998). The manding serves valuable information about what the speaker wants or does not want. For example, in an effort to express needs, the infant develops a way to mand by crying. The infant may be hungry, thirsty or may feel uncomfortable; thus, the infant wants to communicate with others in order to obtain an item or avoid exposure to aversive items/activities. The manding is an important component for the development of language skills and needed to be taught as early as possible to prevent inappropriate mand forms such as throwing a tantrum to escape from a task or kicking the adults to obtain a desired toy.

To gain better understanding of how to teach manding skills, Sundberg and Partington (1998) delineated procedures to explain how to contrive MOs during mand training. The transfer of stimulus control from another variable (e.g., verbal stimulus) to the motivation operations can be achieved by using prompting, fading, and differential reinforcement. For example, when a child has a strong motivation to play with a car, the educator shows the car along with an echoic prompt and differentially reinforces the child's successful responses. Gradually, the trainer fades the echoic prompt to make the child mand "car"

under the control of MO and nonverbal stimulus (i.e., car). Then, the nonverbal stimulus is faded to bring the verbal response under the function of the MO (Sundberg, 2007). Research that shows the clinical importance of acquisition of mand repertoire for children who have language delays (Sundberg & Partington, 1998; Sunberg, 2007; Sunberg, 2008; Higbee & Sellers, 2011). A number of researches sought to determine what variables affect learning the mand. Their findings showed that the emergence of mand skills has been associated with a stronger motivation operation. (Sundberg, Hale & Eigenheer, 2002, Sundberg & Partington, 1998; Endicott & Higbee, 2007; Higbee & Sellers, 2011; Hartman & Klatt, 2005).

There is a body of research that shows the clinical importance of acquisition of mand repertoire for children who have language delays (Sundberg & Partington, 1998; Sunberg, 2007; Sunberg, 2008; Higbee & Sellers, 2011). A number of researches sought to determine what variables affect learning the mand. Their findings showed that the emergence of mand skills has been associated with a stronger motivation operation. (Sundberg, Hale & Eigenheer, 2002, Sundberg & Partington, 1998; Endicott & Higbee, 2007; Higbee & Sellers, 2011; Hartman & Klatt, 2005).

Sundberg, Hale, and Eigenheer (2002) conducted a study to see if the manding "where?" and "who?" occurred as a result of contriving the established operation. Michael (2007) defines the established operation as an environmental event that a) changes the effectiveness of some event as a reinforcer; and b) changes the frequency of behavior associated with these reinforcing events. They taught the mand "where?" by manipulating EO for the location of the missing item. The preferred or nonpreferred item was placed in a container and children were allowed to access the item. After they played with the item the experimenter removed the container and distracted them with another toy. Then, the experimenter brought an empty container and prompted the children to mand for the location of missing the item. Following successful mand training for "where", the researcher taught the mand "who?" by following the same procedure. In the second experiment the item was given to a person and the experimenter prompted the children to mand

“who?.” The results indicated that manipulating the established operation had an important influence on teaching manding for information since children acquired the target mand skills. Moreover, they showed generalization to untrained items and to the natural environment. Recently, Endicott and Higbee (2007) and Betz, Higbee, and Pollard (2010) replicated this study and their results were consistent with those of Sundberg, Hale, and Eigenheer. Endicott and Higbee (2007) investigated the role of the MO to evoke the mands “Where is it?” and “Who has it?” Their results showed that the manipulation of the motivation operation was effective for the acquisition of the mand for information. A recent research by Betz et al (2010) investigated whether teaching procedures similar to those used by Sundberg et al (2002) and Endicott and Higbee (2007) would promote generalization of mands for information. They found that contriving the motivation operation promoted the acquisition of mands for information. However, it did not result in generalization of mands across setting.

Hartman and Klatt (2005) investigated the effects of at least 23-hr deprivation, 5-min pre-session exposure, and individual preference on the emergence of mands. The researcher conducted preference assessments to identify preference levels for various toys ranked as high, medium, and low for two children with autism. During the mand training, toys of various preferences were subjected to either a 23-hr deprivation or a 5-min pre-session exposure condition. The experimenter presented the toy to the children and asked “What do you want?” or “What would you like?” To transfer stimulus control from the echoic prompt to the mand, a 3-s constant prompt delay procedure was used. The results indicated that both deprivation and preference level were effective for teaching manding.

While a number of studies have addressed the role of established operations to begin teaching mand skills, the majority of studies have investigated the effects of teaching one verbal operant on the emergence of manding (Wallace, Iwata & Hanley, 2006; Riberio, Elias, Goyos, Carlos, & Miguel 2010).

Wallace, Iwata, and Hanley (2006) conducted a study to examine whether tact training

facilitated the emergence of a mand. Based upon a preference assessment, the researchers identified the items ranked highest and lowest to teach tacting for three children with developmental disabilities. After tact training, they tested to see if the children emitted the verbal response as a mand. As a result of that study the emergence of mands were seen for highly preferred items whereas the children rarely manded for nonpreferred items. These results demonstrated that the reinforcer strength could influence the emergence of mands following tact training although the functions of mand and tact were different from each other. Therefore, using reinforcer strength may facilitate untaught mand skills following tact training.

Riberio, Elias, Goyos, Carlos, and Miguel (2010) evaluated the role of listener responding skills on the acquisition of untrained signed tacts and mands. The listener responding refers to following instructions or performing a target action such as clapping hands when someone else says “clap your hands” (Sundberg, 2008). The intervention was administered on a computer monitor and began by teaching listener relations by using an automatic matching to sample procedure. The emergence of signed tacts was tested following the listener relations training. In addition, the experimenter tested whether the signed tacts would be acquired as mands. The motivation operation was manipulated for mand tests and the experimenter tested to determine if there was transfer of stimulus control from nonverbal stimulus to the conditioned MO. Results indicated that all participants acquired the target mand and tact repertoire through listener relations training. The author suggested that listener relations training could facilitate the emergence of tact and mand repertoire.

Research on Tact Training

Tact refers to a type of verbal operant in which a speaker labels things and actions within his/her physical environment (Sundberg, 2007; 2008). For example, when a child sees a cookie in the environment and says “cookie”, saying “cookie” is a tact. Tact is one of the verbal operants controlled by a nonverbal discriminative stimulus (i.e., cookie) and maintained by generalized conditioned reinforcement (i.e.,

praise or approval) (Sundberg, 2007, 2008; Higbee & Sellers, 2011)

Tact training is important for language development since there are many nonverbal stimuli in the child's world that the child needs to tact such as mommy, daddy, car, book, cookie, and so on. For example, to avoid exposure to accidents in real life, the child needs to be able to identify the safety signs in his/her environment such as "exit". In addition, nonverbal stimuli come in many forms such as objects, events, properties of objects, prepositional relations, and abstractions. They can be as simple as "book" or more complex as "red blood cells." Due to variation of nonverbal stimuli, the tact repertoire is critical for language development (Sundberg, 2007).

Previous research has primarily investigated the effect of teaching one operant on the emergence of tact relations and compared the transfer of control procedures to determine the best way of increasing the tact repertoires (Arntzen & Almas, 2002; Bloh, 2008; Sundberg, Endicott, and Eigenheer 2000; Carroll & Hesse, 1987; Barbera & Kubina, 2005). As a conclusion of these studies, tact skills can be taught effectively by using one operant such as mand, echoic, and intraverbal. For example, during mand-tact training, to evoke a response such as a tact, a child first emits the response under the control of the established operation. Gradually, the prompt is faded and the response occurs under the nonverbal stimulus control. The ultimate goal for teaching tacting is to bring the response under the function of nonverbal stimulus control (Sundberg, 2007) and it can be accomplished by teaching other verbal operants. For example, Arntzen and Almas (2002) conducted a study to teach tact relations through using a transfer of stimulus control procedure. In the study, the researchers replicated the Carroll and Hesse (1987) study and examined the mand-tact training versus tact-only training on the acquisition of tacts. During the training, five children with developmental disabilities learned to tact objects and letters using tact-only training and mand-tact training. They transferred the control of the motivation operation to the nonverbal stimuli. The results were consistent with those of Carroll and Hesse (1987) since the combination of mand-tact procedure produced

more rapid acquisition of tacts than the tact-only training.

Sundberg, Endicott, and Eigenheer (2000) conducted a study to investigate the effects of using intraverbal prompts on learning tacting skills to children with autism who had difficulty acquiring tacting. The intraverbal refers to a type of verbal operant evoked by verbal stimuli that does not have point to point correspondence with the verbal response (Sundberg, 2007; 2008; Higbee & Sellers, 2011). The authors hypothesized that verbal stimuli could block the control of nonverbal stimuli and be the reason why the children fail to acquire the ability to tact. In other words, in the standard form of teaching tact, the trainer presents the nonverbal stimuli (e.g., car) and asks "What is that?" (i.e., verbal stimuli) along with the echoic prompt. Due to the presence of the verbal stimulus, the establishment of nonverbal stimulus control was impeded. For this reason, the authors eliminated the verbal stimuli, used an intraverbal prompt ("Sign _.") to teach tacting objects and compared the two procedures (i.e., standard procedure and intraverbal procedure). As a result of this study, the participants acquired target tact skills by receiving the intraverbal procedure which was more effective than the standard procedure to teach tacting objects.

Bloh (2008) evaluated the effectiveness of 2 stimulus control procedures on the emergence of tacting skills among five individuals with autism. Basically, the authors taught tacts using the receptive-echoic-tact (r-e-t) and echoic-tact (e-t) transfer procedures and compared the two procedures. The results indicated that the two transfer of stimulus control procedures were both effective to teach tacts for learners with autism which were consistent with the results of the Barbera and Kubina (2005) study.

Research on Intraverbal Training

Another type of verbal operant is the intraverbal which occurs in response to the verbal behavior of others (Sundberg, 2007, 2008; Higbee & Sellers, 2011). Skinner (1957) described the intraverbal as a verbal behavior evoked by verbal stimuli that does not have point to point correspondence with the verbal response. For example, the adult says "The dog says_ ." (i.e., verbal stimuli) and the child responds to the

verbal stimuli as “woof woof” (i.e., verbal response which is evoked). The intraverbal repertoire can be developed in the form of singing songs, telling stories, and describing activities and produces generalized conditioned reinforcement.

Intraverbals have an important role in developing conversation skills and the acquisition of other verbal and nonverbal behavior (Sundberg, Endicott, and Eigenheer, 2000). The verbal stimulus may evoke several relevant intraverbal responses which may encourage the child to think and talk about intraverbal responses. For example, a child hears “zoo” from an adult and if the verbal stimulus zoo brings several relevant intraverbal responses such as “dog”, “elephant”, “monkey”, the child can talk about those intraverbal responses and develop his/her conversational skills.

The data from research has supported the importance of intraverbal skills for language development and the transfer of stimulus control procedures to promote the acquisition of intraverbal responses (Vedora, Meunier & Mackay, 2009; Finkel & William, 2001; Charlop-Christy & Kelso, 2003).

Vedora, Meunier, and Mackay (2009) conducted a study to compare instructional methods for developing intraverbal repertoires for children with autism. Basically, the authors compared the effects of using visual prompts (textual) and echoic prompts on the learning of intraverbal responses (answering questions). They suggest that children with language delays often rely on prompts by educators so that they do not become independent in answering and asking questions. Thus, the study hypothesized that visual prompts could be more easily faded than echoic prompts and be practical for teaching intraverbal behaviors. The results indicated that textual prompts were more effective than echoic prompts on the acquisition of intraverbal behavior and their finding confirmed the Finkel and William (2001) study which produced the same outcomes regarding the effectiveness of textual prompts for teaching answering questions.

Charlop-Christy and Kelso (2003) assessed the efficacy of teaching conversational speech skills

using a cue card/written script program for three children with autism. During the intervention, the authors presented the child with a cue card upon which a question and response was written. They asked a conversational question such as “Do you like to draw?” Children received a verbal prompt when they failed to read the cue card. The data gathered showed that all three children reached the training criteria and maintained the target behaviors without cue cards. In addition, the authors concluded that the three children generalized responding to untrained topics across people and setting.

Recently, Ingvarsson and Hollobaugh (2011) compared the effectiveness of two transfer of stimulus procedures: tact-to-intraverbal and echoic-to-intraverbal. During the procedure, the experimenter presented 32 predetermined questions with answers and asked each question per a session. For the echoic-to-intraverbal procedure, the experimenter used vocal prompt and said “say_.” after he/she asked question whereas in the tact-to-intraverbal procedure, the children received a picture of the answer. Results showed that although the picture prompt was more effective than the vocal prompt to teach intraverbal responses, both prompting procedures were effective for the acquisition of intraverbal responses for three children with autism.

Research on Echoic Training

The echoic is one of the verbal operants that occurs when a speaker imitates words spoken by others (Skinner, 1957; Sunberg, 2007; 2008; Higbee & Sellers, 2011). For example, saying “car” can be defined as the echoic if a child says “car” after hearing the word spoken by his or her mother. The echoic occurs under the control of a verbal discriminative stimulus and unlike the intraverbal behavior, it has point-to-point correspondence between the stimulus and the verbal response. That is, the verbal stimulus and verbal response match each other (Skinner, 1957; Sundberg, 2007; Sundberg, 2008).

Demonstrating the ability of using the echoic behavior is essential to learn the identification of objects and actions (Sunberg, 2007). For example, an adult sees a dog and says “dog” and if a child imitates the word and the child may

learn to identify the dog. Typically developing children can learn many objects and events by using the echoic behavior. In addition to this, it may serve an important role in the development of more complex verbal skills. For instance, when a child imitates the word "water", then the child may learn to tact and mand water without an echoic prompt.

Since developing the echoic repertoire requires special training procedures, the first step in teaching echoic behavior is to teach the child to imitate the words emitted by caregivers and educators when asked to do so. One of the common ways for teaching the echoic behavior is direct echoic training in which a trainer presents a vocal stimulus and differentially reinforces successive approximations to the target response. It involves the use of prompting, fading, shaping, extinction, and reinforcement. Then, the establishment of generalization of untrained words is another step. The ultimate goal is to use the echoic repertoire to teach other verbal operants.

For example, Kodak and Clements (2009) investigated the effectiveness of the echoic training on the acquisition of mands and tacts for a child with autism who had previously failed to acquire the mand and tact skills. The authors presented a preferred item and used an echoic prompt of "What do you want?" (mand) or "What is it?" (tact). The results indicated that the echoic training resulted in the emergence of unprompted mands and tacts. It appears that the Kodak and Clements (2009) study findings confirm the notion that the echoic repertoire may help to establish other verbal operants such as mand and tact.

Since many of the children have difficulty in imitating vocal sounds, teaching vocal verbal behavior is also essential for children with autism and requires special training. Recent research has suggested that the stimulus-stimulus pairing is effective in teaching vocalization for children with autism. In the Carroll and Klatt (2008) study, the effectiveness of the stimulus-stimulus pairing was investigated. The authors paired the neutral stimulus with a preferred stimulus. The experimenter said the target sound three times and then immediately presented the preferred stimulus to the participant while at the same

time the experimenter said the target sound two times. The stimulus-stimulus pairing procedure produced an increase in the target sounds and was successful for teaching vocal verbal behavior.

Recently, Tarbox, Madrid, Aguilar, Jacobo, and Schiff (2009) used a chaining procedure to determine whether it was effective for increasing the complexity of echoics in children with autism. Basically, the authors divided the longer auditory stimuli into smaller units and taught the echoics by using the chaining procedure. For example, the word "cookie" broken into smaller units (e.g., "coo" + "kie"). The experimenter modeled the first unit and second unit in sequence and delivered the reinforcement contingent on the child imitating the verbal model. Then, the entire word was modeled and the reinforcement was provided for the target response. All three participants acquired the echoic skill and maintained the obtained skill after treatment was withdrawn.

Summary

A summary of the research literature shows that previous research has mostly focused on teaching verbal operants by using transfer of stimulus control procedures (Arntzen & Almas, 2002; Carol & Hesse, 1987; Sundberg, Endicott & Eigenheer, 2000; Bloh, 2008; Barbara & Kubina, 2005; Kodak & Clement, 2009). The transfer of stimulus control procedure refers to bringing the response solely under the function of the target verbal operant (e.g., tact occurs under the control of nonverbal stimuli) after breaking free from other verbal operant control (e.g., mand) (Sunberg & Partington, 1998). That is, there is transfer from the one stimulus to a target stimulus and this procedure has found to be effective for the acquisition of all verbal operants.

In addition to the transfer of stimulus control procedure, using multiple sources of control may be an effective and alternative way to teach verbal operants (Cihon, 2007; Sundberg, 2007; 2008). Cihon (2007) compared the effectiveness of transfer of stimulus control procedures and multiple control procedures for the acquisition of mand, tact, and echoic. During the multiple sources of control procedure, the experimenter taught the target verbal response under the

multiple control of operants such as echoic, mand and tact whereas verbal response was taught under the one verbal operant control during the transfer of stimulus procedures. To implement multiple control procedures, the motivation operation was manipulated and simultaneously, the nonverbal and vocal stimulus was presented (e.g., the child has a motivation for cookie and the cookie is hidden for 30 minutes. Then, the picture of cookie is presented along with the echoic prompt). Gradually, the trainer used fading to bring verbal responses including mand, tact, and echoic. For example, to establish the tact response, the experimenter faded the mand and echoic gradually. Results showed that using multiple sources of control was more effective than using transfer of stimulus control procedures. Thus, multiple sources of control procedures may help children with autism to acquire verbal skills.

To promote mand acquisition, there is a body of research that has evaluated the role of the motivation operation and demonstrated that it is a key component for teaching manding (Sunberg, Hale, & Eigenheer, 2002; Hartman & Klatt, 2005; Sweeney-Kerwin, Carbone, O'Brien, Zecchin & Janecky, 2007). Since motivation operation provides the information about what a child wants or does not want, incorporating a strong MO in mand training helps the child to obtain the desired item/activity and learn appropriate manding. Sunberg and Partington (1998) suggested that manipulating the motivation operation to teach one verbal operant would produce successful outcomes. For example, a nonverbal child may not have a motivation to tact "car" but, if the child likes book, then a teacher can manipulate the motivation operation and use book to begin tact training since the teacher knows that the child is motivated to obtain it.

Teaching tact is one of the primary areas for the development of language skills. Numerous studies have illustrated the utility of transfer of stimulus control procedures for the acquisition of tacts. Learning echoic, intraverbal and mand skills appear to be effective for the establishment of tacting skills. Particularly, teaching mand may result in the emergence of untaught tact skills (Petursdottir, Carr, & Michael, 2005).

Since intraverbals skills are more complex verbal behavior than others, they require special training and some prerequisite skills to begin teaching such as adequate tact, mand, and echoic repertoires (Sundberg, 2007; Sundberg, 2008; Sundberg & Partington, 1998). Previous research has addressed the utility of textual prompts in an effort to facilitate the acquisition of intraverbal skills. However, due to limited research on intraverbal relations, much more research is needed to identify what teaching procedures can be effectively used to establish an intraverbal repertoire.

To teach an echoic repertoire, the utility of prompting, chaining procedures, fading, shaping, extinction, and reinforcement were supported by the majority of studies (Sundberg & Partington, 1998; Sundberg, 2007; Sundberg, 2008; Higbee & Sellers, 2011; Tarbox et al, 2009). For example, during the teaching procedure, an adult uses echoic prompts and differentially reinforces the student's successive approximations. When the student performs the target behavior, the trainer gradually fades the prompts and the student's response comes under the function of verbal stimuli. In addition, vocalization helps children for learning to talk. Due to its importance, research has investigated how children with autism learn vocalization and found that using stimuli-stimuli pairing appears to be effective for teaching vocalization (Carroll, & Klat, 2008; Esch, Carr & Michael, 2005).

Discussion

Due to the importance of language acquisition, educators and professionals make substantial efforts to improve children's language abilities through designing and implementing effective instructional tools. One of the most beneficial approaches for teaching language is Skinner's analysis of verbal behavior. He provided a conceptual framework that helps educators to understand what variables control language behavior and he used the term "verbal behavior" (Bondy, Esch, Esch, & Sundberg, 2010). Verbal behavior is not an instructional tool or a teaching strategy; instead it is the analysis of language behavior and it involves the use of behavioral principles, namely, reinforcement, shaping, and prompting. His analysis of verbal behavior shows that any child can learn language if an educator can control the

environmental context such as antecedents and consequences.

In Skinner's analysis, he classified the elementary verbal operants and proposed that each verbal operant serves independent response functions. Thus, for many children with autism, each verbal operant may need to be trained directly since training one verbal operant does not automatically transfer into the emergence of another verbal operant. Although there is substantially greater research needed to investigate the functional independence of verbal operants, recently the questions of how the learning of one operant affects the learning of other, what the best sequence for teaching the verbal operants is, and what the role of motivation operations are in the language acquisition have been addressed. As a result of these studies, two conclusions appear warranted. First, the motivation operation can be evaluated as an independent variable and captured and contrived to teach not only mand but also other verbal operants. Because learning occurs under the control of motivation, using the motivation operation may produce desired outcomes for the development of language skills for children with autism. Therefore, its importance in learning language should not be underestimated. Second, research consistently demonstrates the utility of teaching strategies, namely, prompting, shaping, fading, extinction, reinforcement, errorless learning, multiple exemplar teaching, mixed verbal behavior format, first trial data and probe data, stimulus-stimulus pairing, using transfer of stimulus control procedures, and using multiple control procedures for teaching verbal operants (Sundberg & Partington, 1998; Sundberg, 2008). In addition to this, Sundberg (2008) suggested that following making careful assessment of language abilities and needs, incorporation of motivation operations, reinforcement schedule (e.g., variable ratio of reinforcement), and the establishment of effective instructional control into child's education program would increase the child's learning so that the child would develop language abilities.

Moreover, Catania (1998) pointed out "one individual can change the behavior of another by giving instructions; this may be the primary function of language." (p.240). A practitioner or parent can evaluate the language as behavior

that can be controlled and learned by environmental context. If there is solid understanding of what stimulus control is and how to alter the conditions to evoke verbal responses by using behavioral principles and procedures, a child does not need any prerequisite skills to learn language skills. The educators and parents can bring behavior change and teach language by controlling environmental variables such as antecedents and consequences (Bondy, Esch, Esch, & Sundberg, 2010). In addition to controlling variables, it is important to know which instructional strategies effective for teaching verbal behavior are. A review of the literature indicates that using all of the above all strategies can be useful for both parents and practitioners of verbal behavior. Therefore, in this circumstance, what instructional strategies may work for teaching verbal behavior is critical and using all of the above all strategies can be useful for both parents and practitioners of verbal behavior.

In conclusion, a synthesis of research has indicated that teaching procedures such as transfer of stimulus control can promote acquisition of verbal operants for children with autism. Further research needs to investigate the generalization of verbal skills since making generalization for language abilities is critical for the development of more complex language skills. A child may have extensive tact, mand, echoic, and intraverbal repertoires, but if he/she cannot use these repertoires functionally, this means that the child has rote verbal skills and generalization problems (Sundberg, 2008). Therefore, future researchers may focus on instructional practices to improve functional use of verbal behavior in children with autism.

While this synthesis of research provides a substantial knowledge about effective instructional practices for the acquisition of verbal behavior, it is important to note that this is not a systematic review of literature that shows detailed methodological aspects of the studies included in this literature review. Future researchers may conduct a systematic review that investigates the effectiveness of recommended practices for children with autism that target the acquisition of mand, tact, echoic, and intraverbals.

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Understanding Text in Mathematics Education through the Lenses of Genre Theory

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Abstract

The application of the genre theory to mathematics education is a rather new field with a great potential to be used as a grounding theory for further investigations of elements of school mathematics. These investigations may shed light on our understanding of the forms such as written text in the learning and teaching mathematics and their formatting role in mathematics classrooms. This paper explores a particular mathematical text, the worksheet, through the lenses of genre analysis, and investigates what worksheets are and how they are used and perceived by teachers in mathematics education. Findings may raise awareness of the importance of written text and identifying their role in shaping mathematics classroom culture and interactions among the members of the classroom community.

1. Introduction

Mathematics educators have sought change in the curriculum and pedagogy of school mathematics for more than two decades [16, 17]. In this period, a lot of effort has been made to understand the curriculum materials and their impact on mathematics learning and teaching. Many studies indicate that curriculum materials, particularly texts used in classrooms, influence teachers' curricular and pedagogical decisions and thus their interaction with students [20, 21, 22] as well as impact their own and students' interaction with mathematics [23, 24, 28, 29]. To understand these interactions, Herbel-Eisenmann (2007) argues, it is crucial to examine how the material itself "encourages" this involvement (p.346). Having a good

understanding of what the text contains; how text is being presented to students; how teachers conceptualize and use texts provide insights into our understanding of these important curriculum materials. Through this understanding, it becomes possible to revise and improve our practice for enhancing mathematics education.

In mathematics learning and teaching, textbooks and worksheets are the two mainstream texts used not only in North America but in many different education systems as well [4]. Given the common and dominant use of textbooks and worksheets as curriculum materials, it is reasonable to give substantial attention to these materials. As such, there is an abundance of research conducted on mathematics textbooks investigating their characteristics including content, pedagogical perspectives and physical features (e.g. Valverde et al., 2002) or the way teachers and students use texts in the teaching and learning process (e.g. Remillard et al., 2009). However, there have been very few systematic attempts to investigate mathematics worksheets (e.g. Mousley, 2013). Moreover, literature also indicates that there is a dearth of research investigating mathematics worksheets in terms of their textual features and how teachers use them in the classrooms. Understanding the textual and contextual features of worksheets and their effects on pedagogy would enhance this literature and provide further insights into use of worksheet practice.

Having said that, to better understand the characteristics of worksheets entails thinking carefully through multiple perspectives including the consideration of both content and pedagogy among other features that are

embedded within worksheets. This calls for a holistic approach focusing specifically on the worksheets as the subjects of the study. Gerofsky (1996) and Kearsey (1997) propose genre analysis as a potentially valuable approach to understand features of text and the relationship between the participants (producers, consumers, and content itself) in that text. Gerofsky's (2012) genre analysis method and her preliminary study investigating worksheets as genre is an example for such a holistic approach. Gerofsky's (2012) approach explores the question of what worksheets are from different disciplinary perspectives and encompasses asking questions about the presence and nature of these particular generic forms.

Part of a broader project, this current study specifically examines what worksheets are and how they are used and perceived by teachers in mathematics education through the perspective of genre theory and includes text analysis, focus groups and interviews. It also provides context for how worksheets may impact the sociology of the classroom (authority, creativity, power, and classroom dynamics) through investigating the following core research questions:

1. What are textual and contextual features of mathematics worksheets in secondary education?
2. How do teachers understand and use mathematics worksheets?

2. Theoretical Considerations

A number of studies on the analysis of curriculum materials, particularly texts used in mathematics classrooms, revealed their influence on teaching and learning in mathematics education (e.g. Valverde et al., 2002). These studies investigated what the texts are (e.g. Love & Pimm, 1996), how they are accessible to students (e.g. Van Dormolen, 1986), how teachers and students conceptualize and use texts (e.g. Remillard, 1999; 2000) and how the role of texts can become a "surrogate curriculum" (O'Keeffe,

2013, p.3). For instance, large scale cross-national studies of textbooks such as the Trends in International Mathematics and Science Study [TIMSS] analysed textbooks for their structural features and organizational characteristics and used "tripartite model of curriculum" as a basis for its conceptual framework. This model considers curriculum as intended- "system goals" at the level of national policy; implemented-"instruction and practices" at the level of classroom; and attained-"student achievement" at the level of students (O'Keeffe, 2013, p. 2). Valverde et al. (2002) also considered a link between the intended and the implemented curricula as potentially implemented curriculum which is mainly shaped by textbooks. TIMSS studies indicated that the impact of the use of textbooks on student achievement is profound [8, 23] and that textbooks are "important mediators between policy and pedagogy" (Valverde et al., 2002, p. 171).

TIMSS considered a wide range of characteristics of textbooks including content, pedagogical perspectives and physical features. Nevertheless, O'Keeffe (2013) suggested adding a linguistic dimension "to strengthen' the T)MSS framework (p.1) and to understand the function of particular language choices made throughout the text. Considering mathematics has a complicated and distinctive language, the role of linguistic analysis in interpreting and understanding the features of mathematics text cannot be underestimated [18]. Drawing from a systemic functional linguistic approach (Halliday, 1978), Morgan (1996) proposes a method to examine mathematical texts through the analysis of language and considered how mathematics activities are presented and the kinds of mathematical messages portrayed. Morgan (1996) argues that through this analysis it becomes possible to gain insights into "how the language of a text may influence the ways in which its readers make sense of it" which provides information for teachers to improve the classroom situations (p.2). Herbel-Eisenmann and Wagner (2007) build on Morgan's work and examine the use of imperatives, pronouns and modality in

mathematics textbooks and found how language choices within a text not only influence how readers make sense of it but also how the text might position students in relation to other students and their teachers.

Pepin et al. (2001) underlines that although “textbooks have a controlling power on what happens in the classrooms” (p.165) teachers use every kind of books in every kind of way and although textual analysis provides valuable insights into the effect of textbooks in learning and teaching mathematics, it needs to be “supplemented by studies of textbooks actual usage” p.166). There is a body of studies that differentiates textbook use “as either following or subverting it” (McClain et al., 2009, p.56) and discusses the text as “a tool” and teachers as “designers”. These studies approach the issue in terms of “fidelity” which raises the following questions: “What is the level of fidelity that promotes students’ learning?” or “What are the potential negative or positive effects of fidelity?” On the other hand, others include “interpreting, drawing on and participating with the text” (Remillard, 1999 as in McClain et al., 2009, p.56) and approach teaching practice and textbook use from a dynamic and complex perspective which considers the interaction among teachers, students, text and context. Drawing from the latter view, McClain et al.’s (2009) study identifies teachers’ instructional reality, agency, and teachers’ professional status as the important features affecting textbook use.

As highlighted in the literature review above, textbooks are a dominant part of the mathematics teaching and learning; however, they are not the only curriculum materials used in classrooms and are usually accompanied by other instructional tools, particularly supplemented by worksheets. Worksheets are also a widespread text with a significant impact on mathematics teaching and learning and demonstrate differences from textbook in nature. Interestingly, while there is an abundance of research done on textbooks as reviewed above, there are only a few studies explicitly focusing on worksheets.

One exception is Mousley (2003) who explored how a particular worksheet on the topic of percentages was used by two Grade 6 teachers and found that the worksheet shaped how the teacher and students interacted with each other. Mousley observed that in the classroom where this specific worksheet was used the students were “listening and doing” or “copying and completing”. Nevertheless, the students in another classroom where the teacher did not use this worksheet had more possibilities to generate and discuss their own ideas as the teacher started teaching by eliciting ideas about the topic and going through problems where there is a context available. Mousley concluded that it is not the teachers’ experience or talent made the difference; nevertheless, the genre of worksheet (form of the worksheet), shaped or created the patterns of the traditional mathematics classroom.

Literature reveals that there is a lack of research investigating mathematics worksheets in terms of their textual features and how teachers use them in the classrooms [9]. Analyzing textual and contextual features of different sets of worksheets and their effects on pedagogy would enrich this literature and provide further insights into worksheet practice. In addition, comprehensive language analysis of worksheets would give insights into our understanding of how language choices made in worksheets impact classroom activities and presentation of ideas throughout these forms. Having said that, the features of worksheets vary and are different from textbooks and thus worksheet analysis requires us to think through different perspectives to consider both content and pedagogy among other features embedded within worksheets. A holistic text analysis approach where different perspectives are merged may suggest possibilities to better understand the nature of worksheets. Genre analysis provides an approach to understand both the features of text and the relationship between the participants (producers, consumers, and content itself) in that text [10].

2.1 Genre Analysis

Genre analysis originated from literary studies and has applications in many areas such as film studies. Genre analysis conceptualizes genre as “a culturally-recognizable form” and involves asking questions about the presence and nature of the particular generic form, such as mathematics worksheets, from many different disciplinary perspectives. Genre can be defined as a category, a kind, or a type of artistic, musical, or literary composition that is characterized by a certain style, form, or content. More recently genre is considered to be a “form of cultural knowledge that conceptually frame[s] and mediate[s] how we understand and typically act within various situations” (Bawarshi & Reiff, 2010, p. 3). This definition allows us to understand genres beyond the regularities in textual form or substance as a reflection of underlying regularities and social dynamics. In other words, since genre knowledge is embedded in the social and cultural situation, by coming to realization of genre and the notion/power of genre, it will be possible to get a better understanding of how people create and react to a particular text/film/ discourse and get affected by a culture or situation. Genre analysis of texts provide insights into various aspects including the structural and linguistic features, time/place characteristics, the processes they change or transform and the unique ways they address their audience and therefore lead to a better understanding of texts through multi-perspectival investigations. From this view, a genre analysis of a worksheet not only provides insights regarding the features of the text, but also the producers’ intentions, how the readers are addressed, and the kind of motives portrayed by the genre itself.

Genre analysis can help to answer the question of what a worksheet is. Through looking for clues embedded in the cultural forms like cartoons, jokes, books and blogs worksheets can be identified as genre. Though the collection of exemplars and identifying them central to, peripheral to and contrasting with genre would help to differentiate their

features and understand family resemblances that lead finding patterns of features to better understand the form. Genre analysis is also an approach that can provide opportunities to consider or re-imagine what a worksheet could be; to explore what Gerofsky (2012) refers to as the genre-benders of mathematics texts. Thus the focus of our study is on mathematics worksheets: What kind of genre are mathematics worksheets? How do teachers report on their use? And in what other ways might worksheets be imagined?

3. Data Collection and Analysis

This report draws upon an in-depth study that included both conceptual and empirical data phases. The conceptual phase involved examining worksheets as a cultural and pedagogic genre.

3.1 Participants

The empirical phase worked with 8 experienced and 1 novice secondary school level educators who, at the time of this study, were also graduate students at a major university (8 participants) or retired (1 participant) (see Table-1). Four participants earned their undergraduate degrees from Canada, two from China, one from Belize, one from India, and one from the United States (US). Participants were asked to provide samples of mathematics worksheets from their own teaching resources and participated in two individual on-line interviews along with a 1 hour focus group interview. Pseudonyms determined by the participants were used for reporting purposes.

Table 1: Participants of the study

Participant	Degree from	Years of Teaching Experience	Grad Places participants taught
Malka (Retired)	U.S.	24	Various grades

teacher)			as resource teacher / Canada, U.S.
Mohna	India	12	Grade 7- university /India
Serena	BC, Canada	10	Grade 7- university/ Canada
Pascal	Ontario, Canada	9	Grade 7-12/ Antigua, Ghana, Vietnam, and Korea.
Lizzie	China	6	Grade 7-12/ China
Chloe	Alberta, Canada	6	Grade 4-11/ Canada
Rambo	Ontario, Canada	6	Grade 7-11/UK, Canada
Anton	Belize	2	Grade 9-11/Belize
Gina	China	-	No experience

3.2 Data Collection

The first individual interview focused on gathering participant background information and how participants say they used worksheets in their teaching. This was followed by a focus group interview. The reason for conducting focus groups was to

provide participants an opportunity to share and test their ideas through interacting with each other, as Robinson (2012) asserts “unlike individual interviews that dislocate the person from their social context, focus group discussion creates an important space for individuals to interact with each other and so generates data and insights that would not otherwise be accessible to a researcher” (p. 392). Open-ended questions were developed and different worksheets were compiled for probing purpose [25].

In order to better understand what counted as a worksheet and what didn’t participants were provided with a range of worksheets as “clues” and asked to examine them for their features, similarities and differences (Törrönen, 2002, p. 343). They were also asked to provide samples of worksheets they had used from their own teaching resources and examples they thought could lie on the boundary of counting as a worksheet. When needed participants translated their worksheets to English. The focus group was followed by a second individual interview to further pursue comments and ideas shared during the group interview. Questions asked during the interviews included: What are your memories of worksheets as a student? How would you describe what a worksheet is and what it is used for? In what situations would you use mathematics worksheets? Are worksheets for all students? What did using worksheets accomplish for you? How do they differ from mathematics textbooks? All interviews were audio recorded. Data therefore included copies of participant’s mathematics worksheets (22 worksheets; 295 questions in total), online interview text, and transcriptions of the audio-recorded interviews.

3.3 Data Analysis

Data analysis drew upon genre analysis approaches that included a study of the existence of worksheets, their historical development, and their defining features and characteristics [3]. Language analysis included coding worksheets at a word level by

identifying imperatives, pronouns and modality and in terms of the placement of mathematics in the worksheets [6, 7, 14]. Analysis focused not only on the features of worksheets but also on the contexts in which they were used as well as the stated relationships by teachers on the interactions between the teacher, student and the mathematics.

4. Results and Discussion

Overall, there were two aspects of the data collection and analysis: The first part focused on a conceptual analysis of worksheets

Features	Detailed Characteristics
Form	Page full of a series of math questions; organized into columns and rows; includes a math topic as title; requires completion by students
Content	Developed by teachers; required by students to complete; questions listed from easy to more difficult; focuses on one particular math topic; emphasizes certain skills
Graphics	No or few graphics; few words; no or few variations of representation such as graphs, numerical, illustrations
Linguistic	Use of symbolic statements; use of imperatives (e.g. find, calculate, divide); use of sentence phrases (e.g. fill in the blanks)

through genre analysis and the second part focused on an empirical analysis of how mathematical worksheets were perceived and used by teachers. In addition to eight graduate students in a university of Canada, a retired teacher was interviewed to gain insights into the practice of worksheet use. For this paper the focus is on the interview of retired teacher (Malka); however, we briefly highlight results on the other components as well.

4.1 Existence, features, and language of mathematics worksheets

The conceptual phase included a general search to verify the cultural recognition of mathematics worksheets as a genre. A search of a word phrase “mathematics worksheets” in Google search engine revealed 4,410,000 documents (Retrieved on May 14, 2013 at 11:34pm). A search was conducted in other languages as well: Chinese “数学随堂小试卷” revealed 2,110,000, German “mathematik arbeitsblatt” revealed 823,000 documents, and Turkish “matematik calisma kagitlari” revealed

445,000 documents. There are numerous printable worksheets for mathematics, along with other subject areas and also numerous worksheet generator websites that provide opportunity for creating one’s own worksheets in many different formats identified. This abundance of documents provides evidence that internationally mathematics worksheets are a culturally recognizable form.

Analysis of participants’ submitted mathematics worksheets found common features among the worksheets on form, content, graphics and language as shown in Table 2.

Participants self-identified their mathematics worksheets as central to, peripheral to and contrasting with what might commonly be referred to as mathematics worksheets, or in other words with the genre of mathematics worksheets. According to participants, worksheets that are central to the genre provide repetitive practice questions for mathematical fluency and accuracy. Participants identified worksheets that were peripheral as focusing on skill practice but also including different activities such as sketching, using a number line, or communicating mathematical reasoning or including questions that were more open-ended or personalized to student interests. All participants agreed that worksheets that could be considered as on the boundary of

counting as a worksheet were less focused on drilled practice and included more use of graphics (pictures or graphs), complex language structures, and required more critical reasoning.

A language analysis of participants' worksheets focused on the frequency of pronouns, imperatives, and modality of the text indicated that the use of imperatives was the most frequent occurring linguist form in the data set. There were 139 imperative statements within the worksheets. Of these 17 were categorized as inclusive imperatives (e.g., show, explain, describe) while 121 were exclusive imperatives (e.g., find, calculate, express, determine, write). The most common imperatives were "find", "calculate", and "write". Interestingly, "find" and "calculate" were not accompanied by any other words or sentences but used as solo just before operational questions. As Bakhtin (1986), in every utterance, the producers (speakers-authors) make choices from the available resources and structures which are get shaped by the cultural and social motives. According to Schryer (2000) these choices are not arbitrary but are driven by the writer's position to the subject matter and to the audience as well. As such, these specific use of "find", "calculate" and other mentioned imperatives across worksheets data associate to an education system where the students' role is prescribed as doing and being accurate. There were 25 pronouns found across all the samples: 2 first person plural pronouns (we), 17 second person pronouns, and 8 third person pronouns. No first person singular pronouns were found. This very narrow use of pronouns demonstrated the lack of agency in the worksheets. Students are only in few worksheets addressed as active actors doing, sharing, generating mathematics. In most of these worksheets human actors were removed from the scenes and mathematics depicted as a formation aside from humans. Modality, an aspect of text that reveals how human agency is constructed within the text, was also analysed. Modality examined through the use of modal auxiliary verbs such as must, will, could, or might revealed that 11 of the 22

worksheet samples used modal verbs. In total 22 modal verbs were found across all the samples with the verb "can" being the most frequent (11 times). The modality indicates the certainties or probabilities that the producer of the text established throughout the text. This finding did not support the view that values students' thinking and did not find students' contributions meaningful.

4.2 Teachers' accounts on worksheets

Analysis of individual and focus group interviews reveals that all participants distinguished worksheets as being quite different from class handouts. According to participants, handouts play a totally different role in mathematics classrooms therefore they must not be considered as worksheets. Chloe identified this role as "worksheets have more repetitive questions ...[and] do not emphasize critical thinking". Four of the nine participants associated worksheets with acquiring fluency and accuracy while handouts were used to engage students in critical thinking or conceptual understanding. In this way participating teachers stated they found worksheets limiting, with a focus on repetitive, drill type questions, worksheets tended to lack challenging questions or prompt critical thinking. Mohna's comment reflected others: "teachers don't use [worksheets] as a tool for critical thinking or conceptual thinking" worksheets generally focus on "what you've already learned."

Although all participants reported using mathematics worksheets they were critical of them. Worksheets were described as "a series of questions with single right answers" (Rambo), obstructing creativity (Lizzie), or closed problems that didn't provide teachers access to their students' thinking (Serena). Some, such as Rambo, reported his experience that students sometimes preferred worksheets to other more challenging work that required creativity or critical engagement.

In order to better understand mathematics worksheets as a genre, participants were

asked to imagine possibilities for other ways in which mathematics worksheets might be structured or used. Participants suggested playing with the form of the worksheet as well as the content and also discussed possible worksheets that challenged the typical column and row structure of worksheets. In addition, it was suggested that worksheets could be designed to engage students in group work.

4.3 A retired teacher's perspective: Looking back

Malka's interview on the other hand shed light the history of worksheets. Malka is a retired teacher, from Hamilton, Ontario, who taught from 1952 to 1954, took a break to raise her children for twenty-two years, and then went back to teaching from 1976 to 1995. She was involved in the education system for almost a half a century as an elementary school teacher, as a resource teacher and as a parent of three children. In her interview she talked about her experience with worksheets during these 43 years of school involvement. Mainly she drew from her work with students with special needs as a resource teacher in her reading and writing classrooms; however, her insights shed light into our understanding of mathematics worksheets and their history.

Malka identified worksheets as "a supplementary type of thing" and she cautioned about handing out worksheets and leaving students all alone. Rather she valued teachers' involvement in the process of solving worksheets and helping the students 'individually'. She said,

"Worksheets would [not] be the be-all, end-all; they would just be one tool of many. It was very important to get the kids to use the material that they learned, that was another avenue of learning. You can't just listen, you have to participate, you have to use it, and a worksheet might be one tool, writing might be another tool, getting together in a group and answering questions and discussing would be another. Another way would be to, perhaps, use art as a tool to interpret what it was you were learning. I could go on and on and on. So

worksheets were not the be-all, end-all of teaching; they shouldn't be".

Malka was also cautious about using worksheets all the time for everyone. While she mentioned that she was photocopying "a whole set" of worksheets for the class, she mentioned that if any of the students needed a different worksheet then she would make them. She also mentioned worksheets as formative assessment tools as "they were useful, the children had to use what they were taught and that had to be translated to solving problems on paper. They were one of many tools but it was a good work tool [...] helped me see whether the child understood what was taught".

Through Malka's experience, one might wonder whether the use of worksheets first started in language classes to address students' individual needs such as reinforcing a particular skill and then became widespread in other subjects such as mathematics. Malka mentioned this: "when I was working individually with a child in improving his reading ability, then the practice worksheets using some of the vocabulary ... helped me see whether the child understood what was taught". It is curious to know that while worksheets were created and used for addressing one or a few students' necessities at the beginning, when the copying technology became available and easily accessible, particularly after sixties, teachers started making "a whole set" for the class and then worksheets become ubiquitous in mathematics classroom. However, there is no history of mathematics that traces the introduction of worksheets within our knowledge.

Malka's perspective, yet, invites us to think about our practices of using worksheets. One might feel that teaching through worksheets is becoming ineffective because many teachers may fail to realize that worksheets were originally intended to use for a particular reason for a particular person, rather than used all the time for everyone. Educators' intentions for the use of worksheets may be

subverted by the changing technology as it became available. If this is the case, it gives us reason to consider, how the development of a paperless office machines-digital copier machines will affect the use of worksheets and also the teaching and learning of mathematics. There is a need for further research in this area.

5. Conclusions

This study demonstrated that worksheets are important elements of mathematics teaching and learning and reflect teachers' intentions and teaching choices to address their students' needs. Many teachers and students use worksheets in different ways around the world. The features of worksheets, how language choices are made in worksheets and how they are used have an impact on teaching and learning of mathematics.

The genre analysis revealed that worksheets have "typified regularities" (Miller, 1984, p.131) that conform to a certain consensus [3] and "mediate situated symbolic actions" (Bawarshi & Reiff, 2010, p.54). The typical textual features of worksheets were identified based on the genre analysis of the original worksheets collected from the participants. The features were found to have format and context specific characteristics as listed in the results section. Briefly, they were grouped under form, content, graphics, linguistics themes and teacher and students' actions addressed by the genre. This constellation of features constituted the essence of worksheets as culturally recognizable forms. Questioning the worksheet genre form through comparing the contrasting or marginal forms led to an inquiry of clarifying the nature and generic structure of worksheet genre. As such, among the worksheets under investigation, there were forms that were identified as central or marginal to (peripheral to and contrary with) the worksheet genre.

This study also revealed that worksheets have mostly emphasized the procedural and calculational aspects of mathematics but not conjecturing, relating, testing or describing nature of mathematics. In addition, it revealed

that the authoritative language of worksheets position students outside of mathematics community resulting in alienation [7]. When worksheets are used to force students to learn in a specific way, and treat them as a cohort rather than individuals without addressing individual abilities, interests and needs, worksheets are considered as a hegemonic and homogenizing force [14]. Thus, the use of worksheets could potentially put barriers to teachers' and their students' imagination and creation by closing a door towards exploration and by forcing a fixed curriculum.

However, worksheets can be conceptualized differently by converting them into forms that promote students' exploration of ideas through critical thinking and problem solving. This requires thinking outside of the box when it comes to worksheet usage in the mathematics classroom. By being aware of the constellation of features of worksheet genre, it is possible to alter or highlight some of these features to improve teaching by creating new forms and bringing a fresh look to their form and context.

In this study, genre analysis was employed in addition to language analysis, focus group and interviews to understand the textual and contextual characteristics of worksheets in secondary level mathematics education. Genre analysis provided a framework to incorporate different methods of analysis and brought a critical view that the form of worksheet could shape our actions as teachers creating the text and students reacting to text since it considers multiple dimensions ranging from formalistic features to origin.

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II PLENARY SESSION

Education, Psychology & History

Session Chair: Mehmet Nurullah Akkurt - Duquesne University, USA

Knowledge production and exchange: actors, tools and resources in the Field of translation technologies

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Abstract

In a series of articles published between 2010 and 2011, Volckmann and McGregor analyze several initiatives of universities across the world to demonstrate transdisciplinarity is not only a new reality of higher education, but also a goal. If for them, "one of the challenges of higher education is to reconceptualize its relationship with the rest of society", for translation studies scholar Lee-Jahnke, this challenge is even clearer for translation which is a social global practice. We first illustrate how translation appeals to various human skills and fields using the example of two specialized texts. Then, we show translation in the 21st century is collaborative and cooperative. As in all spheres of human life, knowledge is not fixed anymore, but continually renewed. Actors taking part in the translation technologies design, development, implementation, use, management or teaching can no longer assume "knowledge is there" but find strategies do produce, distribute and use knowledge collaboratively.

Translation as a social practice which moves across disciplinary boundaries

In June 2014, during an interview with France's TF1 television and Europe 1 radio, Russian President Vladimir Putin said that "it's best not to argue with women" as he dismissed former US secretary of state Hillary Clinton's recent comments comparing Russia's actions in Ukraine to Germany under Adolf Hitler in

the 1930s. Translated into French as « Il est préférable de ne pas débattre avec les femmes » (meaning « It is best not to discuss with women »), his mistranslated remark sparked a myriad of indignant reactions, including that of Valérie Trierweiler, former France's First Lady, who said in a Twitter message:

"Happy not having to shake hands with Putin...". The translation error is explained in an article by *Libération*¹ which indicates the verb "sporitsya" in Russian has two meanings which depend on the context. The translator made another serious blunder, explains the same French newspaper, when the phrase "The weakness is not really the worst qualities in a woman" ("katchestvo" meaning "quality") was translated as "weakness, for a woman, is not necessarily a fault". If the translation of these statements has political and diplomatic implications, similar to the decision to represent a country on a map without giving it a name, it does not mean that other phrases, simpler and which are not pronounced in a formal context, lack this impact force. Hans Vermeer, speaking about the different translational action levels (from the surface to the depths of human psychology) as well as about the translator's responsibility and ethics when making decisions, gives the example of the rain and its consequences for translation. He says:

¹ www.liberation.fr/monde/2014/06/05/poutine-traduction-imprecise-ou-veritable-goujaterie_1034276.

[...] imagine a man and a woman, married for many years, having their breakfast. There is absolute silence. With some hesitation, the man says softly, without looking at his wife, looking at the wall, as if listening to the noises outside, "it is raining." At first glance, this is just information, but it is actually a phatic act. In this situation, the sentence does not seem to contain any information, it seems unnecessary. The man knows that the woman knows that it is raining. But if we look closer, this sentence is an attempt to break the silence. It may be a timid attempt, not yet a request for help in this endeavor. And if we move away from the surface of the statement, there is the disturbing certainty that we have much more to say, that our relationship is dead. And perhaps even more profound, deeply inwards, the awareness of being self-responsible for this situation... [22]

Translating therefore is not just transferring words from one language to another. Translation is a complex phenomenon and a social and relational activity that mobilizes all fields of knowledge and practices of a society. While philosophers, linguists, humanities specialists, scholars or translation professionals, sociologists, anthropologists and ethnologists with various cultural backgrounds and coming from diverse geographical areas have questioned what translation is, this discussion is beyond the scope of the humanities. Translation as mediation between cultures and individuals lays the foundation for the "society 3.0" [24] whose aim is to form actors able to innovate through the blending of knowledge, cultures, techniques, means of communication and thanks to the convergence of technologies, actors and skills.

The translation profession has undergone profound changes in recent decades due to technological turn and the integration of technology on the map of translation studies, the emergence of new translation-related professional profiles, the diversification of interests for the translation, the increased volume of multilingual communication and the weaving of applied research into theory. Specialised translation (technical, legal, economic, multimedia, medical, software, website, etc.) can no longer be taught today without training students to use the computer-

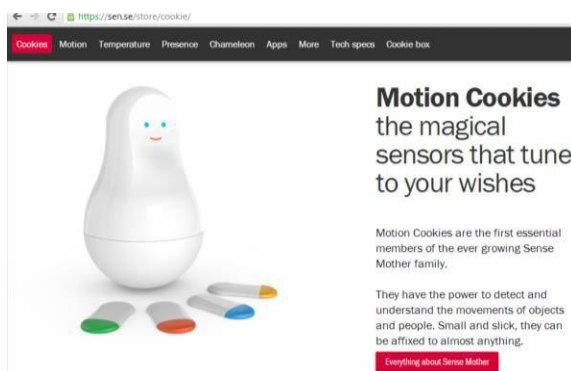
aided, translation environments or machine translation tools available on the market as well as to critically reflect on the usefulness of these tools in specific communicative settings. Today, translation students not only learn to translate "words", they also learn to build their social space in which they become specialists of multilingual and multimedia communication and in which they learn to develop a range of specialised skills, pragmatic, technological, strategic and relational, all required by translation service provision. In this new environment characterized by rapid technological change, the need for digital inclusion, the democratization of technology and the need to acquire digital and social skills, translation rather defines a social behavior oriented towards the "otherness" and towards a communication and collaboration with the others.

In each language activity (writing, translation, terminology, editing, post-editing, localization, adaptation, etc.), research and documentation are crucial steps that have an impact on the quality of target texts. These steps involve not only the mobilization of individual documentation techniques and sound knowledge of community resources, but also the use of effective communication strategies, either because the work is done in teams, or because other people need to play a part in the process. The "social behavior oriented towards the otherness" presupposes a constant negotiation of meanings, tools and resources, and a dynamic alliance between actors that allows others to join the team and accomplish specific tasks. Thus, the project will reflect a systemic vision of the translated texts rather than disparate individual visions:

A team is considered to be a collection of individuals. They are focused on their identity and their individual operation within a territory. When they feel secure in their identity and territory, the members of the team gradually shift their energy to the processes that affect other members. Communicate better, try to create alliances with 1 or 2 people becomes a concern. The team members acquire a systemic vision. [19; our translation]

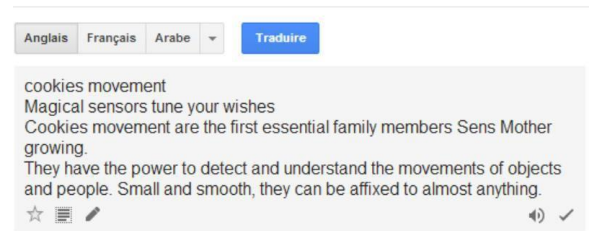
For example, to understand a technical text (which is a type of specialized text), the translator will spend much of his time consulting documentary sources or consult other experts to acquire the necessary expertise to the formulation in the target language (terminology, phraseology, expressions, document structure, etc.). Bilingual dictionaries are not sufficient since they do not include all possible contexts, especially the specialized ones. Terminology databases may provide equivalents in fields other than the one of interest to the translator. Other sources may provide equivalents which are not much used by specialists. Consulting specialised forums and blogs and querying other community resources in either the source or the target languages could help to dispel doubts. Young translators prefer to rely on such sources as Google Translate, Wikipedia or Linguee (online sources) and use less paper sources that require linear reading and analysis of texts since free online sources "give immediate answers to problems"; this does not mean that they are good answers. In fact, Lagarde [7] notes that "the Internet has marginalized the use and purchase paper sources but it has not necessarily helped translators to become experts" (our translation).

How could we just limit our work to consulting Google Translate when translating, for instance, the following text, which combines specialized information in the technology field, more precisely the electronic home and family monitoring systems area, as well as visual meanings, contextual information and interdisciplinary knowledge?



[Source: <https://sen.se/store/cookie/>]

If you try to use reverse translation with Google Translate, by translating the text into a target language and retranslating it back to the original language (English), the result would be the following:



We notice the machine translation system literally considered the name of the product (two contiguous words: motion + cookies), no analysis could be made of the image that shows the product and its characteristics (resembles a "cookie", part of a larger family), the paragraph could not be considered in connection with the whole text which also gives information about, for instance, the meaning of the motion cookie colours:



and the paragraph could not be placed in the context of the entire website of the French company that developed the product [<https://sens.se/>], whose analysis could give the translator an indication of the communication strategy the company used as well as about the metaphors and wordplays appearing in their texts.

Of course, Google Translate could not understand “cookie” in its both specialised and general meanings; if, in the computer science field, cookie means “« a small file or part of a file that is stored on the computer of a World Wide Web user, that is created and subsequently read by a Web site server, and that contains personal user information [such as a user identification code, customized preferences, or a record of pages visited² », the general word also has two other meanings: “« a small, sweet, baked good [...]”³ (this meaning is connected to the form of the product) and “a little girl : child, sweetheart — used usually as an affectionate term of address⁴” (this meaning is connected to the “family link” idea present in the text, the magical sensors being connected to the parent device, which also gives a nice look and a human touch to the device). Google Translate could not analyze other websites speaking about “smooth cookies” and their characteristics (colour, for instance):



The machine translation tool analyzed just the words, searching for solutions in other Google similar content and it even managed to provide an acceptable translation for the last sentence. However, the tool did not analyse the text as a human would do, before proposing a translation. For instance, for the term “motion cookie”, a translator - after having read several other texts that speak about the same concept – could come up with a list of semantic feature that would help him understand the concept:

Functions:

- able to monitor a variety of factors
- able to wirelessly transmit data to a central hub
- able to store data

Attributes:

- multiple sensors
- built-in sensors

² <http://unabridged.merriam-webster.com/unabridged/cookie>

³ <http://unabridged.merriam-webster.com/unabridged/cookie>

⁴ <http://unabridged.merriam-webster.com/unabridged/cookie>

- first essential members of the ever growing Sen.se Mother family
- connected to a parent device
- portable / mobile
- affixed to objects or people
- autonomous
- multipurpose
- customizable
- each one is assigned with a specific application of the user’s choice

Physical characteristics:

- discrete
- small
- slick
- colorful
- disk-shaped

A translator could also make connections with other fields before proposing a translation. For instance, the biology field would allow the translator to understand how a living organism functions. The concept of “cell”, defined as “the smallest unit of life that can replicate independently”, which “moves in order to find food or escape predators”, its “connection” with the external medium, the fact there are “mother cells” and “girl cells”, the presence of “cell” in other technology-related fields (cell or cellular phone, cell and “photocells that are sensors that allow you to detect light”) would provide the translator with multiple semantic links, invisible to the automatic translation tool, such as:

- smallest unit of life ≈ *first essential members*
- can replicate independently ≈ *ever growing family*
- girl cell ≈ *cookie (a little girl)*
- mother cell ≈ *Sense Mother, sense (feeling) of belonging*
- cells dynamics ≈ *motion, movement*

Finally, the translator could also discover cookies can be delivered in “cell carton coloured boxes”:



Let us consider a different specialized text coming from the Microsoft website. The text contains several specialized terms that belong

to a specific field of knowledge (these terms are highlighted):

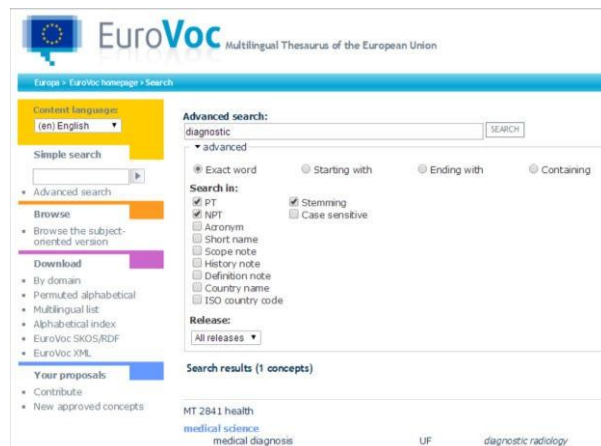
The Debug Diagnostic Tool (DebugDiag) is designed to assist in troubleshooting issues such as hangs, slow performance, memory leaks or fragmentation, and crashes in any user-mode process. The tool includes additional debugging scripts focused on Internet Information Services (IIS) applications, web data access components, COM+ and related Microsoft technologies.

The debugger service (DbgSvc.exe) performs the following tasks:

- ✓ Attach/Detach the host to processes
- ✓ Collect performance monitor data
- ✓ Implement (TTP ping to detect hangs
- ✓ Inject leak monitor into running processes
- ✓ Collect debugging session state information
- ✓ Shows the state of each rule defined

[Source: <http://www.microsoft.com/en-us/download/details.aspx?id=26798>].

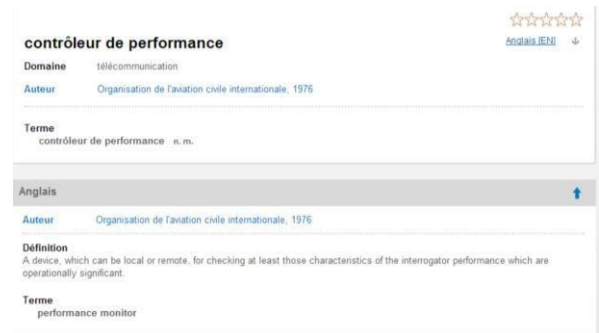
If the translator consults different terminology databases (Termium, IATE, TermDat) or multilingual thesauri, he may find that some terms are perhaps not listed, that other terms are listed in a different domain, terms are listed with no definition or their definition is incomplete. For example, a search for the English term “diagnostic” in the *Multilingual Thesaurus of the European Union* provides no record in the domain of the text above; the only record is in the medical science field:



[Source : <http://eurovoc.europa.eu/drupal/>]

A search for *performance monitor* in Quebec’s *Grand dictionnaire terminologique* [<http://www.granddictionnaire.com/>] returns

only one result which belongs to the telecommunications field:



A search for *memory leak* in two terminological different sources (*Termium*, www.termium.com and *Grand dictionnaire terminologique*, www.granddictionnaire.com) returns two different French equivalents in the same field:



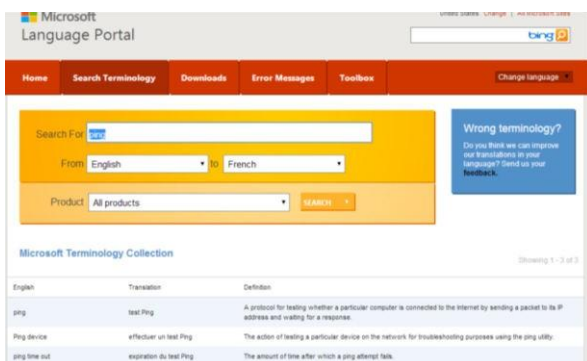
© Public Works and Government Services Canada, 2014
 TERMIUM Plus®, the Government of Canada's terminology and linguistic data bank
 A product of the Translation Bureau



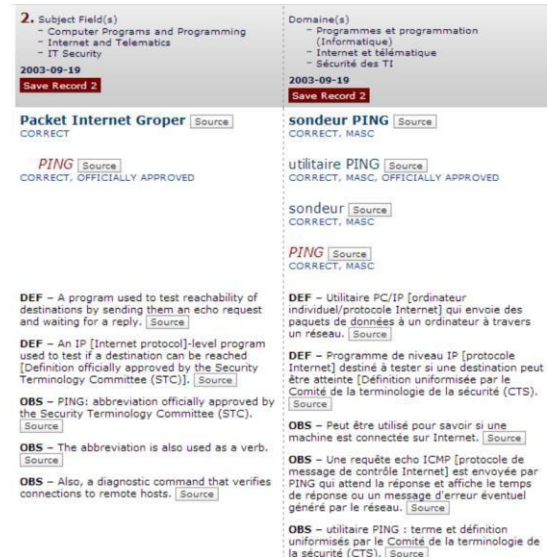
A search for the term PING in the *InterActive Terminology for Europe database* [iate.europa.eu/] gives two French equivalents, both being described as reliable.



What will the translator choose, especially as the source term here is *HTTP ping* for which an advanced Google search into French shows either that “http-ping” is a utility that checks a given URL and displays relevant statistics [Source : www.clubic.com/telecharger-fiche218780-http-ping.html] or “a type of ping”? According to Wikipedia (French version), “ping is a computer network tool used to test whether a particular host is reachable across an IP network” (the term is borrowed from English). The Microsoft Language Portal [www.microsoft.com/Language/en-US/Default.aspx], too, indicates “ping” is not translated into French:



Termium shows *PING* is “a (utility) program used to test reachability of destinations by sending them an echo request and waiting for a reply.” Several translations into French are proposed. Will the final translation into French be “sondeur d’adresses (TTP” or “ping (TTP”?



The translator must know how to clearly define the scope of the field in which he will conduct documentary research. In the case of this specialized text, will the specialised field chosen by the translator be: *computer programs, computer systems, computer science, testing and debugging* or *Information technology and data processing*? Each of these possible decisions to delimit and structure the subject field in a certain way may have an impact on the definition of the term, on its context of use and on the proposed equivalent in the target language. The translator could ask himself the following additional questions:

- ✓ (as the tool name (*Debug Diagnostic Tool (DebugDiag)*) been translated? A search in the *Microsoft Language Portal* may provide an answer. An advanced Google search into French might be useful, too (in this case, we note the use of the English name in several specialized French sites). Finally, a search in various concordancers (databases of aligned source and target texts, such as *Webitext.ca*) could provide possible solutions. By doing this research, the translator will find that the name of the tool has not been translated and he may decide to either keep the English term in French or propose a new name in the target language. If the translation work is done in team and the team is using a computer-assisted translation tool, the translator could “lock” the translation of the term or create a terminology record for the team, so that the terminology used by the members of the team be consistent throughout the project.
- ✓ If the translator needs to propose a new French name for this tool, will partial searches

such as *diagnostic tool* or *debug tool* provide useful information?

The screenshot shows the Taus website interface for the term 'outil de diagnostic'. It includes a search bar, a domain filter (informatics > logic), an author (Office québécois de la langue française, 2000), a definition, notes, and a list of related terms like 'logiciel de diagnostic' and 'programme de diagnostic'.

The screenshot shows the Taus search interface with a search bar and various filters. The search results show a list of terms related to 'outil de diagnostic' and 'debug tool'.

The screenshot shows a search results page for 'DEBUG TOOL'. It displays a list of results in both English and French, including 'debugging aid', 'debug tool', 'debugging tool', and 'debugging facility'. It also includes a section for 'TERME(S)-CLÉ(S)' with sub-terms like 'debugging aids' and 'debugging facilities'.

✓ When a search is performed in specialized terminology resources, what other contextual information will help the translator make the right choice from a list of proposed results? For example, the list below shows several equivalents for the term *hang* which are present in the *Microsoft Language Portal*. The translator will not select the French equivalent "Symbole tađ tham (ang », but he will rather focus on the series "repair;problem;error;crash;hang;solution" which has a semantic link with the term *hang*.

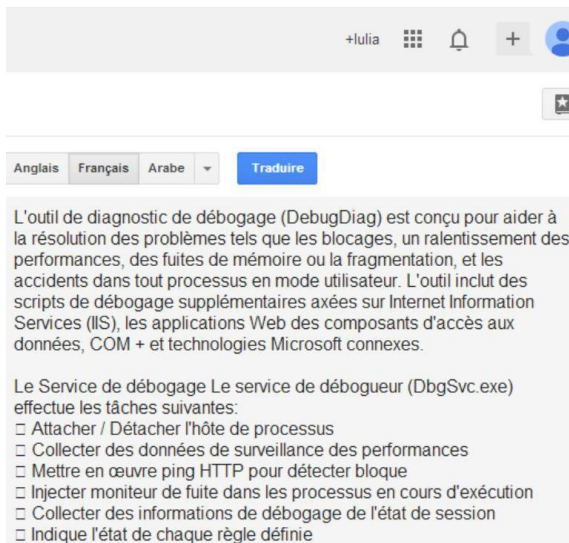
Translations in Localized Microsoft Products

English	Translation
Hang	Hang
Tai Tham Sign Hang	Symbole tai tham hang
Tai Tham Sign Hang	Symbole tai tham hang
ham hira kana hang	ham hira kana hang
ham hira kana hang	ham hira kana hang
repair;problem;error;crash;hang;solution;	réparer;réparer;réparation;réparation;problème;problème;erreur;incident;arrêt;intéressé;arrêt;intéressé;blocage;bloque;bloc;réparer;problem;error;crash;hang;solution;
repair;problem;error;crash;hang;solution;	réparer;réparer;réparation;réparation;problème;problème;erreur;incident;arrêt;intéressé;arrêt;intéressé;blocage;bloque;bloc;réparer;problem;error;crash;hang;solution;
warning;report;alert;windows;crash;hang;balloon;reminder;solution;	avertissement;rapport;alerte;incident;arrêt;intéressé;arrêt;intéressé;blocage;se bloquer;notification;bulle;rapport;warning;report;alert;windows;crash;hang;balloon;reminder;solution;
warning;report;alert;windows;crash;hang;balloon;reminder;solution;	avertissement;rapport;alerte;incident;arrêt;intéressé;arrêt;intéressé;blocage;se bloquer;notification;bulle;rapport;warning;report;alert;windows;crash;hang;balloon;reminder;solution;

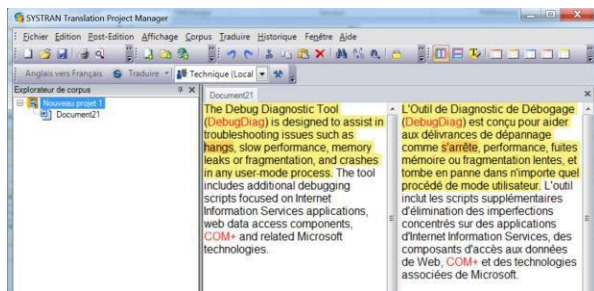
- ✓ Should the translator understand *Debug Diagnostic Tool* as "debug and diagnostic tool" or "a tool used for debug diagnostic"? French equivalents would then be different.
- ✓ Do verbs present in this text (*attach, detach, collect, inject, implement, show*) have a specialized meaning? What sources should be used to find and confirm these specialised meanings?
- ✓ Does the text contain terms that are specific only to Microsoft technologies? In this case, should the translator conduct a complete document search on Microsoft sites and in the Microsoft Language Portal?
- ✓ What are the reliable bilingual glossaries that could be used?
- ✓ Is there any free Web-based translation memory [such as Taus, <https://www.taus.net/>] that could be used for term and vocabulary researches?

✓ If the translator decides to use automatic translation tools (free or paid), will the results be reliable enough to be used as a starting point in the translation process or they will not encourage the translator to be alert when searching for specialized meanings?

For instance, Google Translate proposes this French translation:



This translation is certainly not perfect, but it is significantly better than what we get when using a paid machine translation tool (Systran) which is moreover using a computer science dictionary during the translation process (however, this dictionary must be limited compared to the Google text database):



An article on the *Debug Diagnostic Tool* is present on the site of Microsoft France. The company warns that the article has been translated automatically by the Microsoft Translator tool.

de mode utilisateur Win32. Par exemple, l'outil Debug Diagnostics 1.1 peut vous aider à dépanner une application qui cesse de répondre (se bloque) ou se bloque, s'exécute lentement, qui perd de la mémoire ou a des problèmes de fragmentation de mémoire. L'outil Debug Diagnostics 1.1 inclut également des scripts de débogage pour les applications Microsoft Internet Information Services (IIS), les composants d'accès aux données Web, les applications Microsoft COM + et des technologies Microsoft associées.

Le Service de débogage

Le Service de débogage (Dbghost.exe) exécute les actions suivantes :

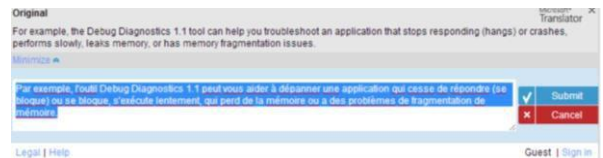
- Attache l'hôte au et détache l'hôte de processus en exécution.
- Collecte des données de performance monitor
- Contacte un serveur et utilise l'énumération `HttpStatusCode` pour déterminer l'état du serveur.
- Surveille les fuites de mémoire dans les processus en cours d'exécution
- Collecte d'informations d'état de session de débogage
- Affiche l'état de chaque règle définie

[Source :

<http://support.microsoft.com/kb/931370/fr>]

However, the quality of the translation is different and it raises some additional questions:

- ✓ Can we say "an application that leaks memory" ("une application qui perd de la me moire")?
- ✓ The French equivalent for "fragmentation" is "memory fragmentation"?
- ✓ Is the translation "performance monitor" correct taken into account that monitor is "moniteur" most of the times in French?
- ✓ Is the sentence "Contacte un serveur et utilise l'e numération `httpStatusCode` pour de terminer l'e tat du serveur" trying to explain the English sentence « Implement (TTP ping to detect hangs »? In this case, what does *énumération* (*ttpStatusCode* mean? Further research will be needed.
- ✓ Why has the sentence "Inject leak monitor" been translated by "monitoring memory leaks"? What is the semantic link between these two English sentences?
- ✓ (as this automatic translation been post-edited by other users or by experts in Microsoft technologies, since the company gives each anonymous user, professional or amateur, the possibility this machine translated text:



The three machine translation solutions (Google, Systran, Microsoft Translator) found for this specialised text show that quality is context-situated (a published translation is not the same as a text translated by Google) and quality is differently understood [12]. Quality can be objective and reflect performance based on a score; quality can express a commitment to apply certain standards and norms; or quality can reflect the usability of texts – what people want to do with those texts:

Quality does not exist in a vacuum; it depends on the purpose of the translation. While "quick and dirty" translations may be acceptable for some purposes as long as the correct meaning is conveyed, there are cases where only the highest quality will do. And knowledgeable translation buyers know that for that level of quality they must be prepared to pay Cadillac and Rolls-Royce prices. [3]

The context understood as a social and cultural environment where people react differently to the meanings of things, based on their beliefs, values, intentions or expectations also explains the emergence of new translation environments: online translation, speech-to-speech translation, multilingual web content translation for companies seeking to increase their local presence and meet users' expectations, machine translation systems outputting texts or speech in the target language, picture icon translation, mobile medical translation tools [http://medibabble.com/], message translation [www.yammer.com] and so on. These technologies show the necessity to communicate and create relationships without the obligation to become perfectly equivalent: People can understand each other, or new things, without the guarantee or even the possibility of a fully shared understanding of the meanings involved. Recognizing the nonequivalency of translations actually implies that contexts are ultimately not bounded or clearly circumscribed. One makes sense of the "other" in one's own context, but one's context does not exist in isolation. [5]

Even if an important keyword for achieving professional translations is *trusted* (quality control, expert people, experienced management, highly skilled translators), there appear to exist nowadays different levels of *trusted translation*. It is the content type or its value that determines the investment in terms of time, money and human skills for various translation processes:



[Source: www.lingotek.com/images/pdf/Lingotek_Amazon_GovCloud_Webinar_05_15_12.pdf]

The specialized texts used above also show us that documentary search is the primary means to ensure the technical validity and quality of translated texts. The same is true for source language technical writing. For example, when specialized documents are written by engineers and not by qualified technical writers who use appropriate search strategies, the revision of texts costs more (economic impact) and customers are not satisfied. And when these documents are distributed in different formats (web, Flash, paper, etc.) and through multiple channels, the damage is even greater. In other writing situations, the lack of documentation and knowledge of specialized languages may have legal consequences.

Bilingual revision, to give another example, requires specialized knowledge in both languages. It is not enough to have grammar checkers, writing software or quality control programs since only humans are capable of understanding the communicative setting. Finally, a project in fields such of software localization, Website localization or game culturalization mobilizes knowledge and skills of various actors and includes various activities such as: project management, translation, cultural research, electronic publishing, engineering, quality control (which also involves a terminological control),

product testing or updates. We therefore realize once again that the translator does not just translate words. Today:

[...] the translator becomes more and more an "engineer in multilingual and multimedia communication" which, to complete the set of his performance, may be required to perform the tasks of a "pre-translator, librarian, researcher, terminologist, phraseology professional, reviewer, revisor, editor, and expert in various desktop publishing tools", in the words used by Gouadec. [8]

Translator's human skills, his capacity to make choices and decisions cannot be ignored, whatever the automation level that companies in language technologies want to reach. As Pym points out [12], "In principle, the greater the online accessibility of TM/MT systems ("in the cloud" or on databases external to the user), the greater the number of potential users and the wider the range of users." However, the use of translation technologies, notes Pym, will still require *human skills*, either when pre-editing texts to be translated or when post-editing translated texts. To be successful communication tools, technologies need to "connect with significantly developed human skill sets". These skills are not only purely translation skills, since the use of these technologies involves a wide range of people. These skills can be acquired through interaction with other users (collaborative learning), by sharing knowledge within communities that also include non-professional translators, volunteer / fan translators or people *acting* as translators (people seeking to spread their message across different languages), therefore *all types of social actors*, but also through flexible, project-based or competency-based learning. While research in translation technologies is mainly done by three research groups, namely translation technology develops, researchers within university environments (engineers, linguists, mathematicians) and university teachers, Pym argues that university teachers, because of their background in theoretical linguistics, communication studies, language teaching, or translation, are the only ones able to investigate upon the human dimension of translation technologies use as well as upon

the training aspects⁵, as the other groups focus more on technical, linguistic and quality issues. People participating in translation workflows (professionals as well as non-professionals, experts as well as novices) need to be seen as "social agents" and the technologies they appeal to as persuasive tools able to change behaviours, ideas and practices. Researchers with a background in human sciences and an interest in translation technologies could better explain, for instance, the influence technologies have on translation behaviours and tool appropriation, why translation workspaces are strategically designed by tool developers or how technologies help language professionals recognize and define those elements in their environment which are strategically important for their work. (however, "their teaching activities should ideally constitute a bridge between the language of developers and the needs of users" [12]. Referring to O'agan [2008], Pym also points out collaborative workflows could be envisioned as a new training environment for future translation professionals and advanced users of translation technologies.

Due to the opening of geographical borders, the proliferation of community content, communication platforms and research, documentation and translation tools, it is necessary to think the translation in relation to the other human sciences fields, to consider it as a social practice inscribed "in a system which encompasses all transfer aspects (not only linguistic but also cultural, psychological and sociological) and which thinks critically of the place of the human being in an environment increasingly dominated by technology." In today's society, where ICTs have become part of our lives, digital literacy being not just a matter of skills, but also a social, interconnected and situated practice, a wide range of users, professionals and non-professionals, communicate by using various languages and various content types, from online (instant) messages (text or speech) to specialized documentation, websites or, for instance, audiovisual translation. Some believe the technological advances have done a lot of

⁵ In principle, humanistic research is well positioned to investigate and communicate between the various users, with awareness of different kinds of social actors, collaborative workflows, text types, and translation purposes. [12]

good for the translation profession, but also a lot of harm, in the sense that anyone can call himself a translator, which affects the quality of translated texts. However, the translation market evolved like almost every aspect of our world and, more interestingly, translation – which is “a dynamic reflection of human activities”, has become a tool in economic development, cultural understanding, reconciliation of ideas and ideologies, social and digital integration as well as in development education [2].

Since we cannot deny these social changes, what is important is to adapt our ways of looking at translation and the role it plays in pushing forward our knowledge of the world and our awareness of the “otherness”.

... translation in its very essence does not change.) agree that, as a practice, it doesn't change, in the sense of what translators do. But what does change is the way we look at translation, our models, our concept of what translation is, that changes dramatically, which in turn influences our practice. [1]

Translation processes in the 21st century as collaborative, cooperative, knowledge sharing processes

According to the Directorate-General for Translation in the European Commission, the initiator of the European Master's in Translation (EMT) – “a partnership project between the European Commission and higher-education institutions offering master's level translation programmes”, translators nowadays are “experts in multilingual and multimedia communication”, playing an active part in global networking and global activities, including knowledge management and knowledge spread across geographical and cultural boundaries. United Nations translators must, for instance, “establish and maintain effective working relations with people of different national, linguistic and cultural backgrounds with sensitivity and respect for diversity” and “work collaboratively with colleagues and demonstrate a willingness to learn from others”. In addition to 'traditional profiles', such as 'translator', 'reviser' or 'terminologist', language professionals can embrace other types of jobs, such as *community translations*

manager, content and community manager, transcreation manager, translation account manager, online marketing – country platform developer, linguistic service manager, translation technologies expert or online terminology expert. As far as language-related tasks are concerned, the GeoWorkz Marketplace for Jobs developed by Lionbridge lists the following activities: audio production, cultural adaptation, cultural evaluation, desktop publishing, development, GDT Certification, Graphic Creation/Maintenance, Internationalization, Interpretation, translation, localization engineering, media production, project management, technical writing, testing and video production.

To train future language specialists and professionals, universities have created innovative programs and learning environments. The *Université Paris Diderot – Paris 7*, for example, offers a Professional Master's Program in Language Industry and Specialized Translation (*Master professionnel ILTS*) to meet the need of training for a highly varied range of jobs. In their curriculum, specific modules such as 'Job Training', 'Tools and Professional Integration', including courses and workshops such as 'Translation market', 'Translation Jobs', 'Translator's Various Contract', 'Business Activities', 'Negotiation of rates', 'Productivity', 'Integration of business functions or 'Distance Learning' clearly demonstrate the need for adapting curricula to new realities and practices and for connecting translation to other disciplines, not only from the humanities, but also from business and management (an example begin the new program *Bachelor of Translation with Business* from the Hang Seng Management College in Hong Kong), psychology, mathematics, system theories, coordination theories, negotiation theories, what Salevsky and Müller call “transdisciplinary universality” [15].

According to CIUT), “the world's oldest and most prestigious international association of university institutes with translation and interpretation programmes, [...] devoted to excellence in T&I training and research” [<http://www.ciuti.org/>], students in translation studies should acquire the theoretical basis and the methods of transla-

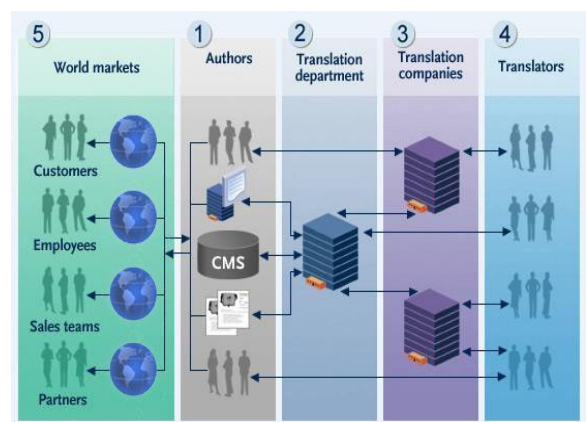
tion studies and be prepared for the “multifarious translation profession”. Training should be adapted to the national and cultural settings, keeping in mind that the educational structures are diverse and that quality can be reached in different ways. In the “translator’s competence”, different of the competence in the native language, the competence in the foreign language(s) and the intercultural competence, CIUTI includes skills such as online participation to the worldwide translation market, efficient use of ICT tools and CAT tools, development of social and communicative skills, including specific sub-competences such as teamwork skills, communication skills, problem solving skills and the ability to work in interdisciplinary teams.

As knowledge and information are no longer considered as being fixed or static, but rather continually renewed in the processes of exchanges and communication, translators are no longer seen as being “shadows” or original authors. Translators become actors, they become producers of original information themselves and exchange their knowledge with other people directly, within communities of practice and virtual communities which also become instruments of learning and marketing tools, because they make it possible for other actors (for instance, companies developing translation tools) to gain knowledge about potential users by letting them communicate. For these reasons, actors involved in the design, development, implementation, use, management, learning or teaching of translation technologies can no longer assume “knowledge is just there”, they need to find strategies do produce, distribute and use knowledge collaboratively, thinking competition and cooperation simultaneously.

Going back to the *European Master’s in Translation* (EMT) Program, the EMT expert group identified six interdependent competencies to which other specific competences could be added (for example in Website and software localisation, audiovisual translation or research). Defining competence as “the combination of aptitudes, knowledge, behaviour and knowhow necessary to carry out a given task under given conditions, [...] a combination (which) is recognised and

legitimised by a responsible authority (institution, expert)”, the expert group listed the following competences required to become a specialist in multilingual and multimedia communication: translation service provision competence (including two specific dimensions: interpersonal and production), language competence, intercultural competence, information mining competence, thematic competence and technological competence.

In fact, technology has had a significant impact on research and practices in recent years and radically changed the translator’s daily life in terms of communication (physical and virtual), the perception of language and text, the perception of quality, the nature and the quantity of the material to be translated (text, sound, video, web and other multisemiotic texts), the nature of tasks and the simultaneity of tasks to be performed (translating and revising; using translation to train tools; mining for information, chatting, translating and adding terms to terminology databases; process, task, team and client management; translating and networking) and the general interaction with the world which became a large and diversified series of networks:



[Source: www.sdl.com]

In 2005, Mossop [9] was writing that translation theories have rarely examined the factors that influence the translator’s work environment and Schäffner [18] stated that: “We do not yet have systematic evidence of how exactly, for example, adversarial working conditions (strict deadlines, non-availability of resources, low pay, inexperienced revisers,

etc.) influence translation profiles and translation effects. Such research projects provide an excellent opportunity for cooperation between TS scholars and practising translators". In 2006, Snell (ornby [20] was speaking already of a globalization turn, claiming that the technological component of the translator's work and the translator' multi-skilling cannot be ignored anymore. So far, many research projects have been undertaken in the translation technologies field. Professional translator Samuelsson-Brown [16] identified the main skills required for *managing* translation services and these are: translation production, quality management, general administration, human resources management, project management, marketing and sales, book-keeping and accounts, and IT resources management. Translation tools impacted on the translation pedagogy, on the translation organizations and on translators themselves, who are required now to develop a strategic and reflexive competence [11] in a highly competitive environment. Their work became a work of coordination with others, in a world that started to distribute control by creating multi-agent systems (MAS) and claimed translators are now "empowered" by technologies ("our strategy to empower translators, agencies and all", stated Lionbridge when launching the Cloud-Based Engagement Platform GeoWorkz; "Empower yourself with Machine Translation!" invites Elia Yuste in a ProZ.com 2010 virtual conference session; "With SDL BeGlobal, any business user and content owner across the organization is empowered to communicate with their customer, in the language of the customer's choice", announces SDL). Translators can act as agents in all the following social structures: alliances, teams, coalitions, conventions, markets, networks and hierarchies [21].

Translators and language professionals in general are also required to negotiate meanings based on a global objective (the team objective, the organization objective) and on an economic, social and emotional setting that goes beyond the individual (concept of "situated translation" [14]; [6]), to negotiate rates when investing for new technologies, or to negotiate meanings with technologies

themselves (an example being the translation memory technology, which allows translators to make different choices when recycling texts translated in the past). As Pym [13] points out, speaking of applying negotiation theories to translation history:

The comparison with negotiations is perhaps not entirely illusory: translators do indeed negotiate with their clients, texts, and sometimes with their authors or other translators, and we have, in this day and age, certain self-styled "translation summits" which use a negotiation metaphor to discuss the way translation is taught. But there is also a certain sociological underpinning to the idea of mutual presence: since translators themselves are by definition intercultural subjects (they know foreign languages and cultures) and work within intercultural networks (they receive and read foreign texts), the basic rules of their activity should perhaps also be intercultural.

At the same time, translators have become negotiators when companies plan to develop new technologies, because translators can contribute and vote for the ideas of their communities. One such example is the *SDL Ideas Forum*, where SDL customers can suggest new functionality and features, can view the product suggestions made by other users and promote their favourite enhancements. This leads us to believe that translators as users of translation technologies have also constituted themselves as a new type of research group, similar to the ones listed by Pym [12]: "people actually developing technologies in private companies", "engineers, linguists, and increasingly mathematicians who do research within university environments, with some crossovers and joint projects with industry" and "the university researchers more firmly within the humanities, usually with backgrounds in theoretical linguistics, communication studies, language teaching, or translation".

Considering translators in interaction with different translation technologies and new types of communication (social media, multimedia tools, websites, web-based training, community translation,

crowdsourced translation or translation in the cloud) and taking also into account the role learning plays in developing new methods of collaboration and new tools, we argue new competences of “experts in multilingual and multimedia communication” could be classified as follows:

Team-related competencies when using translation technologies

- *Results driven*: focus on desired results, to set and achieve challenging goals.
- *Collaboration*: build a wide network of relationships and develop positive relationships in all directions (with management, peers, clients and other professionals).
- *Knowledge maps participation*: be part of knowledge communities and groups. Translators could use tools that visually represent knowledge maps of other professionals in order to create new ties.
- *Interpersonal skills*: work and communicate with others in order to accomplish objectives.
- *Problem solving*: accurately assess problems (plan, select strategy, choose appropriate tools for the project, define tasks, represent problems and troubleshoot, learn by errors and implement revision procedures) so as to arrive at excellent solutions. When using tools, translators should be able to reflect on their own performance, diagnose which tactic best applied to the translation process and become co-investigators with trainers of their own mental processes so as to build new knowledge [17].
- *Knowledge sharing*: impart information to others.
- *Integrity*: take responsibility for own actions.

Organization-related competencies when using translation technologies

- *Commitment and service motivation*: respond effectively to internal and external clients' needs.
- *Resilience*: respond professionally in different situations (tight deadlines, diverse languages, large quantities of texts).

- *Ethics*: conduct business in a professional way and apply professional norms and standards (for instance, when transferring data in the “cloud” or when building translation memories by using texts published on the Web).
- *Team building*: value each person’s potential for innovation and utilize diversity to foster technology developments.
- *Organizational culture awareness*: articulate and implement the organization’s mission or use technologies in order to create and maintain corporate identities.
- *Continuous learning and development*: the desire to build new professional skills and competencies by participating, for instance, in the informal Web training sessions offered by translation technology developers.

Leadership and Management competencies when using translation technologies

- *Strategic decision making and external awareness*: make decisions in a timely manner or based on the assessment of external factors and the understanding of current trends.
- *Strategic thinking*: understand technological competition and develop both short and long term strategies.
- *Political savvy* or understanding the power map: be an actor, use the dynamics of power and influence in order to achieve objectives.
- *Initiative*: identify business opportunities and capitalize them, especially when working as a freelance translator.
- *Project management*: create and maintain an environment that guides a project to its successful completion. This is extremely important when using complex translation systems and platforms.
- *Creating and navigating ideas through the system*: propose new ideas, methods, solutions and tools functionalities and find support for what is being proposed. The ability to find useful resources for challenging projects, using the World Wide Web and the different online communities.
- *Performance management*: monitor and evaluate performance against goals, and make adjustments to achieve goals. Performance can be managed with specific modules provided by new translation technologies.

- *Flexibility*: adapt to change and easily consider new approaches, the translation technology industry being in constant evolution.
- *Technical credibility*: be aware of various translation tools and platforms
- *Technology management*: improve performance by integrating appropriate tools, either new or existing, in the translation processes.
- *Technology leveraging*: seek out ways to leverage technology to optimize performance.
- *Financial management*: estimate and manage appropriate investment levels when acquiring new technologies.
- *Negotiation*: persuade and gain the support of others.
- *Entrepreneurship*: calculate risks.
- *Self-direction*: to be in charge of own learning, set personal development goals and design strategies to reach those goals. Be in control of situations or be in control of technologies.
- *Personal efficacy*: possess the belief that translators have to ability to act.

Conclusion

Such as knowledge that is part of the culture in which is it developed and used, such as learning which is meaningful only if it is embedded in the social and physical context within which it will be used, each translation is context-situated and all text and talk are hybridized by other discourses. When translating a text, translators investigate, learn, communicate, search, negotiate, doubt, exchange ideas and finally make choices and decisions with respect to target representations. The choices they make have implications (social, political cultural, economic, etc.) and this confers translators a power of action. In the new “multimedia and multimodal environment”, translators as well as other actors in the translation sphere are expected to embrace new learning, teaching and knowledge management models, adapt their methods and strategies to the innovative communication environments, reflect on the new technological order and develop their “sense-making” capacity, have a familiarity with a range of tools and be able to decide which one is the most appropriate in a specific

situation, stay current with developments in the tools and technologies of instruction (such as e-learning and videoconferencing) and integrate social dynamics into their work (planning, research, terminology, translation, project coordination, project management).

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Complimenting Behaviors of Thai EFL Students and Its Application to Teaching English

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Abstract

This study investigated the complimenting behaviors of two groups of Thai learners of English, one studying in the Regular programme and the other in the International programme. Discourse Completion Task (DCT) questionnaires and interviews were used to collect the data. The results showed that commonly used syntactic patterns of compliment of learners in two groups were 'NP is/look (intensifier) ADJ', 'I (intensifier) like/love NP', 'ADJ (NP)!' and 'PRO is (intensifier) (a) ADJ NP'. Besides, there were 13 additional patterns of compliment found in the present study. Moreover, the results revealed that participants were likely to accept compliments rather than reject. Furthermore, the results also showed the significant strategies on compliment responses by two groups of learners. In sum, the study found that there were great similarities, along with some differences between two groups when giving and responding compliment in English.

1. Introduction

Among the speech acts we engage in daily, the speech act of complimenting has received a lot of attention (Lee, 2009). Holmes (1988:464) stated the functions of compliments were that compliments served as "solidarity signals, commenting on friendships, attenuating demands, smoothing ruffled feathers and bridging gaps created by possible offenses."

We are now living in a world where all the major activities are highly globalized. The need for the ability to communicate across cultural boundaries is required. Moreover, the exchange of compliments and compliment responses between people is an essential element of human interaction.

Recently conducted research on Thai and American responses to compliments in English by Cedar (2006) found that Thai culture values modesty and reserve, thus complimenting behaviours occur less frequently in the Thai community than in western countries, particularly in the United States.

The functions of compliments in American English are obvious mannerisms, for example, to maintain social harmony (Celce-Murcia, 1990), to close or open conversation (Wolfson, 1984), to request or soften a criticism (Brown and Levinson, 1987). However, Cedar (2006) stated that compliments produced by Thai EFL learners are much more restricted in purpose than compliments produced by native English speakers. This is more or less relevant to the slogan "Thailand is the land of smiles" and the researcher of this study has noticed that when Thai people receive compliments, either from Thais or foreigners, most of them respond to compliments by simply smiling. Smiles are the standard Thai way of responding to compliments (Cedar, 2006). However, according to Gasparyan (2011)'s study, Thai smiles do not imply that the Thais are always happy. In practice, the smile in Thailand is perceived as being the most appropriate reaction to any possible situation.

In sum, it is possible that a native English speaker who does not understand Thai norms maybe puzzled when he/she receives a Thai smile in response to his/her English compliment. Therefore, this study hopefully will lead to an appropriate way of giving and responding to compliments in English communication for Thai EFL learners.

2. Research objectives

1. To examine the complimenting behaviors of two different groups of Thai university

students, studying in a regular and an international programme

2. To compare the complimenting behaviors of Thai EFL students with native English speakers

3. To apply the appropriate techniques of complimenting to English language classroom

3. Literature Review

Compliments

This study focused on one of the crucial communicative speech acts, specifically, compliments and compliment responses. A number of studies have been done on compliments and compliment responses in English: (i) American English (Creese, 1991; Herbert, 1986, 1989, 1990; Herbert & Straight, 1989; Manes & Wolfson, 1981; Pomerantz, 1978; Sims, 1989; Wolfson, 1981, 1984, 1989; Wolfson & Manes, 1980), (ii) British English (Creese, 1991), (iii) New Zealand English (Holmes, 1986, 1988; Holmes & Brown, 1987), and (iv) South African English (Herbert, 1986, 1989; Herbert & Straight, 1989).

The focus of this study was compliments and compliment responses. On a daily basis, compliments and compliment responses are frequently used in conversation. To explore their underlying structures, Collins COBUILD dictionary defines 'compliment' as the following:

"A compliment is a polite remark that you say to someone to show that you like their appearance, appreciate their qualities, or approve of what they have done."

(Collins COBUILD dictionary "compliment", n.)

Holmes (1986) defined a compliment as "a speech act which explicitly or implicitly attributes credit to someone other than the speaker, usually the person addressed, for some good (possession, characteristic, skill, etc.) which is positively valued by the speaker and the hearer" (p.485). Compliments have been said to "grease the social wheels" and serve as "social lubricants" (Wolfson, 1983, p.89 cited by Behnam & Amizadeh, 2011). Herbert (1986) revealed that compliments are used to negotiate solidarity with the addressee. English native speakers applied

compliments in a wide range of contexts such as initiating conversation, greetings, farewells, and expressing attitude. Compliments can occur in the beginning, middle or at the end of a conversation (Wolfson, 1983). Additionally, Manes and Wolfson (1981) mentioned that most of the compliment topics are about appearances, abilities, and possessions. Moreover, it is observed that two thirds of English compliments use the adjectives 'nice, good, beautiful, pretty, and great' (Wolfson, 1983). In order for non-native speakers to give or respond to a compliment in accordance with the linguistic forms as well as social norms of the target language, it is essential for the person to have knowledge beyond grammar and syntax. For example, when Thai people receive compliments, they tend to express modest behavior (Cedar, 2006).

Compliment responses

The counterpart to a compliment is a compliment response. While the linguistic formula of compliments is syntactic and lexical, the linguistic formula of compliment responses is semantic or functional (Holmes, 1986). The studies on compliment response have been carried out across various cultures since the 1980s (Chen, 1993; Golato, 2002; Herbert, 1989; Pomerantz, 1978; Holmes, 1986).

From many empirical studies conducted so far on compliment speech acts, it is clear that while acceptance of the compliment was shown to be most commonly found response by native English speakers (Chen, 1993; Herbert, 1986; Holmes and Brown, 1987), neglecting and refusing were used by speakers of other languages, especially those from Asian regions such as China, Taiwan and Japan (Chen, 1993; Baba, 1996; Yu, 2004). Regarding compliment studies in cross cultural speech communities, the studies have revealed that the compliment behaviors are varied across cultures. For example, in Japanese society, Japanese were observed to exchange compliments less frequently in close relationships and more often in distant relationships. (Barnlund and Araki, 1985, cited by Matsuura, 2004).

4. Research methodology

Data were collected by using questionnaire and interview techniques. The present study aimed to explore compliments and compliment responses in English of Thai EFL learners. Two groups of third Year University students studied in a regular programme and an international programme were selected. The data was collected via a questionnaire called 'Discourse Completion Task' (DCT) which consisted of 16 situations with focus mainly on friends and intimates situations. Some students were sought out to participant in individual interviews.

Data analysis consisted of two parts: quantitative data analysis and qualitative data analysis. Quantitative data will be analyzed descriptively to discover the frequency and percentage of each response in DCT. The analysis use in the study was based on the nine syntactic patterns of compliment classified by Wolfson and Manes (1981) and three main strategies of compliment response classified by Gajaseni (1994). Qualitative data gathered from the interview were transcribed and the transcription analyzed accordingly

The researcher reached the findings of Discourse Completion Task (DCT) questionnaires and analyzed them using the analysis mentioned in chapter 3 to investigate the hypotheses of the study and to answer the study questions.

For quantitative analysis, the frequency of compliments and compliment responses strategy types for each situation were tabulated in terms of compliment structures and responses, and then converted to frequency and percentages for comparison. This was to reveal whether there were similarities or differences in the choice of compliment and compliment response strategy types in frequency distribution between the two groups.

1. The analysis of compliment structures was coded on nine patterns of compliment structure categorized Manes and Wolfson (1981) to examine the similarities and

differences of compliment strategies used as follows:

1. NP is/looks (intensifier) ADJ
 2. I (intensifier)like/ love NP
 3. PRO is (intensifier) (a) ADJ NP
 4. You V (really) ADJ
 5. You V (NP) (really) ADV
 6. You have (a) really ADJ NP
 7. What (a) (ADJ) NP!
 8. ADJ (NP)!
 9. Isn't NP ADJ
2. The analysis of compliment responses was coded on Gajaseni (1994)'s taxonomy to examine the similarities and differences of compliment responses strategies used as following;

Table1. Gajaseni (1994)'s taxonomy on Compliment responses

Acceptance	Rejection	Indirecti on
1) Praise upgrade 2) Agreement 3) Bald acceptance 4) Appreciation 5) Return 6) Concerns	1) Scale down 2) Qualification 3) Disagreement	Shift credit 2) Doubting 3) Question 4) Other

For qualitative analysis, the interview data were translated from Thai to English and excerpts from the interview session transcript related to the focused aspects are extracted. The analysis was an attempt to find out more information about compliments and compliment responses in English produced by these two groups of EFL learners. Importantly, the interview analysis provided information on learners' opinions toward the significance of compliments.

5. Findings

5.1 Quantitative data findings

Firstly, DCT data revealed that the patterns of compliment most used by participants in the present study were 'NP is/look (intensifier) ADJ'. Secondly, there were 13 additional patterns of compliments used by participants in the present study and one of the regularly used of these additional patterns was 'Questions'.

Third, DCT data also revealed that participants in this present study preferred to 'accept' rather than 'reject' the compliments received.

Fourth, to be more specific, female students in the regular programme mostly used 'appreciation' (s6.6%) (e.g. "Thanks, thank you") type of compliment response when they accepted the compliments. In addition, the second most used of the compliment responses by female students in the regular programme was 'scale down' (t6.8%), which is categorized in the 'rejection' type of response. The third most commonly used compliment response was 'informative comment' (to.2%) which is labeled in the 'indirection' type of response.

Fifth, male students in the regular programme showed no significant differences from their female colleagues. The most frequently occurring compliment response was 'appreciation' (as.6%). The second most frequent compliment response used by male students in the regular programme was 'scale down' (t6.8%) (For example, not at all/ never mind). Furthermore, the third most commonly used compliment response was 'question' (for example, "will you try it/ do you wanna try?").

Sixth, the DCT data revealed no significant differences in compliment responses used by students in the international programme. Both male and female students in the international programme mostly used an 'appreciation' type of response, followed by 'scale down' and 'informative comment' respectively.

5.2 Qualitative data findings

The interview data revealed the Thai EFL students' views in detail on the importance of compliments, the significance of compliments and compliment responses. The findings confirm the results obtained from the questionnaire analysis as presented in the quantitative data analysis section.

In this study, Thai EFL students, with no relationship to their programmes of study, agreed that a compliment helps boost self-

esteem and motivates people to keep doing good work.

Most of the Thai EFL students interviewed said their compliments are given to their peers or colleagues. Both groups of students claimed that their compliments are mostly on 'ability' or 'competency' and 'appearance/belongings', while 'character' is the compliment least employed.

For compliment response, most of students in the interview revealed that they were happy when they received compliments. Most of them accepted the compliment and replied with a simple 'thank you'.

6. Application to EFL teaching in Thailand

The results from this study indicate that Thai EFL learners in the present study have little difficulty with compliments and responses in English. However,

According to Cedar (2006) EFL teachers are advised to concentrate on pragmatic aspects. They can use responses from native English speakers as examples to demonstrate compliment and response strategies. Then teachers should design activities such as role-play, pair-work, and discussions to familiarize students with the authentic compliments and responses in English such as films, interviews, video clips which students can learn naturally English. Furthermore, teachers should offer realistic examples to their students in the EFL classroom to make their students aware of the social variables and some useful guidance should be supplemented by teachers as well.

7. Suggestions for further research

1. . Future research should include participants from other areas as there might be regional differences in the rules for compliments and compliment responses.

2. As the present study focused on the compliment and compliment response in English used by participants with equal status, future research may draw attention to other sociolinguistic factors such as social status, gender, age.

3. Other comparative studies can be conducted to investigate the use of various speech acts, such as requests, refusals, and apologies.

4. Further studies should be conducted on how to incorporate teaching compliments-compliment responses appropriately in the classroom.

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Psychological characteristics and expectations of potential real estate buyers

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Abstract

The article focuses on the identification of the basic psychological characteristics of potential property buyers. The article determines their interaction with the expectations of potential customers when deciding to purchase a property. The main instrument for measuring the participants' expectations is a questionnaire that we formed ourselves. The data were then analysed with SPSS for Windows programme. The research showed that financial and physical factors are independent from psychological ones. Expectations about price of apartment or house, location, size of apartment, natural lighting etc. are not correlated neither with motivational nor with emotional factors, but they form independent areas that are related with the real estate only. In conclusion, the article provides guidelines for the development of productive and competitive real estate climate in Slovenia, which would allow the promotion of the quality of life of the population and the growth of the real estate market.

1. Introduction

Attractiveness and value of real estate are marked by market principles that are based on most possible ways of functioning on the real estate market. Linderman and Friedman (2005) divide the principles that are based on real estate as well as principles that are based on buyers' perceptions. By observing the participants on the market many researchers attribute general recognition to certain factors on the market [1, 30, 31]. Among real estate factors we place physical factors, living environment factors and socioeconomic factors [8]. The second principle by Friedman and Linderman we deepen not only to perceptual but more general to psychological factors, namely, to motivational and emotional ones.

We divide real estate factors to physical factors related to physical characteristics of real estate (location, size of the apartment, presence of the balcony, natural lighting, peacefulness, age of the building and neighborhood, parking options, infrastructure of the apartment), living environment factors (proximity to vital facilities, accessibility, transport links), socioeconomic factors (maintenance costs, neighborly relations, sense of security, sense of social connection, sense of suitable economic status) and subjective factors (expectations that by acquiring appropriate real estate an individual's social status would increase, that an individual would feel more independent, and that an individual's self-contentment would increase) [5].

As the most important factors, physical factors where potential acquirers of real estate rights express the highest expectations, Pšunder and Ferlan (2009) identify peaceful apartment, internet access, parking and the heating system. In analyzing key factors, which influence the value of real estate, they assess that the key physical factor mentioned by the respondents is orientation or natural lighting in apartment [19]. Temeljotov Salaj (2006) establishes the importance of transport infrastructure factor, which includes effective transport infrastructures, parking spaces, infrastructure adapted for people with special needs, safe transportation. In the survey of the market in wood products (prefabricated houses) carried out in Japan, Cohen (2005) establishes that among the most important factors when purchasing a house is access to natural light. Temeljotov Salaj (2006) establishes the importance of transport infrastructure factor, which includes effective transport infrastructures, parking spaces, infrastructure adapted for people with special needs, safe transportation.

Considering the living environment factors, some of the researches on the influences of

factors on the real estate value show that almost one tenth of respondents indicate the key factors as the proximity to facilities, such as schools and kindergartens, shops etc. [19]. Temeljotov Salaj (2006) also establishes the key importance of factors such as proximity to cultural institutes, health centers, schools and kindergartens to the quality built environment. She has conducted a survey and analyzed the factors such as the location of residence as to age groups, urban equipment, poor infrastructures, well-being in the place of residence, size of facilities, age of facilities, equipped facilities and proximity to work. The author established that the top priority expressed by the participants was related to investments into transport infrastructure, to university establishments, new apartments, youth homes, sports facilities and energy. Cohen (2005) in his survey in Japan establishes that apart from the price the most important physical factors when purchasing a house is the proximity to railway station and the structural integrity. According to the Japanese Ministry of Land, Infrastructure, Transport and Tourism (2009), the main three decisive factors are as follows: physical characteristics of apartment, transport infrastructure (proximity to public transportation and transport links) and neighbourhood safety. The influence of the proximity to public transport links on the residential estate price in the region of Tokyo was studied by Komai and associates (2002). He noted that proximity to good public transport links influences the rise of the real estate price [14]. How significant are the mentioned factors for Japanese participants is also confirmed by the information that when in 2005 the high-speed rail network Tsukuba City - Tokyo was opened prices of the real estate in Tsukuba raised by 8.4 per cent [16].

We are interested in establishing, which are the key socioeconomic factors. Trček (2005) analyses in greater detail factors such as age, quality of buildings and apartments, neighborly relations and future preferences of respondents. He establishes that regarding dissatisfaction expressed by the surveyed residents in terms of the characteristics of their neighborhood, in the first place they pointed out the issue of parking spaces (60.2% of dissatisfied respondents) whereas high in the

list is satisfaction with the neighborhood safety (52.7%) and neighborly relations (56.9%) [32]. Trček (2005) therefore notes that the sense of security in a neighborhood is the most important socioeconomic factor. Uršič (2005) also states that the residents' efforts to achieve a higher housing standard are often subjected to the necessity or need to own a home, which in short term enables some advantages. The given facts can explain the participants' high satisfaction with their current housing status but at the same time planning to purchase a new apartment.

In spite of impact that psychological factors have on home decision buying, there is an extreme lack of studies dealing with that impact. According to the meta-analytical study [12] we stated 4 motivational and 3 emotional factors that contribute to home decision buying. Regarding the theory of self-determination [3], the first three motivational factors are autonomy, competence and relatedness [9]. They stimulate the potential real estate buyers' behavior towards the decision to buy. We consider that individuals with higher degrees of autonomy, competence and relatedness are more satisfied with their actual property or have clearer expectations about the property they intend to buy. The fourth motivational factor is supposed to be related with the external characteristics that a property might have on them or on the people around them as a status symbol. That means that individuals with a higher external motive - property as a status symbol [25] - make their home buying decisions on the basis of the possible impact that might have on their social or prestige status.

Rohe and associates (2001) studied social advantages of apartment owners and established that apartment owners compared to apartment tenants express higher satisfaction with their living environment, are socially more active in their living environment, change residence less often and more frequently contribute to the social stability of the neighbourhood [21]. The survey also showed that 86 per cent of American respondents believe that in terms of social security it is better to own an apartment than to rent one. 74 per cent of respondents think

people should purchase an apartment as soon as they can afford it, whereas among respondents who rent an apartment 64 per cent answered they only rent an apartment because they can not afford one [21]. They note that the satisfaction level among apartment owners is higher [23]. In the Baltimore case apartment buyers and apartment tenants were observed and after a year and a half it was concluded that the satisfaction of apartment buyers is higher than the satisfaction of tenants [22]. In a further three-year study Rohe and Basalo (1997) determined that even after a three-year ownership the owners of apartments are still more self-satisfied than the tenants. They defined this self-satisfaction as the combination of the general satisfaction with life, apartment and neighbourhood [23]. Kleinhans and M. Elsinga (2010) conclude that there is a strong correlation between owning a home and the feeling of independence and self-satisfaction.

Among emotional factors, basic emotions by the theory of positive and negative affect [34], are placed. Positive affect refers to a state of good mood, enthusiasm and action, whereas negative affect refers to a state of depression, anxiety, distress and nervousness. In our study we argue that persons with higher expressions of positive emotions find the home buying decisions as more satisfying and they chose more fulfilling home options. The third emotional factor is self-esteem, the psychological phenomena that expresses an attitude of an individual towards oneself [24]. In our study, we measured two dimensions of self-esteem: the internal and external one. Internal self-esteem refers to a degree of positive self-evaluation regardless external influences that could higher or lower the feeling of self-worth. Contrary, the external self-esteem refers to feelings about oneself that result from living up to some interpersonal expectations [2]. Individuals who possess highly external self-esteem are preoccupied with the question of value or respect and are highly motivated by the desire to look worthy to themselves and to others. That might mean that individuals with higher degree of internal self-esteem have clearer and more positive expectations about purchasing a home, while individuals with higher external factors in their

home expectations depend highly on other people's opinions about the potential purchase.

The aim of the present study was to investigate the relationship between expectations of potential real estate buyers and their motivational as well as emotional factors that contribute to their buying decision.

2. Methodology and instruments

Participants were 239 Slovenians. According to the total number of participants there were 54 men and 185 women. Participants' age range was from 18 to 55 years, with an average of 21.15 years. As to education, most participants have secondary education (57.3%) which is followed by the graduate degree education (38.1%). As to the number of children in a joint household, the most participants are without children (45.6%). The most participants live in the city center (43.3%) or on the city outskirts (34.1%).

The main instrument for measuring the participants' expectations is a questionnaire that we formed ourselves. Compiling the questionnaire is part of a wider survey and it is aimed at establishing factors which are decisive for potential real estate buyers when deciding to purchase real estate [6]. We only included the part of the questionnaire that measures participants' personal expectations. Of the two main types of questions [10], multiple-choice and rank ordering were used. Participants answered the questions using the Likert scale, where the value 5 indicated they completely agree with a statement and the value 1 that they completely disagree with a given statement.

General Need Satisfaction Scale [4]: The GNSS measures the level of satisfaction of three basic psychological needs in life. It is a 21-item measure consisting of three subscales: autonomy, competence and relatedness. Participants are asked to read each statement and rate on a 7-point scale how characteristic these statements are of them. Gagne (2003) reports the following reliability coefficients: 0.69 for autonomy, 0.86 for relatedness and 0.71 for competence. In our research, reliability

for autonomy was 0.69, 0.79 for relatedness and 0.61 for competence.

Personal Growth Attitude Scale [27]: The scale consists of 15 items. Participants are asked to read each statement and rate on a 5-point scale how often they behave according to various statements. Ryckman et al (1996) report reliability of 0.90. In our research, internal reliability was 0.87. Ryckman et al (1997) also confirmed the orthogonal relationship between personal development competitive attitude and hypercompetitive attitude, as measured by the aforementioned Hypercompetitive Attitude Scale [27].

Status motivation [26]: The scale consists of 26 items. Participants are asked to read each statement and rate on a 5-point scale how often they behave according to various statements. Ryckman et al. (1990) report reliability of 0.91. In our research, internal reliability was 0.77.

Positive and Negative Affect Scale [34]: The PANAS measures two dimensions: positive and negative affect. Positive affect refers to a state of good mood, enthusiasm and action, whereas negative affect refers to a state of depression, anxiety, distress and nervousness. Each subscale consists of 10 items. Participants are asked to read each statement and rate on a 5-point scale how often they experience various emotions in general or through a limited period of time (in our research, we were interested in emotional experience in general). The authors reported reliability coefficients between 0.47 and 0.68 for positive affect and from 0.39 to 0.71 for negative affect. In our research, internal reliability was 0.79 for positive affect and 0.85 for negative affect.

Self-esteem questionnaire [29]: The SLCS-R measures two dimensions of the general self-esteem: self-liking and self-competence. The self-competence subscale measures the part of self-esteem originating in individual's feelings of ability and efficacy, while the self-liking subscale measures the part of self-esteem depending on society. Each subscale consists of eight items. Participants are asked to read each statement and rate on a 5-point scale how characteristic these statements are of them. The scale's reliability is 0.90 for the self-liking

subscale and 0.82 for the self-competence subscale [29], in our research 0.87 for self-liking and 0.77 for self-competence.

Contingent Self-esteem Scale [17]: The scale measures to what degree an individual's self-esteem depends on achieving standards, goals, and positive feedback. The scale consists of 15 items. Participants are asked to read each statement and rate on a 5-point scale how characteristic these statements are of them. The scale's test-retest reliability is 0.77 [11]. In our research, internal reliability was 0.78.

Participants filled out the questionnaires in printed or electronic form. To collect data from participants who used the printed form, we first presented them the basic information about the research goals and proceeded with instructions for each part of the questionnaire. Participants then filled in the questionnaires, which took approximately twenty minutes. To collect data from participants who used the electronic version, we sent the link to the survey page to various student associations, representatives and mailing lists. Students who decided to participate filled in the questionnaires individually via internet. The data were then analyzed with SPSS for Windows.

3. Results and discussion

Table 1 shows the correlations between expectations to buy a real estate and psychological factors.

Insert Table 1

Results show that financial and physical factors are not correlated with psychological factors. Living environment factors show significant correlations with some psychological factors. The participants who express higher expectations of living environmental factors (proximity to vital facilities, accessibility, transport links etc.) that might contribute to their decision to buy a home have higher basic needs satisfaction in all three dimensions: autonomy, relatedness and competence, have higher degree of personal growth attitude (which means that the investment in a property would contribute to their personal growth),

have higher self-esteem, and they express more positive affect, which means that they have more positive emotions when they think of buying a home than the participants who express lower expectations of living environmental factors. It could be stated that those participants rely upon their decisions of buying a home more to their own attitudes and beliefs than to other people's opinion. Participants who expect that socioeconomic factors, such as maintenance costs, neighborly relations, sense of security, sense of social connection and sense of suitable economic status, highly contribute to their decision to buy a home have only one psychological factor more expressed: personal growth. This correlation is low. Results show that participants who have higher expectations that by acquiring appropriate real estate their social status would go up, that after acquiring appropriate real estate they would feel more independent and that acquiring appropriate real estate would maximize their feelings of self-satisfaction, express higher status motivation as well as contingent self-esteem. That means that those participants rely upon their decisions of buying a home more to other people's opinion than their own attitudes and ideas.

Table 2 shows the results of the variance analysis according to the participants' expressed satisfaction in terms of the affiliation to different cultural environments.

Insert Table 2

Statistically significant differences at level $p < 0.05$ regarding the satisfaction with residential estate according to the affiliation to different cultural environments are shown in terms of the proximity to public transportation. Statistically significant differences at level $p < 0.01$ regarding the satisfaction with residential estate according to the affiliation to different cultural environments are shown in terms of the size of the apartment. Statistically significant differences at level $p < 0.001$ regarding the satisfaction with residential estate according to the affiliation to different cultural environments are shown in terms of natural lighting in the apartment, open view, peacefulness, age of the building and

neighbourhood, parking options, internet access and central heating, transport accessibility, proximity to kindergartens and schools, health centres, cultural institutions, maintenance costs, good neighbourly relations and sense of security.

4. Conclusions

The research showed that financial and physical factors are independent from psychological ones. Expectations about price of apartment or house, location, size of apartment, natural lighting etc. are not correlated neither with motivational nor with emotional factors, but they form independent areas that are related with the real estate only. It seems that affordable price and good physical condition of a real estate are the most important for buyers. It could be recommended to enhance the financial politics in Slovenia to stimulate potential buyers to purchase a home.

Living environment and socioeconomic factors both correlate with personal growth, which means that participants who value most the following characteristics of real estate: proximity to vital facilities, good traffic connections, good neighborly relations, feelings of safety, social belonging to the neighborhood etc. have higher motives of cooperation, self-improvement and self-growth than those with lower living environment and socioeconomic factors. It could be concluded that home owners would be more satisfied and integrated in living environment as well as they would be more engaged in maintenance in buildings and surroundings if the government would invest more in suitable infrastructure, rapid public traffic connections, schools, health services etc.

To compare with other studies [8] the research has shown three main levers explaining low expectations expressed by Slovene participants: first, high ratio between housing costs and available income in household, hence low affordability of apartments; second, disorganised records system of real property and non-updated land register, hence vague amount of the incoming real property tax, then the still unresolved problem of denationalisation, difficulties in selling real property to foreigners and in the lending policy of the country; and third, inappropriate or

insufficient measures as to the deteriorating situation on the labour and real property markets.

Subjective factors, such as self-perception of a higher social status, feelings of independence and self-satisfaction after purchasing an own home, correlates significantly with two psychological factors: status motivation and contingent self-esteem. It seems that the feeling of having an own home could be more related to external conditions such as other people's opinion. It seems that owning an own home might be in Slovenia more conditioned with external factors than inner wishes. It could be worth of thinking of establishing financial mechanisms, especially for younger people, either to rent or buy a home under more pleasant bureaucratic and financially stimulating conditions. Nevertheless, a strong tradition in Slovenia is having an own home, and it could be suggested that in modern times that tradition might start to be replaced by more contemporary and flexible people's expectations.

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Table 1. Correlations between expectations of potential real estate buyers and their motivational and emotional characteristics

	Financial	Physical	Living environment	Socioeconomic	Other factors	Social status	Independence	Self-contentment	Autonomy	Competence	Relatedness	Status motivation	Personal growth	Self-liking	Self-competence	Contingent self-esteem	Positive affect	Negative affect
Financial	1	.255**	0.112	0.142	0.014	-0.055	0.07	0.108	0.034	0.051	0.074	-0.083	0.008	-0.05	-0.052	-0.01	-0.034	-0.001
Physical	.255**	1	.280**	0.064	.260**	-0.052	0.038	0.068	0.036	0.131	0.127	0.080	-0.037	-0.135	0.014	0.046	0.111	0.133
Living environment	0.112	.280**	1	.399**	.425**	-0.054	-0.074	0.006	.230**	.264**	.324**	-0.139	.256**	0.125	.242**	0.000	.224**	-0.161
Socioeconomic	0.142	0.064	.399**	1	.235**	-0.059	-0.024	-0.009	0.132	0.165	0.146	0.035	.220*	0.13	0.138	0.03	0.128	-0.058
Other factors	0.014	.260**	.425**	.235**	1	0.022	-0.007	0.047	0.163	0.128	.316**	-0.125	0.063	0.115	0.148	-0.094	.245**	-0.037
Social status	-0.055	-0.052	-0.054	-0.059	0.022	1	.405**	.380**	-0.105	-0.023	-0.095	.228**	0.071	-0.039	-0.013	.224**	-0.029	-0.008
Independence	0.07	0.038	-0.074	-0.024	-0.007	.405**	1	.617**	-0.101	-0.057	-0.012	.227**	-0.03	-0.083	-0.007	.268**	0.004	0.060
Self-contentment	0.108	0.068	0.006	-0.009	0.047	.380**	.617**	1	-0.202*	-0.079	-0.105	.205*	-0.073	-0.053	-0.09	.231**	-0.028	0.022
Autonomy	0.034	0.036	.230**	0.132	0.163	-0.105	-0.101	-0.202*	1	.564**	.572**	-.296**	.222*	.536**	.452**	-.386**	.395**	-.590**
Competence	0.051	0.131	.264**	0.165	0.128	-0.023	-0.057	-0.079	.564**	1	.490**	-.298**	.261**	.563**	.599**	-.399**	.469**	-.522**
Relatedness	0.074	0.127	.324**	0.146	.316**	-0.095	-0.012	-0.105	.572**	.490**	1	-.339**	.213*	.408**	.431**	-.294**	.472**	-.467**
Status motivation	-0.083	0.08	-0.139	0.035	-0.125	.228**	.227**	.205*	-.296**	-.298**	-.339**	1	0.082	-.350**	-.339**	.583**	-0.092	.421**
Personal grow	0.008	-0.037	.256**	.220*	0.063	0.071	-0.03	-0.073	.222*	.261**	.213*	0.082	1	.222**	0.136	-.173*	.415**	-.270**
Self-liking	-0.05	-0.135	0.125	0.13	0.115	-0.039	-0.083	-0.053	.536**	.563**	.408**	-.350**	.222**	1	.702**	-.552**	.424**	-.634**
Self-competence	-0.052	0.014	.242**	0.138	0.148	-0.013	-0.007	-0.09	.452**	.599**	.431**	-.339**	0.136	.702**	1	-.414**	.388**	-.498**
Contingent self	-0.01	0.046	0	0.03	-0.094	.224**	.268**	.231**	-.386**	-.399**	-.294**	.583**	-.173*	-.552**	-.414**	1	-.234**	.514**
Positive affect	-0.034	0.111	.224**	0.128	.245**	-0.029	0.004	-0.028	.395**	.469**	.472**	-0.092	.415**	.424**	.388**	-.234**	1	-.246**
Negative affect	-0.001	0.133	-0.161	-0.058	-0.037	-0.008	0.060	0.022	-.590**	-.522**	-.467**	.421**	-.270**	-.634**	-.498**	.514**	-.246**	1

Table 2. Presentation of results of the variance analysis according to the participants' expressed satisfaction in terms of the affiliation to different cultural environments

		Sum of squares	Df	Mean square	F	p
Location of the apartment		1.034	1	1.034	.884	.347
Size of the apartment	**	17.644	1	17.644	11.536	.001
Brightness - natural lighting	***	38.489	1	38.489	32.781	.000
Open view	***	64.544	1	64.544	48.590	.000
Peaceful, not noisy apartment	***	59.769	1	59.769	46.984	.000
Age of the building	***	41.978	1	41.978	27.771	.000
Age of the neighbourhood	***	163.046	1	163.046	124.422	.000
Parking options	***	8.243	1	8.243	46.619	.000
Internet access	***	23.658	1	23.658	19.130	.000
Central heating in the apartment	***	187.272	1	187.272	152.542	.000
Public transportation	*	11.295	1	11.295	6.539	.011
Transport links - accessibility	***	60.231	1	60.231	42.454	.000
Proximity to kindergartens and schools	***	38.102	1	38.102	28.407	.000
Proximity to employment options		1.785	1	1.785	1.076	.300
Proximity to shops	***	76.760	1	76.760	54.401	.000
Proximity to health centres	***	88.631	1	88.631	60.503	.000
Proximity to cultural institutions	***	62.386	1	62.386	39.314	.000
Maintenance costs	***	14.360	1	14.360	13.405	.000
Good neighbourly relations	***	156.760	1	156.760	146.780	.000
Sense of security	***	219.072	1	219.072	261.980	.000

* difference is statistically significant (p<0.05)

** difference is statistically significant (p<0.01)

*** difference is statistically significant (p<0.001)

III PLENARY SESSION

Education, Psychology & History

Session Chair: Man Cheung, Chung - Zayed University, United Arab Emirates

What's on: Cultural Diversity and New Educational Approaches for Specific School Populations

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Abstract

Education policy regarding the immigrant school population is of utmost importance for current scientific research in social sciences. Digital resources and assessment instruments are challenges in education and psychology research, demanding knowledge from school community to address specific traits of learning and academic achievement. The education of future generation should be conceived based on multicultural idea of existing different cognitive profiles that have different self-regulations in learning environments as language acquisition development process. Immigrant school population is frequently neglected by school management and become emergent the development of open educational resources, validated tools and digital materials. Method: 106 immigrant students from public schools, aged between 8 and 17 years old, learning Portuguese as second language, with heterogeneous profiles, in Lisbon district, from several levels of education. The main goal is to determine learner's cognitive profiles through the analysis from three tasks: verbal analogy, cognates identification, and idiomatic utterances comprehension. Percentile analysis with SPSS program will identify which common performances we can find between different home language speakers answering to those evaluation tasks. Preliminary results will be discussed regarding three hypotheses about second language learners' linguistic behaviors in cognates, metaphor language and verbal

reasoning according to three variables: age, home language and exposure to second language. The variation of these predictors might have influence to explain cognitive and linguistic profiles. Additionally will be evaluated the reliability and difficulty of each task to provide a more psychometric sound measure than traditional other tools of assessment in national second language area. We believe that accurate evaluation tests can produce new changes in learning environments of linguistic minorities. Findings will demonstrate specificities of new understanding about different speaking proficiency levels, rationales about predictive factors, and scoring issues. Some of these new insights could be extended to the general investigation of proficiency and cognitive decoding skills in second language research, mainly for European languages context.

1. Introduction

School's diversity demands substantial range of educational procedures respecting immigrant children mainly in their first years of schooling. Focusing evaluation concern we observe a serious limitation in European countries related to scientific validation of instruments and materials. Educational policies and instruments remain to be researched [1]. Since 80s educational support for immigrant population was thought as emergent matter for school's practitioners. Nowadays landmarks and materials were

provided mainly in American schools that reflect great concern over their own school populations and the diversity effect. In Europe checking practices from the experiences of other different countries is crucial to understand the results of instruments application and the benefits of research for creative reasoning in order to attain second language (SL) teaching. The main goal is to increase opportunities to promote SL learning and bilingualism. Relevant research is obligatory to be consulted to develop policies in Education of SL [2]. After a profound meta-analysis those authors emphasized which conditions are optimal for SL learning which is tied on teacher's profiles, immersion programs, home literacy practice, amount of first language instruction, and perception of teachers on cultural and linguistic diversity. Teacher's representations of mother tongues of students and their cultural backgrounds are significant and predictive variable to generate successful environment of teaching-learning. Accurate evaluation tasks in psychometric sound measures are additional variables to successful SL teaching support. To understand learner's difficulty and to have knowledge of their SL proficiency is compulsory to assess skills in several linguistic and cognitive levels. These assessment efforts should be adopted as systematic practice inside schools to explain behaviors differentiation among diverse populations. Other aspect is expectation: specific languages suppose specific cognitive brain and predisposition to learn new language and new cultural meanings. Based in our current study we concluded [3] that indo-aryan speakers showed to have more limited proficiency and difficulty during evaluation tasks in portuguese SL. Second Languages determine aspects of acquisition and speed as well cognitive strategies considering that native language established a cognitive mapping. Alphasyllabary and alphabetic speakers make use of orthographic and phonological cues whereas morphosyllabary individuals make use of morphemes information to decode in every language in early first stages of exposure [4]. Switching between languages with very different phonological and writing systems could produce interference effect generating errors during language processing and decoding.

These type of speakers should be evaluated to create knowledge that describe cognitive potentials and deficits and to be prepared to face psycholinguistic challenges in SL learning settings.

Instruments applied to native language instruction and assessment should not be transferred to second language learning as regularly observed in less structured educational systems. This is one of the misconceptions in SL teaching. Second language instruction demands specific resources to activate learning environment. Electronic resources and digital databases with comprehensive activities and devices would help specialized education in SL [5]. Our research project has the main goal to create an electronic repository of assessment and of educational tools to portuguese second language area based on validated instruments and recent knowledge from international evidence regarding teaching methods in SL worldwide. The most useful principle of our repository would be the differentiation of activities and materials according to diversity of SL learners because some resources (e.g., thinking aloud activities) would be successful to Slavic students but with no academic impact for Mandarin speakers. Segmenting and blending tasks as also reading and writing activities should be carefully designed to specific students attending to their home language and education in the country of origin. Diverse range of SL learners demands diversity of materials. In our previous empirical research study [6] the blending tasks showed to be the more difficult activity against the simplicity argued in these activities [7] especially for Slavic speakers who spend much more time and effort during phonemic blending in Portuguese language. Measurement of skills gives indicators of student's profiles and their different limitations of proficiency which leads to appropriate intervention and educational tools [4]. SL testing in classroom should be placed in other terms to avoid large space inside curriculum time [8]. We believe that assessment should be carefully administered and longitudinally during first year of exposure to second language. Typical tests should be reviewed in order to avoid fixed rules and

tasks that do not assess independent outputs of SL learners (e.g., changes of active to passive voice). It is mandatory to evolve testing purposes to measure how individuals develop their reasoning over the questions and trials. Assessment practices of research community in U.S.A. are not able to give the real picture of cognitive and linguistic behaviors of bilinguals [9]. More investigation is needed to produce and underpin changes in testing to be introduced in teacher's training. These issues are neglected in Portuguese schools considering the peripheral treatment provided to language teaching in education system. Scientific evidence present valid instruments with activities that could be accommodated in several classroom contexts: memory for sentences and texts (reading and recall of utterances and meanings), picture vocabulary, oral vocabulary (example of identification of synonyms and antonyms), listening comprehension (example of cloze tests), verbal analogies [10]. Previous studies present important advances in research of testing in second language considering mainly English context. Romance languages learning have been mistreated by research community in SL scientific area. New insights from verbal behavior and cognitive strategies in romance languages acquisition will empower advances in schools and new teaching knowledge toward methodology and assessment procedures that embrace the student's diversity and communities in each country. In this study we focused specific three measures at sub-lexical domain in Portuguese SL context: verbal analogy, cognates test, and metaphor comprehension.

2. Reasoning tasks and concepts retrieval

Verbal analogy test is widely used to analyze reasoning abilities. In SL field intend to measure the capacity of comprehension on logical word associations considering the cognitive strategies transference across languages. Romance languages speakers are expected to have better performance during verbal analogy task in Portuguese whereas Chinese speakers would be struggling in such test procedure according to languages family of each home language involved. This type of hypothesis will be further discussed at this

study. Vocabulary could be simple or of high complexity to have a complete assessment at different levels of proficiency. Higher size of vocabulary will help to understand and respond appropriately to the verbal analogy test. According to Woodcock-Munoz Language Survey Revised [11] verbal analogy test is placed among tasks complexity group and it is important to assess two of the seven cognitive factors involved in language strategies: comprehension-knowledge and fluid reasoning [12]. Verbal analogies are also covering assessment of broad ability and linguistic competence in dominant language. In our study verbal analogy test identify normative cases of limited proficiency but with particular features that will lead to profiles identification among several migratory students. Verbal analogy tests are less replicated in experimental trials in SL area [13] than other type of tests although being crucial to analyze reasoning abilities in language instruction, mainly considering which strategies are involved in decoding of alphasyllabary, morphosyllabary and alphabetic speaking languages. Further analysis of verbal behavior in reasoning tasks should be developed to examine cognitive association ability at semantic and conceptual level in new linguistic structures (second language).

In other plan, cognates test is important to determine how word recognition is affected and how much effort is spent [14]. Inhibition and control effects are related to cognates decoding and produce knowledge about strategies that individuals use to decode word with morphemic similarities to word of native lexical system. The implications of cognates comprehension in general literacy skills and recognition abilities has little empirical examination mainly applying to children [15]. Cognate's identification would be a challenge for SL beginners due to meaning ambiguity and cognitive bias which affects the speed in comprehension. Co-activation in home and second languages is other phenomenon that cognates test would help to understand and describe in scientific manner arising knowledge about time-consuming and linguistic cues involved in SL comprehension. Findings revealed that cognates comprehension informs about bilingual

abilities and facility toward written receptive vocabulary [16] while limited proficient learners have to face multiple options to select accurate response in cognates and non-cognates context. Cognate's identification requires strategies of noticing, retrieving and of generating lied on prior lexical knowledge (from first language storage information). Additionally marked languages such Portuguese and other similar romance languages from indo-european [17] are important factors to comprehend levels of complexity across languages and possibility of cognates occurrence. Dominant cues in specific languages should be apprehended to have control over meanings (and forms) to recognize words true similarities.

Finally the current study addresses implication regarding comprehension of Portuguese SL learners in metaphor context. Idiomatic utterances in specific languages could be unfamiliar for immigrant students and constitute higher level of difficulty for second language conceptual acquisition. Conceptual awareness could be measured trough metaphor interpretation [18]. Decode into figurative second language notice specific and great amount of cognitive execution due to the fact that metaphor comprehension is a difficult area even for native subjects [19]. Individuals, especially children, attain to the idiomatic sentences message in very insufficient way considering that they operate in the basis of literal decoding and do not complete the figurative meaning. Faust [20] analyzes the impact of metaphor decoding in general language rules comprehension and the involvement of right-hemisphere and other brain areas during metaphor decoding. Right hemisphere is more involved in semantic violations acceptance than left hemisphere [20]. Figurative language undermines semantic irregularities and unconventional lexicon that could be stressful for SL learner in early stage of learning. In cognitive understanding late inferential processes are expected to achieve meaning of idiomatic sentences. Connotative meaning is related to problem solving of higher abstractness and might have different levels of difficulty considering novel or conventional idioms. Mastery of idiomatic utterances of language reflects higher proficiency and

control over semantics in all language contexts by having sufficient knowledge about formulaic sequences inside idioms to comprehend multiword expressions. The salience of literal meanings [21] is prominent during initial stages of limited proficiency in SL and the most common errors appears in idiomatic interpretation [22], at more advanced lexical areas. For example, in English language the idiomatic expression "go home" is integrated in basic idiomatics list, but complexity evolves to other non-literal expressions that became more difficult for students. In Portuguese language idiomatic expressions are much related to popular knowledge and traditional lexical corpora (proverbs) which demands specific concepts and linguistic domain, especially in semantics. Small vocabulary and general limited semantic comprehension in main language would predict lower performance in idiomatic utterances identification task.

3. Method

3.1. Participants

The participants consisted of 106 Portuguese second language learners (mean age = 13 years old), 57 males and 46 females (from basic and high school levels). Almost students were born outside Portugal (only 10 were born in Portugal but have emigrated before schooling) and first school instruction was mainly in their native countries. There are no disabled individuals and all participants are right-handed (laterality was also identified). The sample was collected from Lisbon district schools. This sample is intentionally heterogeneous regarding nationality and home languages. 23 nationalities were observed and 28 different languages. 32% are mandarin speakers, the most representative home language in this group of study. Using the categorization by language families: 33 speakers of mandarin, 32 speakers of romance languages, 14 speakers of slavic languages, 11 speakers of creoles, 10 speakers of indo-aryan languages, 2 speakers of afro-asiatic languages; 14 students arrived in the interval 2001-2005, 21 in the interval 2006- 2009, 55 in the interval 2010 - 2014. 61% arrived in the more recent interval.

3.2. Tasks and Procedure

The collection of data is scheduled during 2014, in Portuguese schools, and began in May 2013. Students were asked to complete full tests battery during approximately 60 minutes, in classroom evaluation context (in group session but students were tested individually). All tests were administered on paper and on a computer screen one at a time, to listen and register the sounds and texts. In the specific tasks reported at this study no computer was needed, only paper. Examinees received no feedback after the experimental trial. After the research study concluded, school practitioners and researchers will be introduced to the guidelines of the total rating and respective written rationales to handle a number of scoring challenges (incomplete answers to a task, different correct options for questions scenarios...). At a final stage of the study such guidelines and scoring will be established and informed to scientific community and schools.

Treatment of data was accomplished by using the SPSS program (version 21) and at the present study percentile analysis was used to determine positions of performance and distinctive profiles among the several groups of participants. Firstly percentile analysis was conducted to examine the index of difficulty of all tests (3) according to the overall performance of SL learners; secondly the percentiles were applied to understand two main levels of low and high achievement (insufficient and satisfactory levels: percentiles 25 and 75).

This assessment study was constructed on the following selected levels: verbal analogy, phonetics perception, foreign accent, story recall, cognates, lexical retrieval, writing composition, morphological manipulation, phonemic blending and word transference. Preliminary data will be reported considering only three tasks partially adapted from indicators (not integral tests) of previous literature in SL testing. Scoring format is based on the original classification criteria of the tests. After the total score for each participant, groups are compared according to specific independent variables (such age and home language). In this first study of SL testing

procedures adaptation we observed psychometric properties of the tests and idiomatic utterances task present limited internal consistency (.56) which would be argued based on expected limited proficiency in such cognitive demanding task. The other tests showed to be internal consistent.

Verbal Analogy Test: 6 items (based on Verbal Analogies Test n.º 2 of “Woodcock-Munoz Language Survey-Revised - WMLS-R [11]) with internal correlation consistency (cronbach’s alpha) of .60. Score: 1 point for each correct answer (total score: 6 points). Example of sample items: “Estrela está para céu assim como peixe está para _ _” (fill in the missing word by logic association: ‘Star is for sky as fish is for _ .’).

Cognates Test: 5 items (based on the structure adapted from Cognate Awareness Test of Kenyon, Malabonga, Louguit et al. [23] with cronbach’s alpha of .69. Score: 1 point for each correct correspondence (total score: 5 points). Example of sample items: “magoar/ options: ceder, tratar, ferir, acalmar” (connect the word “hurt” to the right word in meaning: ‘give up’, ‘treat’, ‘injure’, ‘soothe’). For the words list that appears in this test we analyze frequency levels based on CORLEX (national index of words frequency) and considering high level of lexical frequency in second language (portuguese). Intentionally, we propose words with similarities in form to generate distractors in lexical selection during task solving. Several errors are due to spelling similarity (error of transference). The students are asked to provide the word more closer in meaning. Portuguese words are not selected considering cognates across specific languages because participants are speakers from different home languages. Some of the words would be expected to have cognate relationship with lexicon of other foreign language among the languages diversity of participants, but most of the presented words has low frequency in the students’ mother tongues.

Identification of idiomatic utterances: 4 items with cronbach’s alpha .56. Score: 1 point for each completed response (total score: 4 points). Example of sample items: “Grão a grão enche a galinha o papo” (explain the following

idiomatic expression: ‘Grain to grain the chicken fills the stomach’). The students should write in literal language the meaning of each metaphor.

4. Results and Discussion

Index of difficulty

Levels of difficulty were estimated for each test according to the percentile analysis. Results showed (see table n.º 1) two distinct indicators for percentiles 25 and 75 determining elementary (P25) and proficient (P75) levels. In verbal analogy task 4 correct answers were identified as minimum in P25 whereas 75% students achieved over 5 analogies. In cognates awareness task SL learners were positioned below 2 words identified, in P75 was observed a performance of 5 correct identifications. In idiomatic utterances task 25% of SL learners presented absence of interpretation for all sentences. Over 75% only completed at least 1 positive interpretation.

Table n.º 1: Percentile analysis for total sample

	Verbal Analogy	Cognates Awareness	Idiomatic Utterances
P25	4,0	2,0	,0
P75	5,0	5,0	1,0

Hypothesis 1: Age effects

Percentile analysis was carried out to examine the performance differences according to age effects in the three tasks. Results described great difference between youngest children (7-9 years old) who showed lower performance than their peers in cognates test being the difference outlined when compared to high performance of young adolescents (7-9 years old: P25= ,75; 13-15 years old: P25=3 words). Young adolescents responded over the cutoff suggested in P25 estimated for general samples (see table n.º 1) whereas youngest children showed very limited behavior with values strongly below the P25 calculated for general sample. In verbal analogy test, youngest children showed to have the same

limitation of proficiency (P25=2,5 analogies). All age groups in percentile 25 do not completed the idiomatic utterances comprehension task. However, chi-squared tests and ANOVA’s were calculated as additional analysis but no age effects were identified for each task. Difficulty is generally perceived for the analogical thinking in SL context. Detailed results are displayed in table n.º 2.

Table n.º 2: Percentile analysis for age groups

Age	Verbal Analogy	Cognates Awareness	Idiomatic Utterances
7-9			
P25	2,75	,75	,0
P75	5,0	4,0	,0
10-12			
P25	3,0	2,0	,0
P75	5,0	5,0	1,0
13-15			
P25	4,0	3,0	,0
P75	5,0	5,0	1,0
16-18			
P25	4,0	1,0	,0
P75	5,0	5,0	1,25

Hypothesis 2: Home language effects

In verbal analogy task, mandarin, creoles and afro-asiatic languages speakers showed to be more proficient in logic association during verbal reasoning task (P25=4 correct analogies) against indo-aryan speakers with more misfitting cases (only 1 analogy in P25). Even speakers of romance languages (such Spanish) showed deficits during analogies identification. Slavic speakers (from Eastern European) are similar to first mentioned groups (see table n.º 3, Appendix A). Chi-squared tests and Anova’s, additional statistics carried out for this study, indicated no

differences between language groups. Detailed data are displayed in table n.º 3.

Table n.º 3: Percentile analysis for home language groups

	Verbal Analogy	Cognates Awareness	Idiomatic Utterances
Mandarin speakers			
P25	4,0	2,0	,0
P75	5,0	4,0	,0
Romance language speakers			
P25	3,25	2,25	,0
P75	5,0	4,0	1,0
Slavic language speakers			
P25	3,75	2,0	,0
P75	5,0	4,0	1,0
Creoles speakers			
P25	4,0	1,0	,0
P75	5,0	5,0	1,0
Indo-Aryan language speakers			
P25	1,0	,0	,0
P75	5,0	4,5	,5
Afro-asiatic language speakers			
P25	4,0	2,0	,0
P75			

Hypothesis 3: Exposure to Second Language and arrival date

Moderated and similar performances were observed for all arrival dates except for the late arrivals (2010-2014) who presented the high results for analogies identification (P25= 4 analogies) which was not expected. Exposure to SL is universally considered as main factor

to explain errors and limitations of SL learners. Reasoning task such verbal analogies could be more related to cognitive than to linguistic processing which would explain how late arrivals completed well this task. For metaphor comprehension results showed similar extent of proficiency regardless date arrival to Portuguese schools and amount of exposure to SL. More statistical analysis in SPSS - chi-squared test - revealed statistical differences (p=.000) for late arrivals (2010-2014) for figurative language decoding. Recent group (with less exposure to Portuguese SL) was the most successful responding to idiomatic utterances. Results are displayed in table n.º 4.

Table n.º 4: Percentile analysis for early and late arrivals

	Verbal Analogy	Cognates Awareness	Idiomatic Utterances
2001-2005			
P25	2,0	2,5	,0
P75	5,25	5,0	2,0
2006-2009			
P25	3,5	2,75	,0
P75	5,0	4,25	1,5
2010-2013			
P25	4,0	1,5	,0
P75	5,0	4,0	1,0

Discussion

Age effects

Older participants perform significantly better in analogies comprehension. In identification of idiomatic utterances we observed that all age groups in percentile 25 do not completed appropriately the task. Metaphor comprehension showed to be highly demanding task for all students depending on age variable. Previous studies [24] concluded that children understand verbal analogies in

the similarity basis and before 12 years old they are not able to perform verbal analogies mainly “high-order” relations. Comprehension of complex analogies in this type of tasks indicates a change in competence. Considering that second language learners have an additional variable that difficult the Portuguese decoding – limited proficiency in Portuguese language – children are expected to know the relations on which analogies are formed (prior knowledge storage) but there are failures in the tasks achievement because they do not attain sufficient vocabulary and semantic knowledge. This fact is not related to competence deficits [24] but with proficiency which predicts the importance to assess in SL longitudinally to understand problems associated to proficiency or to competence.

Home language effects

Speakers of indo-aryan and creoles languages had lower performance in match correspondence (cognates test). According to previous data [6] it was expected creoles languages speakers to reveal accurate answers in verbal analogy test but not in cognates. In one hand they generally present lack in language proficiency compared to other language groups due to their previous school education in African countries that are identified with several deficiencies in language teaching field; in the other hand we believe that creoles speakers have advantage to understand vocabulary and complete the analogy relations in Portuguese due to similarities that home language and SL share: Portuguese lexical properties at linguistic basis of creoles languages, but also similar concepts. Contrary, but attending to the same similarity fact, the cognates would be more probable to appear but generating confusion during decision task if cognate words were not previously apprehended. Cognate factor does not necessarily facilitate the translation process as assumed by Kroll and Bogulski [25]. Creoles speakers from African countries are immigrant students with lower achievement at early stages in Portuguese schools mainly justified by less preparation and less resources that prior education in country of origin ensured. Indo-aryan speakers are expected to have less success at this task because their

home languages are unrelated to vocabulary and general semantic features of romance languages. Further analysis should be addressed into the correlation between cognate effect and the cross-language competition in languages such Portuguese. Execution control benefits the cross-language transfer and if cognates are perceived as true similes, distinguished from false cognates [26]. As observed for age variable, home language revealed to have no effects in this task and fewer occurrences of cognates were detected considering the differences across languages spoken by students from this sample. The heterogeneity of the sample (language group variable) diminished the cognate probability in this words list disposed in Portuguese language and low similarities are expected to be observed. Romance language speakers might had some cognates recognition (and word similarities perception) during this task which explains the higher performance of that language group (P25= 2,25).

Exposure effects

Early arrivals (2001-2009) showed to have more constraints in verbal analogy comprehension which could predict serious block in their proficiency in Portuguese or indicate that advance in SL learning does not improve competence at this specific level. Vocabulary knowledge is related and lexical learning could be still delayed. Increased SL exposure is strongly attached on lexical activation [28] but our results do not support that assumption. Individuals arrived in 2006-2009 interval reported higher number of word in cognates test while late arrivals showed less completed match. Regarding metaphor language comprehension, data indicate unexpected assumptions over the principle of exposure to SL which improves proficiency and comprehension. Figurative language, mainly idioms, involves reasoning thinking at more complex level which is not fully grasped by children and by foreign learners. At this study late arrivals might be with more sensitivity to details of non-literal utterances which is connected to cognitive incoming and not with linguistic proficiency (as in the case of verbal analogies processing: late arrivals performed better than peers in verbal analogy task). Non-

literal text does not demand syntax or semantic regularity, in contrary there is some 'violation' [20] allowed in grammar. Acquisition of metaphoric awareness enhances SL learners ability to develop vocabulary and receptive fluency [27] as well literacy skills in dominant language. Figurative language is cognitive demanding and instates speech production suggesting that late arrivals would be ready to explore the metaphorical origins of sentences in foreign language and do not depending on great amount of SL proficiency at this stage.

Conclusion

In summary, results from this specific empirical study revealed that there are indeed different SL learners that should be considered separately in school in order to develop correct materials and teaching methods. Indo-aryan speakers are the students at risk in general SL learning which would be also tied on expected affective outputs during school instruction. Portuguese language offers kind of complexity and specificity that is typical in romance languages and their phonological systems, mainly for afro-asiatic and indo-aryan language speakers. Alphasyllabaries differently from morphosyllabaries need more help in school instruction considering the scenario provided by these results. These students are speakers of languages with great linguistic distance from indo-european romance languages which difficult the cognitive processing involved in Portuguese language learning. But, morphosyllabary students (speakers of languages such Mandarin) represent the fact that even being aware of linguistic distance there are other factors involved like cognitive and cerebral mapping that facilitate or difficult acquisition of other new language with strong different basis. Dissimilar extent of the development on SL learning and academic general success would be expected for those students. Diversity of activities after the evaluation (diagnostic) at school should be completed attending differences observed. European schools with romance languages as language of instruction, even in bilingual tuition settings (Belgian schools, for example), would benefit of further investigation in SL area to more advanced scientific understanding and validated materials for SL

learning of immigrant students that arise to European schools. Potential factors were analyzed in this study by observing the predictive probability of age, home languages and exposure variables in performance along three tasks of general reasoning and vocabulary retrieval. Validity of the tests presented in this study showed a limitation attending to low positive coefficients of internal consistency. New analysis will be applied after the conclusion of the empirical research. Regulation processes in SL learning depend on teaching (awareness of this diversity of cognitive predispositions and mappings) and learning (variability of proficiency and rhythms for new language learning). We concluded also that language proficiency would be minor factor in specific cognitive tasks such verbal analogies and idioms where individuals outperformed even with limited exposure to Portuguese SL. Conceptual comprehension could be early acquired than linguistic proficiency over all grammar rules. Conceptual comprehension (intrinsically related to metaphor comprehension) does not involve solely grammar control but other cognitive abilities. By studying the variables effects and the type of processing in SL we can provide robust theory for the educational practice and for new insights in scientific framework. These tests will be in future available in electronic repository of instruments in SL area, free and open for all scientific community and schools. This repository will be developed based in the principle of large connection to international repositories of assessment and digital resources in SL Education.

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Reading errors in European Portuguese first-grade children: Comparison between poor and good readers

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Abstract

The aim of this study was to analyze the pattern of reading errors in oral word reading in an intermediate orthography. The participants were fifty-eight first grade European Portuguese-speaking children poor and good readers. These children were required to read aloud a list of 32 real words. Reading errors were categorized as lexical, phonological (substitution, addition, omission, inversion, accentuation) and naming letters. We found that there were significant statistical differences in all types of errors between the two groups of readers. Inversion and naming letters were not observed in good readers, whose different reading strategies in comparison to poor readers. Finally, there were significant differences in the number of errors per word between good and poor readers. Implications were discussed for more early effective strategies to promote reading, especially for poor readers, and considering new directions for future research in this area.

1. Introduction

The Portuguese language is considered to be an intermediate orthography, as grapheme-phoneme correspondences are not one-to-one; however, these correspondences obey to explicit rules or contain irregularities. The beginner reader takes time to master reading. According to a study^[1] Portuguese first grade children had more difficulties on accuracy of familiar words in comparison with other languages. In this sense reading errors can arise. These errors have been used as indicators of children's development as readers^[2].

It is now generally agreed that the recognition of written words is one of the skills needed to perform well in reading^{[3][4]}.

Several models have tried to explain which processes are involved in word recognition. In the case of oral word reading, this recognition involves retrieving information about the spoken form and meaning of a word from its written form. One of the cognitive models of reading with greater scientific support is the Dual Route Model^{[5][6]} which considers that there are two paths between writing and speech: the lexical route and non-lexical or phonological route. The first involves direct access to the pronunciation of a word stored in the lexical memory, a kind of built-in dictionary in which known words are being stored. The non-lexical route means that access to the pronunciation of a word is done by transforming graphemes into phonemes for assembling the pronunciation of this word from that sequence of phonemes. These models thus consider that direct word recognition involves passing from a sequence of printed letters to a lexical item stored in memory, where words are represented as lexical entries. These two routes are available in normal readers^[7].

The literature review indicates the importance of assessment of word reading, both for investigation of reading skills, and for the diagnosis of reading difficulties^{[8][9]}. There have been numerous studies about the processes involved in oral word reading in languages with various spellings from the point of view of transparency, such as English, Spanish, Italian, Swedish, German, Brazilian and European Portuguese.

[1][10][11][12][13][14][15][16][17][18][19][20][21][22][23][24][25][26]

Studies that focus on reading errors can help to understand how children learn to read and the key structures of the components of learning to read^{[17][15]}.

As a result the types of reading errors allow us to understand the reading strategies that the child uses in the reading process, and identify the route used: lexical or phonological reading^[27].

We are going to review several studies regarding specifically reading errors. Studies conducted in several languages, such as in Brazilian Portuguese ^{[17][27]}; in French ^[28] and European Portuguese ^[21] suggest the existence of a greater use of the phonological route in the early stages of learning to read, with a larger scale of lexical reading with the progression of schooling.

Research findings ^[29] examined reading errors in disabled and normal readers in a transparent language. They reported that phonetic errors were the most frequent type of error in disabled readers. In another Spanish study was also found that these readers have more difficulty with word naming that demands phonological processing ^[30]. A study^[31] that aimed to research lexical and sublexical variables in good and poor readers showed that poor readers also use both the lexical and the phonological route.

Regarding Portuguese language we can refer some studies in word naming errors. In a reading error study evidence showed that most of children's first grade errors resulted in non-words with a phonological base error ^[32].

Several studies ^{[24][33]} analyzed Portuguese children's reading errors and found that most of the errors in the first grade were phonological, particularly substitution errors.

In another recent study ^[34] was analyzed the difference between first and second grade children according to phonological and lexical errors. Lexical errors were considered when children read the word as another real word with orthographic or phonological proximity to the target word. Results demonstrated that lexical errors were more frequent in second grade children, despite phonological errors accounted for most of the total proportion of errors in both years. This type of error was also observed in significantly higher number in

a Brazilian Portuguese study with good readers in comparison to poor readers^[35].

Generally in these studies it is considered only one error per word, although in other studies ^{[15] [17][35]} authors categorize more than one error per word, which are denominated complex errors.

Attending to the theoretical assumptions involved in the cognitive processes of reading single words, it is intended with this study to analyze the pattern of errors given by good and poor readers in the first grade.

Therefore, we set the following hypothesis's:

H1: Good readers commit less phonological errors than poor readers.

H2: Good readers commit more lexical errors than poor readers.

H3: The types of phonological errors differ between good and poor readers.

H4: There are differences between the number of errors committed per word between good and poor readers.

2. Method

1.2. Participants

Fifty-eight first grade Portuguese-speaking children participated in this study (26 female and 32 male). They attended six public and private schools from Lisbon area. Children with special needs were not included.

Children were divided into skilled and poor readers according to their reading performance on the word recognition test. The poor readers scored below 25th percentile. This group had 30 children with a mean average age of 84,86 (SD= 2,62).

The skilled readers scored above 75th percentile. This group had 28 children with a mean average age of 83,87 months (SD= 3,68).

1.3. Materials

Word Recognition Test ^[36]

This test is a word reading task of 32 real words, which consists of words presented in a paper format with a vertical list appearance, lower-case lettering, Times New Roman font, size 14 point.

These words were selected according to regularity, frequency, size and syllabic structure.

Concerning regularity, 16 words are regular and 16 are irregular words. Regarding frequency, 21 are non-frequent words and 11 are frequent words. In relation to size, the words have a range of four to nine letters. Finally, the list contains various syllable structures, as CV, V, V, CVC, CCV and CCVC syllables.

In this list, there are words containing the 23 vowels and consonants in initial position, nasal vowels, nasal diphthongs, vowel digraphs, consonantal digraphs as well as different grapho-phonological correspondences that are most problematic in European Portuguese.

1.4. Procedure

The test was administered individually in a quiet room. The child was asked to read aloud the 32 words the best and faster as possible. The researcher recorded the children's reading and the total reading time was measured.

Each correct answer was scored with 1 point, whereas the maximum score could be 32 points.

The errors were analyzed into two major categories: lexical and phonological errors.

Lexical errors were considered when children read the word as another real word with orthographic or phonological proximity to the target word.

Phonological errors were considered when reading resulted in non-words.

As sub-types of phonological errors we categorized in five errors with the same probability of occurrence:

Substitution errors - when the substitution of a grapheme (s) / phoneme occurs, on vowels, consonants or digraphs.

Addition errors - when there is addition of one or more graphemes in a word.

Omission errors - when there was the absence of reading of one or more sequential graphemes or syllables (or deletion of a vowel or a diphthong).

Inversion errors - when there is inversion of two or more graphemes that constitute the word, or exchange the order of the syllables in the word.

Accentuation errors - when the tone of the word is changed: both the misreading of accentuation as well as the tonicity of the word was considered.

Another type of error is the Naming Letter's; this is, when the child spells the word letter by letter without reading the word at the end.

We also classified errors according to the number of errors committed per word, which were called complex errors. The errors in each word could vary from 2 to 5.

2. Results

The data was organized according to the distribution of errors among the major categories and sub-categories by type of reader. Table 1 presents the mean frequencies and standard deviations of lexical and phonological errors according to good and poor readers.

Table 1. Means and standard deviations of lexical and phonological errors for good and poor readers

Major categories	Good readers		Poor readers	
	M	SD	M	SD
Phonological errors	1.39	.69	19.3	6.87
Lexical errors	0.21	.42	.03	.18

T-testes analysis was conducted to compare the two major category errors to provide statistical confirmation that the different frequencies observed for these errors were significant between skilled and poor readers.

The results show that there are significant differences in phonological errors between good and poor readers ($t(29.6) = 14.2, p = .000$), the later ones having a greater number of phonological errors.

In what concerns lexical errors, statistical differences were found between good and poor readers ($t(36.4) = -2.11, p = .042$), good readers having an average of lexical errors higher when compared to poor readers.

Table 2 presents the mean frequencies and standard deviations for the six types of errors within the phonological major category.

Table 2. Means and standard deviations of six types of phonological errors for good and poor readers

Types of Errors	Good readers		Poor readers	
	M	SD	M	SD
Substitution errors	0.36	0.56	17.0	7.0
Omission errors	0.11	0.32	6.80	3.53
Addition errors	0.18	0.39	8.60	6.08
Accentuation errors	0.93	0.76	3.20	2.25
Inversion errors	0.00	0.00	1.60	1.45
Naming Letter's	0.00	0.00	0.23	0.57

Error data were submitted to a T-Student test analysis, which showed significant differences between all types of errors comparing good

and poor readers (substitution errors: $t(29,36) = 12,45, p= 0.000$; omission errors: $t(29,49) = 10,32, p= 0.000$; addition errors: $t(29,26) = 7,56, p= 0.000$; accentuation errors: $t(36,06) = 5,22, p= 0.000$; inversion errors: $t(29,00) = 5,85, p= 0.000$; naming letter's: $t(29,00) = 2,25, p= 0.032$).

As we can see in table 2 good readers do not commit inversion or naming letter's errors.

In table 3 we display the means and standard deviations for complex errors according to the number of errors committed per word.

Table 3. Means and standard deviations of complex errors by type for good and poor readers

Complex Errors	Good readers		Poor readers	
	M	SD	M	SD
Complex error type 2	0.14	0.36	7.33	3.21
Complex error type 3	0.04	0.18	3.50	2.19
Complex error type 4	0.00	0.00	0.17	1.05
Complex error type 5	0.00	0.00	0.67	0.88

T-testes analysis was conducted to compare the complex errors between skilled and poor readers. Results found demonstrate that there are statistical differences between all complex errors comparing skilled and poor readers (complex error type 2: $t(29,77) = 12,192, p= 0.000$; complex error type 3: $t(29,46) = 8,617, p= 0.000$; complex error type 4: $t(29,00) = 6,067, p= 0.000$; complex error type 5: $t(29,00) = 4,130, p= 0.000$).

Poor readers commit more complex errors of all types, while skilled readers commit only complex error type 2 and 3.

3. Discussion

Our first hypothesis stated that good readers commit less phonological errors than poor readers. The results we obtained enable us to confirm this hypothesis as we found statistical significant differences between good and poor readers. The phonological errors were more frequent in poor readers than in good readers. These results are in line with several studies ([31],[32]) that have confirmed the existence of more phonological errors in the first stage of learning to read, specifically in disabled readers. Therefore struggling readers use phonological strategies more than good readers.

We also confirmed our second hypothesis that stated that good readers commit more lexical errors than poor readers. Our results show that skilled readers use more efficiently and frequently the lexical route [18]. We hypothesize that although in first grade, good readers access lexicon in a more effective way as readers in a more advanced stage ([18], [20]).

As assumed in our third hypothesis we confirm that good and poor readers differ in the pattern of phonological errors.

Both good and poor readers commit substitution, omission, addition and accentuation errors; however we do not observe inversion and naming errors in skilled readers.

The most frequent error in first grade poor readers is substitution error, as reported in other studies ([24], [33], [34]). On the other hand, in good readers the most frequent error is accentuation that we can assume is characteristic of a higher-level reading stage.

Finally, in relation to our hypothesis about complex errors, we also found significant differences between good and poor readers. Results showed that struggling readers committed more errors per word, while good readers only commit 2 to 3 errors per word, as others studies also suggest ([15], [17]).

In summary, we may say that good readers have a more restrict pattern of phonological

errors, commit less errors per word and exhibit more lexical strategies when reading than poor readers. Struggling readers on the other hand, commit more types of phonological errors, have higher number of errors per word and show a predominant use of phonological strategies in comparison to lexical.

These results can have implications on teacher's practices, especially with struggling readers. Those practices can consist in the development of strategies to enhance lexical reading and help remediate or even avoid prevailing phonological errors.

As some limitations to our study we can refer that teacher's practices were not controlled, neither were parental practices, which can influence the quality of the pattern of errors found in this research.

In future studies it would be interesting to follow children in a longitudinal study to analyze the development of their errors across the first years of primary school.

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I PLENARY SESSION

Economics, Management, Tourism, law & Politics

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The Food Supply Problem and the International Prices of Agricultural Products

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Abstract

The current report examines the underlying reasons and the main implications of food supply crises. The paper studies the main factors causing imbalances in the supply of agricultural raw materials on a global level, the specific issues related to deepening disproportions between production and consumption, and the short-term outlook for the food market. The expectations for a large-scale crisis in the supply of crucial agricultural raw materials are also analyzed. Next, the reflection of food crises on international prices of agricultural goods is examined and an attempt is made to forecast their influence in the short, medium, and long run. The likelihood of a food supply crisis and its possible implications are outlined which allows to evaluate the potential negative effects it would have on humankind. As food supply issues cause large fluctuations in prices, alternative approaches to solving them are suggested.

Keywords: food supply problem; agricultural prices; international price volatility

1. Introduction

The global agriculture and food sector has entered a new stage of development which is marked by numerous structural changes in

farming and food processing, rapid transnationalization of production and consumption, changes in the interaction of the elements of the market mechanism and in the regulation of production and trade with agricultural products, as well as introduction of new rules and conditions for investing. One of the distinctive features of this phase is the rising concern about global food security, which is caused by the radical changes in the global macroeconomic situation and the state of the food market.

The food supply problem is nothing new to the world economy. Nonetheless, two major changes took place in the 21st century which altered the overall picture. First, the society's sensitivity towards poverty and malnutrition increased. Second, crises in the food market which are not triggered by wars or natural disasters, but rather by disproportions between supply and demand for agricultural products became more frequent, thus threatening to turn into a continuous, large-scale global food crisis. The constant decline in food prices observed since the second half of the 20th century has been replaced by a steady upsurge which squeezes the real income of households and hampers plans for tackling poverty and famine in many parts of the world.

2. The Food Supply Crisis - Main Implications and Causes

The food supply problem is examined in several economic theories. The first one is the marginal utility theory according to which food production depends on limited resources (land and water) and due to the limited access to these resources, the value of food products is rising [1]. Second, the global food supply problem is studied in numerous international trade theories as the underlying reasons for it remain debatable: is it the considerable food scarcity in the world or is it the fact that food is unevenly distributed across the globe which causes the population in some countries to starve while other countries throw away food on a daily basis. Next, the food supply problem is one of the main pillars of the sustainable development theory. Thus, it can be concluded that the global food market is studied to a certain extent in many theories. However, no uniform concept of the global food supply problem has been established which explains why it cannot be given a clear definition and no specific steps to resolve it have been identified yet.

The theoretical approach to the food supply crisis has undergone significant changes since it became a subject of study in the science literature. First, it was a synonym for 'famine' and was defined as a 'sudden shock, almost always linked to natural disasters (rain, temperature) or ecological shocks (eruptions, blights, plagues)' [5]. As evident from its definition, in the past the food supply problem was perceived as a local and short-term issue. Its common signs include: a rise in consumer prices, riots and uprisings due to famine, higher crime rates, spread of diseases caused by chronic malnutrition, increased migration. With regard to this approach, the threat of regional food supply crises evolving into global crises has become very real over the past decades which is particularly worrying. Although such a development has been observed only twice in the past fifty years (in 1971-1973 and 2007-2008), the probability of witnessing a major

global crisis caused by insufficient food supply remains high.

The modern interpretation of the food supply problem is connected with the improper functioning of the socio-economic system, the uneven distribution of resources and the results of scientific and technological progress across the world rather than global food shortage caused by excessive demand. Most international organizations have dedicated themselves to finding a solution to these problems. One of the most pressing and widely discussed issues is food security - an extremely important indicator which includes not only sufficient food supplies provided by local and foreign producers, but also the access of individuals to food, more rational use of food products, as well as stability i.e. eliminating the risk of having no access to food in the near future.

Despite the lack of a consensus about the global food supply problem at the present moment, it would be interesting to examine its underlying causes. Some of them have been known for many decades, while others have only recently emerged.

The food supply problem is inextricably linked to two other global problems - the shortage of fresh water and the climate change. It has two important aspects - the limited capacity of the Earth to feed the rising population and the shift in traditional food habits in some regions which fuels a robust increase in demand for certain food products which hit a record high. And while the imbalance between the shortage of some products and the surplus of others can be solved by relocating agricultural resources, the demographic aspect of the problem poses a serious challenge to humanity and requires new technologies that assure the most efficient production of food.

Table 1 Population by country groups (million people)

YEAR	1980	1990	2000	2005	2006	2007	2008	2009	2010	2011	2012	2020
World	4,449.0	5,320.8	6,127.7	6,514.1	6,593.2	6,673.1	6,753.6	6,834.7	6,916.2	6,998.0	7,080.1	7,716.7
Developed Economies	857.9	909.2	971.6	1,000.0	1,006.0	1,012.0	1,017.9	1,023.6	1,029.0	1,034.0	1,038.8	1,072.2
United States	233.5	258.1	288.5	302.0	304.8	307.6	310.5	313.3	316.1	318.7	321.3	341.8
Canada	24.5	27.7	30.7	32.3	32.6	33.0	33.4	33.8	34.1	34.5	34.8	37.6
EU - 27	372.2	464.6	485.1	494.5	496.5	498.4	500.3	502.0	503.6	505.0	506.3	513.6
Germany	-	80.5	83.5	83.8	83.7	83.6	83.4	83.2	83.0	82.9	82.8	81.9
France	55.3	58.4	61.1	63.5	63.9	64.3	64.7	65.0	65.4	65.8	66.2	69.0
Italy	56.2	56.8	57.0	58.7	59.1	59.5	59.9	60.2	60.5	60.7	60.9	61.4
United Kingdom	56.5	57.4	59.2	60.5	60.9	61.2	61.6	61.9	62.3	62.7	63.0	65.9
Japan	115.9	122.2	125.7	127.0	127.1	127.2	127.3	127.4	127.4	127.3	127.3	125.4
Newly Industrialized Asian Economies	317.4	388.1	451.9	482.9	488.9	494.9	500.8	506.7	512.5	518.4	524.3	568.5
Transition Economies	289.5	315.8	305.4	302.4	302.5	302.9	303.4	304.0	304.6	305.0	305.3	306.3
China	984.0	1,165.4	1,280.4	1,318.2	1,326.1	1,334.3	1,342.7	1,351.2	1,359.8	1,368.4	1,377.1	1,432.9
Russian Federation	-	-	146.8	143.9	143.7	143.7	143.7	143.7	143.6	143.4	143.2	140.0
Developing Economies	3,301.7	4,095.8	4,850.6	5,211.7	5,284.8	5,358.3	5,432.3	5,507.1	5,582.6	5,659.0	5,736.0	6,338.2
Southeast Asia	356.6	443.7	524.4	561.8	569.0	576.0	583.0	590.0	597.1	604.3	611.5	666.1
India	699.0	868.9	1,042.3	1,127.1	1,143.3	1,159.1	1,174.7	1,190.1	1,205.6	1,221.2	1,236.7	1,353.3
South	241.	295.	348.	372.	376.	381.	385.	389.	393.	398.	402.	434.

America	0	7	1	4	9	2	4	6	8	0	3	3
Brazil	121. 7	149. 6	174. 5	186. 1	188. 1	190. 0	191. 8	193. 5	195. 2	196. 9	198. 7	211. 1
Mexico	70.4	86.1	103. 9	110. 7	112. 1	113. 5	115. 0	116. 4	117. 9	119. 4	120. 8	132. 0

Source: UNCTAD.

Since the 1950s and the post-war baby boom in the USA and Europe the world's population has been increasing at an unprecedented pace. In the last two decades of the 20th century it increased by nearly two billion people and amounted to more than 6 billion in 2000. In 2012, the world's population has already surpassed the 7 billion mark, growing at a record pace. The enormous increase in the last few years was driven mainly by developing countries like India, Brazil, Mexico, Indonesia, and Nigeria. Developed economies reported a moderate increase and the unfavorable demographic situation in some countries such as Germany and Japan causes concerns over aging and declining population. The population in the economies in transition has also followed a downward trend – the Russian Federation reported a decline from nearly 147 million people at the beginning of the century to just over 143 million people in 2012. In addition, a concentration of the population in big cities in West Russia was also observed. China has witnessed a negligible increase in population as a result of the one-child policy adopted by the government several decades ago which is expected to lead to age and gender disparities in the Chinese population.

Demographic development is probably one of the oldest and most important causes of food supply problems. In his book 'An Essay on the Principle of Population' published in 1798 the English sociologist and economist Thomas Malthus says that population growth exceeds the Earth's capacity to produce food, as the population increases at a geometric rate while food production grows arithmetically. Malthus, however, did not take into account the economic development and technical progress of humankind which allows for a larger number of people to be fed. At first sight, the Industrial

Revolution seemed to have helped achieving an equilibrium in the system as it led to a sharp increase in food production in the 19th century and at the beginning of the 20th century. According to FAO's annual data on world population in the 1961-2010 period, a rising geometric progression with a common ratio of 1.02 has been observed. At the same time, total food production also increased at a geometric rate of 1.1-1.8 during the same period due mainly to the 'green' and 'gene' revolutions, i.e. the population and total food output have been rising proportionally. However, a detailed examination of the structure of growth by regions and countries reveals that the biggest increase in population was observed in the least developed countries where most people cannot afford to buy food products at the current prices on international markets. In other words, quite a big part of the world's population is not actively involved in the distributing and consumption of food products.

Although most of the developed countries have not registered a significant increase in population, food consumption there remains stable. At the same time, emerging markets (a group of countries that have registered a robust economic growth in recent years) have reported a large increase in population and per capita food consumption triggered by rising households' income. Growth in global demand for food products is largely fueled by the emerging markets, especially by India, Brazil, and some Asian and Latin American countries.

The changing structure of global food consumption has aggravated significantly the global food crisis. According to the Bennett Law, as people become wealthier, they switch from products of plant origin to ones of animal origin. The current situation in many Asian countries is an illustration of this rule. The rapid increase in

the income level in these countries as a result of the economic growth, urbanization, and globalization led to a shift from traditional food like rice and various root vegetables to meat and dairy products, vegetables, fruits, animal and vegetable oils which are typical for the developed economies. Emerging Asia is quickly shifting from rice to wheat which is turning into a staple food for the population in these countries. Thus, countries traditionally importing rice have started to import wheat which has inevitably transformed global trade and changed key market players' positions.

In addition to developing Asian economies, less developed countries also tend to switch to food products which are typical for the developed economies. Traditional cereal and legume plants are replaced with more expensive and more nutrient protein foods. According to FAO statistics, milk consumption per capita in developing countries has doubled, meat consumption has tripled, and eggs consumption has increased five-fold since 1960. As a result, the global demand for these products surged drastically in the last fifty years. In addition, experts forecast that by 2050 the demand for protein-rich foods will not only continue rising, but will also gain considerable momentum. Meat consumption in the emerging Asian economies is expected to witness the most substantial increase. At the same time, high consumption of meat per capita is typical for the developed countries so a negligible increase is expected there (the per capita meat consumption in North America and Europe will amount to 89 kg in 2050 against 83 kg now) [3]. By contrast, meat consumption in the countries from Southeast Asia will nearly double – from 28 kg to 51 kg per person given the rising purchasing power of the population. Thus, the Asian economies have become leaders in terms of rising demand for protein products and meat, in particular.

The expansion in biofuels production has driven up food prices as it uses agricultural raw materials like wheat, maize, sugar cane,

soybeans, and rape, among others. The increase in biofuel output requires more arable land, farm equipment, and manpower which are all essential to agriculture. Thus, the shift from farming to biofuels production leads to lower agricultural output.

Many researchers claim that food shortage is caused mainly by the increased use of resources as well as their scarcity and depletion [4]. Agriculture is expected to feed an ever growing population, to provide raw materials to the textile industry, and to supply inputs to biofuel producers. All this should be done with limited resources of land and water. What is more, the available arable land is eroding or is lost due to urbanization [2]. At the same time, water scarcity is becoming a pressing issue given the growing need for drinking water and the impact of climate change.

3. The Impact of Food Crises on the International Prices of Agricultural Commodities

A sharp increase in the prices of most agricultural commodities on the global market was observed in 2007 and in the first half of 2008. It was driven by a combination of structural and short-term factors. Against the background of the ongoing increase in demand, especially in emerging Asia (including China and India), combined with limited food supply and fear of resource shortage, the food supply problem once again moves up the agenda. Unlike the previous food crisis (the grain crisis in the 1970s), this time humankind faces other challenges which further aggravate the problem. They include the climate change and the boom in the production of biofuel from cereals and oilseeds.

Table 2 Average Prices of Selected Agricultural Commodities

Product / Year	2000	2005	2006	2007	2008	2009	2010	2011	2012
Maize (\$/mt)	88.53	98.67	121.85	163.66	223.12	165.51	185.91	291.68	298.42
Rice, Thai 5% (\$/mt)	202.40	286.27	304.88	326.43	650.19	554.99	488.91	543.03	562.98
Wheat, US HRW (\$/mt)	114.09	152.35	192.04	255.21	326.03	224.07	223.58	316.26	313.24
Beef (\$/kg)	1.93	2.62	2.55	2.60	3.14	2.64	3.35	4.04	4.14
Meat, chicken (\$/kg)	1.31	1.63	1.53	1.72	1.87	1.89	1.89	1.93	2.08
Meat, sheep (\$/kg)	2.62	4.44	4.04	4.12	4.59	4.28	5.31	6.63	6.09
Sugar, world (\$/kg)	0.18	0.22	0.33	0.22	0.28	0.40	0.47	0.57	0.47

Source: World Bank, Pink Sheet.

The prices of food commodities like wheat, rice, and maize have increased significantly since the beginning of the new millennium, breaking the downward trend observed from the second half of the past century. During the 2007-2008 food crisis, however, prices started growing at a rapid pace. In 2008, the prices of maize, rice, and wheat registered an annual increase by 36 %, 99 %, and 28 %, respectively. A period of “calmness” followed and prices even decreased due to the onset of the global financial and economic crisis. Nonetheless, a new upsurge in prices was observed in the 2010-2012 period which was in line with the rising concerns about the security of global food supply.

In general, meat and crop prices witness the highest upsurge during food supply crises. Against the backdrop of rising food demand in the new economic centers in Asia, the prices of rice (traditional food for the region) and wheat (a commodity which is becoming increasingly popular on these markets) both increased. Maize is very common in the diet of Latin American nations and is among the main raw materials for the food processing industry. But in recent years demand for this cereal increased sharply as it is used in biofuel production, which inevitably reflects in a rise in its price. The increased consumption of protein-rich foods worldwide leads to a rise in the prices of meat

and dairy products, and cereals, which are used for forage.

The spike in prices of agricultural commodities, which peaked during the 2007-2008 food supply crisis is the most significant in the past decades. In 2008, FAO's food price index increased by 24 % on 2007 and by 57 % compared to 2006. Nominal prices of almost all agricultural products have surged but at a different pace – the international prices of basic food commodities such as cereals, oilseeds, and dairy products increased much more significantly than those of products produced primarily in tropical countries, such as coffee, cocoa, cotton, and rubber. Therefore, many developing countries which are dependent on the export of cotton and rubber face a problem coming from the fact that export revenue grows at a much slower pace than the price of food products they import. Since a large part of these countries are net importers of food, that development leads to serious balance of payments problems.

One of the distinctive features of modern food crises is the simultaneous upsurge in prices of nearly all major food and feed products on the global market and the ability of high prices to sustain their high levels even after the short-term shock has ended. The price boom is accompanied by much higher price volatility

compared to the past, especially in cereals and oilseeds. Food insecurity makes the agricultural commodities market particularly vulnerable to some short-term factors such as the unfavorable meteorological conditions in countries which are large producers, the political instability and social unrest, among others, which further intensify price fluctuations (for example, in recent years droughts in Australia, South America, and Russia have exerted a strong impact on price movements). At the same time, the instability encourages speculation which can create a vicious circle that can further destabilize prices. Speculation is a constant factor which models the volatility of prices on the markets for the main raw materials used in the food industry. According to UNCTAD data, it accounts for over 10 % of the overall price change. During food supply crisis, however, speculation's share reaches record heights (over 30 % of the price change is caused by it) [7]. The spike in agricultural commodities prices encourages speculative investments and many economists talk about the so-called 'soft commodities boom', which can drive up prices and create an unstable situation on the market. Despite the fact that speculative elements have a limited effect in time, there are indications that their activity impacts not only commodity prices, but also some factors of production, especially arable land.

During the 2007-2008 food supply crisis the world witnessed a significant rise in the prices of rice, wheat, maize, and other agricultural products. In most of the cases, the sharp increase in prices on international markets caused a surge in prices on the domestic market. A number of studies concluded that during a food supply crisis significant inflation is transferred from the global markets to the internal markets. Although such a phenomenon is to a certain extent typical for non-crisis periods, during a crisis it becomes more pronounced. Factors like transportation costs, the level of food self-sufficiency of some countries, exchange rates, and internal shocks drive this trend. However, the main engine of price shock transmission from the international

to the domestic market remains foreign trade policy which is why countries, especially the developing economies, often adopt measures aimed at minimizing the impact of food crises and price shocks.

Although the rise in global prices of agricultural commodities poses a serious threat to the population of developing countries, internal prerequisites have essential role in enhancing the effects of crises and when combined with external factors they lead to inflation, instability, and impoverishment. In most developing countries the 2007-2008 food supply crisis had an impact on domestic prices, albeit different in every country (in some cases with a considerable delay). Furthermore, the subsequent drop in global prices only partially influenced this group of countries – the average consumer prices in developing countries remained at levels which were 50 % higher than in the period before 2007. Nevertheless, the following increase in prices on the global market in 2010-2012 affected the domestic market even faster compared to the previous crisis. This serves to prove the existence of specific internal problems on the food markets in the developing countries, which further exacerbate the effects of food supply crises.

The deepening of the food supply problem in 2012 raised concerns that these frequent shocks were harbingers of a new large-term global crisis [6]. Some people claim that the world has not yet reached the final stage of a long period of oversupply on the international agricultural markets, which was backed by the increased exploitation of cheap natural resources and the subsidies provided to farmers from OECD countries. However, other researchers argue that food supply crises occur periodically (in the 1950s, the 1970s, and today) and are largely influenced by price and investment dynamics in the agricultural sector. According to this hypothesis, higher prices of food products cause inflow of investments and new technological developments that cause a rise in production and reduce prices. By contrast, lower prices result in a reduced interest in the sector from

both the state and investors. This continues until the extremely low supply of agricultural products leads to an upsurge in prices which once again attracts the investors' interest in the sector.

4. Possible Approaches to Solving Food Supply Problems and the Subsequent Price Volatility

The rising and volatile prices of agricultural products triggered by the global food supply crisis threaten to affect the feeding of a large part of the world population and impede the process of tackling poverty and malnutrition. Many developing countries counter price shocks using restrictive measures in their foreign trade, thus aiming to ensure domestic food reserves and to prevent transmission of inflation from the global to the domestic market. These measures, however, are only temporary. To solve the food supply problems which cause higher and unstable prices, a new policy focusing on sustainable development of the global agricultural sector is necessary to be adopted. The agricultural sector in the developing countries has to be paid more attention as it has a great potential which, however, is still underdeveloped. New decisions and innovative technologies are needed in order to increase productivity, mitigate the influence of short-term factors which are largely connected to climate conditions, while at the same time protect and use in the most efficient way the limited resources of earth and water.

The simultaneous impact of negative economic and climate factors turns into a catalyst for food insecurity in the medium and long term. Nonetheless, the developed countries have found it easier to deal with the challenges posted by this problem. After the devastating tsunami in Japan in 2011 an early warning system was implemented in case of an emergency or threat to food reserves at both state and regional levels. This helps prevent more serious problems even in the hardest-hit areas, where the prices of food products returned to pre-crisis levels relatively quickly.

In other countries such as Thailand, however, natural disasters led to a destabilization and providing the population with basic food products becomes a difficult task. In this situation, foreign supplies of food (through trade or in the form of humanitarian aid), encouraging investment in food manufacturing and optimization of the business processes in the food industry became the most important steps towards stabilization of the food security level in the short and the medium term.

High food prices are particularly worrying factor in the developing countries given their increasing population and low income. In response to these concerns, governments of these countries adopted a series of temporary measures such as introducing export quotas and imposing price controls, lowering import duties on food, removing taxes and subsidies on agricultural products. These actions largely aim to reduce prices on the domestic market by increasing the supply on the local market. They can easily be distinguished from the traditional market policies in agriculture adopted by the rich European countries and Japan, which look after the interest of their own farmers and thus try to keep domestic prices high.

The increase in international food prices has turned into a major global threat which has forced WTO members to take collective measures to mitigate this threat. The existing trade barriers and domestic development programs in many countries insulate inefficient producers from the real pricing situation on the market which causes them to make mistakes in the estimation of resource usage. A possible liberalization of agricultural policies would lead to relocation of the resources in favor of more efficient producers, and thus the productivity will increase. Higher prices create a real opportunity for reducing or even removing agricultural subsidies, which are given in many countries, as well as for removing trade barriers without putting producers' income at risk.

The continuous growth in global demand for protein-rich products created a need to increase

the volume of production in the livestock sector. This requires the introduction of brand-new technologies in agriculture, as the extensive expansion (mainly in the form of rising animal inventory) will result in a decrease in crop areas, accelerated soil erosion, deforestation, environmental pollution (caused by methane, ammonia, among others) and will therefore partially exacerbate the food problem. Some of the products of plant origin, which are intended for human consumption, will be used as forage to feed the animals. It is therefore necessary to strike a balance between crop and livestock production at a certain point in the future when the system will be in equilibrium and will be able to meet the needs of the population for food of both animal and plant origin.

The ongoing rise in agricultural commodities prices is crucial to the global economy and determines the key drivers of price dynamics, following their drop in the previous century. Major exporters of agricultural products, such as Australia, benefit the most from high prices. These countries, however, are unable to draw the full benefit from higher prices because of the unfavorable weather conditions. The increased world output should relieve the difficulties in the supply of agricultural products although a fall in their international prices is not impossible. The arable land in Europe is expected to increase in accordance with the EU Common Agricultural Policy's targets which include utilization of unused areas in mountainous and disadvantaged regions. The increase in global supplies should lead to a significant decline in prices on international markets. However, there are strong grounds for believing that food demand worldwide will continue growing and it will take years for the depleted world food stocks to be restored. Therefore, food prices will continue their upward movement.

In the long term, there are some important factors that should be taken into account, in order to raise the global agricultural production to levels consistent with the projected growth in demand for food. These factors include the need

to provide irrigation water (which, however, can lead to a shortage of water for other purposes), to consider the effects of climate change and to improve the environment, as well as to reform the agricultural policy, both at a national and international level.

To prevent reaching a critical point or a point of no return in the evolution of the global food supply problem, it is necessary to implement a series of measures aimed at improving agricultural efficiency. The role and the importance of agriculture to the economies of the countries should be reconsidered, as it is the lack of adequate attention and investment in the sector that drags output growth. Efforts should be focused on the utilization of the enormous potential for development of the sector in developing countries. The necessary measures include: allocating more investments towards the agricultural sector; transformation of the agricultural sector from capital intensive to science intensive, which will pave the way for a new 'green revolution'; providing support to small farms; improving farmers' access to social security; creating an institution for food products similar to the International Energy Agency. These measures will largely ease the process of searching new concept of sustainable agricultural development while actions should be focused on the science intensity of the agricultural sector.

4. Conclusion

At the current stage of human evolution, the food supply problem arises from the constant increase in food prices, which poses a threat to food security in the least developed countries, as well as for the poorest groups of the population in the developed and developing economies. The upturn in prices is the result of several factors like improper and excessive use of natural resources, growth in demand for animal products, increased per capita consumption, among others. The gap between supply and demand is expected to cause the price of food to increase in the future, so economic and technological prerequisites will

be necessary to slow the growth in the prices of agricultural commodities and to overcome the effects of the food crisis.

The food supply problem has undoubtedly contributed to the turmoil on agricultural markets in recent years as well as for the rising prices that are extremely unstable, sensitive, and dependent on short-term factors such as meteorological phenomena and social and economic crises. Price volatility leads to changes in food security and the global food reserves, which through market channels causes fluctuations in prices of agricultural commodities, i.e. it creates the so-called 'vicious circle' in which a constant rise in the prices of food products is observed. In order to stop this process, urgent reforms in global agriculture are needed, primarily in the agricultural sector in the least developed and most vulnerable countries.

To sum up, it should be emphasized that the main reason for the global food problem and the frequent food supply crises is the uneven distribution of the gains from the scientific and technical progress in agriculture in the world which prevents a decline in food prices even when the technological advance in different economies boosts yields several fold. Against this backdrop, a decrease in the growth of agricultural land productivity is observed, as well as a decline in the workforce in the least developed countries due to the spread of diseases and urbanization, the increased competition for water resources from other sectors, soil erosion, and biodiversity loss, among others. All these problems make the task of finding an optimal solution more difficult and

require the involvement of science and technology.

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The Quick way to Search for Worldwide M&A (Mergers & Acquisitions) Target: The Concept of one M&A Computer Software Patent

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Abstract

This paper will present the concept of one M&A Computer Software Patent. This patent can be used to search for the worldwide M&A (Mergers & Acquisitions) Target quickly. The concept of this patent is based on a series of 16 papers which have been published in the international conference from 2007 to 2014. And, this paper is the final conclusion of those papers. In this paper, we summarize the empirical results of the previous five parts research, and present the important policy implications. The results from using three different statistical methods to estimate the Merger activities equation are presented. The data used for this study are from: (1) the 1987, 1982 Census of Manufactures, (2) U.S. Commodity Exports and Imports as Related to Output: 1991 and 1990, (3) Mergers & Acquisitions Journal (1988), (4) Directory of Corporate Affiliations (1986, 1987), and (5) Million Dollar Directory (1995). The 1987, 1982 Census of Manufactures is one part of the 1987 Economic Censuses which is conducted by the U.S. Department of Commerce. Also, U.S. Commodity Exports and Imports as Related to Output is conducted by U.S. Bureau of the Census, U.S. Economics and Statistics Administration in U.S. Department of Commerce. These results show that the estimated coefficients for the strategic factors are significant. It indicates that they are important determinants in merger activities (M&A) in international capital market.

Keywords: Patent, Computer Software, M&A, Merger, Worldwide, Target.

1. Introduction

This paper will present the concept of one M&A Computer Software Patent. This patent can be used to search for the worldwide M&A (Mergers & Acquisitions) Target quickly. The concept of this patent is based on a series of 16 papers which have been published in the international conference from 2007 to 2014. And, this paper is the final conclusion of those papers. In this paper, we summarize the empirical results of the previous five parts research, and present the important policy implications. The results from using three different statistical methods to estimate the Merger activities equation are presented. These three different statistical methods are: (1) Probit procedure; (2) OLS (Ordinary Least Squares) Method; (3) Log-Linear Functional Form, OLS (Ordinary Least Squares) Method.

Previous foreign mergers studies provide abundant empirical evidence in the analysis of the characteristics of acquired firms. Their models give some insights into the factors contributing to merger, but are far short of providing very clear picture of merger activity.

In an attempt to understand the factors more clearly, this study investigates the determinants of foreign merger activities in U.S. manufacturing industries to partly shed light on the growth of such activities in the United States. Unlike earlier studies, this study identifies those characteristics of an industry which have a statistically significant impact on the probability that the firms in this industry will be acquired.

In Section 2 of this paper, we discuss merger theories briefly and review previous relevant literature. In Section 3, we construct our theoretical model and hypothesis, discuss the basic framework. Section 4 explains data sources, data definitions, and the statistical analysis techniques used in this study. Section 5 presents empirical results for foreign merger activities in U.S. manufacturing industries. Section 6 summarizes the research findings and presents conclusions.

2. Review of Literature

This M&A Computer Software Patent has been created smoothly. At first, we are very grateful to the following professors who conduct excellent research in this M&A (Mergers & Acquisitions) field.

Many studies have investigated the motives of foreign merger activities. In the early study by Robert S. Harris and David Ravenscraft (1991), they shed light on the motivations for foreign direct investment (FDI) in the U.S. as well as the factors influencing FDI via acquisitions. They studied shareholder wealth gains for 1273 U.S. firms acquired during the period 1970 - 1987 with a specific focus on differences between acquisitions made by foreign versus U.S. firms. The evidence shows that cross-border transactions are more concentrated in R&D intensive industries than are domestic takeovers. Furthermore, three-fourths of cross-border takeovers occur between bidders and targets in related industries. The data thus support the view that FDI is more likely in situations in which a firm can take advantage of market imperfections or internalize what are otherwise costly (or inefficient) market transactions. Also, the target wealth gains are significantly higher in cross-border takeovers than in domestic acquisitions. This cross-border effect persists, having controlled for industry effects, variation in gains over time, the medium of exchange, and competition in bidding. Foreign companies pay around 10

percentage points more than domestic firms in noncash bids. This impact is as large as the increase in premiums resulting from all-cash deals or multiple bid takeovers, two effects receiving substantial attention in the finance literature.

There is an extensive literature on the motives for foreign merger activity. Harris and Ravenscraft (1991) show that the forces driving cross-border takeovers include : 1. imperfections and costs in product or factor markets, 2. biases in government and regulatory policies, and 3. imperfections and information asymmetries in capital markets.

The third reason for foreign merger activity is offered by Froot and Stein (1989) who develop a model linking cross-border takeovers to exchange rate movements. They argue that given information asymmetries about an asset's payoffs, entrepreneurs find it impossible or very costly to purchase the asset solely with externally obtained funds. As a result, "information intensive" investments, such as buying a company, will be partially financed by the net wealth of the entrepreneur. Since the relative net wealth of foreign versus U.S. entrepreneurs will vary with exchange rates. Froot and Stein's model predicts that foreign buyers will have a purchasing advantage when their currency is strong against the dollar.

There can be substantial tax effects in takeovers. Scholes and Wolfson (1990) argue that changes in U.S. tax laws have had a substantial impact on the incentives both for mergers between U.S. firms and for purchase of U.S. firms by foreign buyers. Specifically, the 1981 Economic Recovery Tax substantially increased tax incentives for U.S. takeovers by U.S. firms (both absolutely and relative to foreign acquisitions of U.S. firms). These incentives included accelerated depreciation schedules that could only be obtained upon acquisition of assets and hence created an incentive for takeover. However, the 1986

Tax Reform Act neutralized most, if not all, of these advantages. Scholes and Wolfson (1990) argue that after 1986 foreign investors should find investment in the U.S. more attractive than before and that such investors “may place a higher value on the assets held by U.S. investors than U.S. investors place on them.”

Subsequent work by M. Wayne Marr, Jr, Sanjeev Mohta and Michael F. Spivey (1993) investigate whether real-sector opportunities motivate foreign takeovers of US firms by assessing whether foreign bidders target US firms that offer possible synergistic gains and that provide an opportunity to enter or expand existing operations in the target's market. They analyze these takeovers in the pre-takeover stage (they develop and test hypotheses about the expected characteristics of the foreign takeover targets) and takeover stage (they examine the announcement effects of foreign takeovers on the wealth of target firms' shareholders and then test the effects of specific characteristics on the wealth gain from the takeover).

With recent economic developments in Europe and the internationalization of Asian corporations from Japan, Taiwan, South Korea and Hong Kong, international takeovers are expected to be more sophisticated and popular in the 2010s. Past research on international acquisitions focused on the benefits of diversification of US acquiring firms. Louis T.W. Cheng and Kam C. Chan (1995) provide the study which takes the perspective of the international bidders and examines the characteristics of international takeovers. Due to data limitations, the sample is confined to takeover transactions for international bidders and US targets with a minimum price of \$100 million. A sample of 70 takeover events from 13 countries was examined.

They examined the summary statistics of several takeover characteristics including the type of takeovers, relatedness of the takeovers, time from first announcement to

consummation of the takeover, annual sales, transaction price, premium paid and abnormal returns of the target. They find that international bidders seem to prefer related acquisitions. However, these related takeovers do not result in higher premiums or higher abnormal returns for the targets. Some variations in takeover duration are observed among bidders from the UK, Japan and France. They believe that the differences in takeover duration is a consequence of different perceptions of political risk in acquiring US targets by international bidders. Interesting results are found for the premium paid. Both the analysis of variance and the regression analysis indicate that UK bidders are able to pay a lower premium than bidders from other countries. This lower premium does not lead to a lower abnormal return for their US targets. They attribute the UK bidders' ability to pay a lower premium to their understanding of the US business environment and to their sophistication in takeover activities. In addition, the abnormal returns of the US targets tend to vary with the country of the bidder. Also, the abnormal returns of the targets are found to be positively related to the premium they received.

As an extension of the above studies which are famous and excellent in the past 40 years, our study, based on the several significant characteristics of international takeovers identified previously, uses new statistical analysis model, examines more and new data in a wide selection of U.S. industries in manufacturing sector, and identifies more precisely the determinants and motives of foreign merger activities in U.S. manufacturing industries.

3. Theoretical Model and Hypothesis

In this M&A Computer Software Patent, we construct the following Theoretical Model and test the most important 8 Hypotheses.

This study identifies those characteristics of an industry which have a statistically significant impact on the probability that the firms in this industry will be acquired. The specification of the model is similar to that used in past studies of merger activities: (1) Harris, Stewart, Guilkey and Carleton (1982); and (2) Scherer and Ravenscraft (1987). Our model to identify the determinants of foreign merger activities can be typically represented as :

$$\text{Prob} (y_i = 1) = \Phi [a + b \cdot \text{Growth} + c \cdot \text{Price-cost margin} + d \cdot \text{Market concentration ratio} + e \cdot \text{Capital-Labor ratio} + f \cdot \text{Export} + g \cdot \text{Import} + h \cdot \text{Tariff} + i \cdot \text{NUMCO} + u_i]$$

where Φ is the cumulative density function of a normal probability function, and y_i is a binary choice variable with the value $y_i = 1$, if $y_i^* > 0$, and $y_i = 0$, if $y_i^* \leq 0$.

The meaning of each item is as follows: (1) y_i^* is Acquisition ratio, $y_i^* = (\text{No. of Acquisition in industry } i) / (\text{Total No. of Companies in industry } i)$. (2) Growth is average annual growth rate, $\text{Growth} = (\text{Value added } 1987 - \text{Value added } 1982) / (\text{Value added } 1982)$. (3) Price - Cost Margin is the 1987 average industry price cost margin, which is value added minus payroll and rentals, divided by value of shipments. (4) Market Concentration Ratio is C4 and HHI50, where C4 is 4 - firm market concentration ratio, HHI50 is Herfindahl - Hirschman Index for 50-firm market concentration ratio. (5) Capital - Labor ratio, K/L, is technology indicator. K/L is capital expenditure divided by total number of workers. (6) Export is export percentage. (7) Import is import percentage. (8) Tariff is estimated average tariff rate. (9) NUMCO is Number of Companies in an industry. (10) u_i is error term.

An effective means of investigating merger trajectories is to examine by industry the characteristics associated with high levels of acquisition activity (Scherer, 1987). One way of measuring merger activity is to count the number of acquisition within an industry and divide it by the industry's total number of firms.

In this study, we define the Acquisition Ratio as : Acquisition Ratio (y_i^*) = (Number of Acquisition in industry i) divided by (Total number of companies in industry i). The 1987 Census of Manufactures has provided the Total number of companies in industry i for this study. But, data are not directly available for the Number of Acquisition in industry i for our study. Because of the many restrictions, therefore, we use the information from Mergers & Acquisitions (1988), Directory of Corporate Affiliations (1986, 1987), and Million Dollar Directory (1995) to calculate the relevant data.

Furthermore, we use the Probit model. In the Probit model, only the sign of y_i^* is observed, and that sign determines the value of y_i according to the relationship:

$$\text{If } y_i^* > 0, \text{ then } y_i = 1; \text{ and}$$

$$\text{If } y_i^* \leq 0, \text{ then } y_i = 0.$$

Thus we use a binary choice model. For industry i , the dependent variable, y_i , can take on two values, 1 and 0, depending on whether the firms in industry i are acquired ($y_i = 1$), or not acquired ($y_i = 0$). The dependent variable, y_i , can be expressed in terms of a continuous latent variable, y_i^* (Acquisition ratio), that is defined as the variable describing the attractiveness of firms in industry i as a potential acquisition.

In summary, we then have the Hypothesis 1: Foreign takeovers take place in relatively low-growth industries. Hypothesis 2: High-profit

industries are always the targets of foreign takeovers. Hypothesis 3: Highly concentrated industries experienced significant less foreign acquisition activity. Hypothesis 4: Cross-border takeovers are more concentrated in R&D-intensive industries. Hypothesis 5: Foreign takeovers take place in relatively high export percentage industries. Hypothesis 6: Foreign takeovers take place in relatively low import percentage industries. Hypothesis 7: Foreign takeovers take place in relatively high-tariff industries. Hypothesis 8: Foreign takeovers take place in the industries whose number of companies in an industry is relatively larger.

Furthermore, merger activities equations are estimated separately for foreign and domestic owners for all specifications. This allows for the comparison in investigating different motives of merger activities by owner-type.

As the theoretical model and hypothesis has been explicitly stated, the empirical results which are significant for all specifications are presented in Section 5.

4. Data and Estimation Technique

In this M&A Computer Software Patent, we use the following Data and Estimation Technique.

The data used for this study are from: (1) the 1987, 1982 Census of Manufactures, (2) U.S. Commodity Exports and Imports as Related to Output: 1991 and 1990, (3) Mergers & Acquisitions Journal (1988), (4) Directory of Corporate Affiliations (1986, 1987), and (5) Million Dollar Directory (1995).

4.1 Data

The 1987, 1982 Census of Manufactures is one part of the 1987 Economic Censuses which is conducted by the U.S. Department of Commerce. Also, U.S. Commodity Exports and Imports as Related to Output is conducted by U.S. Bureau of the Census, U.S. Economics and

Statistics Administration in U.S. Department of Commerce, as stated earlier.

The sample used in this study consists of: (1) a sample of 736 firms acquired in 1988. In this sample, there are 584 firms acquired by U.S. firms, and the other 152 firms are acquired by foreign firms. (2) a sample of 459 industries in U.S. manufacturing sector. The 4-digit SIC (Standard Industrial Classification) codes are from 2000 to 3999.

According to our study, in the 459 industries in U.S. manufacturing sector, some industries have no merger activities in 1988. Other industries have 1, 2, to 6 merger activities in 1988.

4.2 Estimation Technique

This study identifies those characteristics of an industry which have a statistically significant impact on the probability that the firms in this industry will be acquired. As discussed earlier, three statistical methods are used in this study. All the items and specifications are fully presented in detail in Section 3. Theoretical Model & Hypothesis.

Empirical Results

In this M&A Computer Software Patent, we summarize the empirical results of the previous five parts research, and present the important policy implications. The results from using three different statistical methods to estimate the Merger activities equation are presented. These three different statistical methods are: (1) Probit procedure; (2) OLS (Ordinary Least Squares) Method; (3) Log-Linear Functional Form, OLS (Ordinary Least Squares) Method.

This section explores the outcomes of our empirical estimations for a variety of specifications. The results of the determinants and characteristics of foreign merger activities

in U.S. manufacturing industries will be explained.

For example, the results from using the Probit procedure to estimate the foreign merger activities equation are presented. These results show that the estimated coefficients for PCM (Price-Cost Margin), K/L (Capital-Labor ratio), C4 & HHI (4-firm Market Concentration ratio, Herfindahl-Hirschman Index), Growth (Average annual growth rate), and Tariff (Average Import Tariff rate) are highly significant. It indicates that they are important determinants in foreign merger activities in entering the U.S. manufacturing industries.

6. Special Critical Values:

Special Critical Values will be provided in this M&A Computer Software Patent.

7. Special Secret Values for Commercial Uses:

Special Secret Values for Commercial Uses will be provided in this M&A Computer Software Patent.

8. Special Dummy Variables:

Special Dummy Variables will be provided, for each Continent, each Nation, etc., in this M&A Computer Software Patent.

9. Special Commercial Weights:

Special Commercial Weights will be provided, for each Continent, each Nation, etc., in this M&A Computer Software Patent.

10. Conclusion

In this M&A Computer Software Patent, we have reached the most important and useful conclusions.

In summary, for example, the results from using the Probit procedure to estimate the foreign merger activities equation show that the estimated coefficients for PCM (Price-Cost Margin), K/L (Capital-Labor ratio), C4 & HHI (4-firm Market Concentration ratio, Herfindahl-Hirschman Index), Growth (Average annual growth rate), and Tariff (Average Import Tariff rate) are highly significant. It indicates that they are important determinants in foreign merger activities in entering the U.S. manufacturing industries.

However, the estimated coefficients for Export (Export percentage), Import (Import percentage), and NUMCO (Number of companies in an industry) are not significant. It indicates that they are not important determinants in foreign merger activities in entering the U.S. manufacturing industries.

Specific conclusions reached for foreign merger activities are as follows: (1)foreign takeovers take place in relatively low-growth industries. (2)high-profit industries are always the targets of foreign takeovers. (3)highly concentrated industries experienced significant less acquisition activity. (4)cross-border takeovers are more concentrated in R&D intensive industries than domestic takeovers. (5)changes in U.S. tax laws have had a substantial impact on the incentives both for mergers between U.S. firms and for purchase of U.S. firms by foreign buyers, also, foreign takeovers take place in relatively low-tariff industries. (6)relationship between export percentage and merger activity is weak and sometimes in an unexpected direction. (7)the estimated relationship is weak between import percentage and merger activity, and sometimes in an unexpected direction. (8) the estimated relationship is weak between merger activity and NUMCO (number of companies in an industry) and sometimes in an unexpected direction.

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Innovative Recycling Methods and Technologies

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Abstract

The current report presents the main challenges of waste management in different countries and regions, in developed and developing countries and on a global scale, given the significance of the problem related to waste storage and recycling which is one of the global environmental issues facing mankind. The most crucial aspect is that waste storage requires actions in the present but the results will be observed in the future and the effects cannot be measured in quantitative terms. In addition, the rapidly expanding issue of electronic waste calls for innovative approaches to its recycling. On the basis of the analysis, recommendations for waste management on a global and national level are outlined. The research and development of efficient methods for waste management and finding ways to draw economic benefits from reuse of waste are to be the main priority in the struggle to restrict their negative influence on the environment.

Keywords: recycling methods; innovative technologies; waste management; e-waste

1. Introduction

In order to improve the living conditions, mankind has steadily increased its material production without considering the consequences. Most of the used natural resources return to the environment in the form of waste, which in most cases is toxic and unsuitable for recycling. Thus they become a serious threat not only for the biosphere, but also for people. The problem is further exacerbated by the consequences of the enhanced technological progress which leads to generation of more waste products which do not dissolve. So, at the present moment, the proper management and recycling of waste is one of the pressing issues for developing

countries, while at the same time the goal is to create conditions for profiting from both of these processes.

New technologies for solving the waste issue should be consistent with the current requirements for saving resources and minimizing the waste going to landfills. When choosing a new and effective waste management technology, the ecological (safety and ecological risks) and economic (efficiency, capital and operational expenses) factors should be considered. In many cases, the shortage of funds for waste management leads to further deepening of the problem especially in the least developed countries.

2. Problems in waste management and processing imposing a need for innovations

The global problem with waste collection and disposal requires urgent and innovative solutions. The world's largest research centers and famous scientists are working in the field of waste management. In recent years it has become clearer that the existing waste management systems cannot handle that task. The 2008-2009 world financial and economic crisis has further worsened the situation– waste processing has always been expensive and the worsening economic environment drove many processing enterprises out of business, especially in developing countries. At the same time, the volume of waste is rapidly increasing and as a result the huge landfills in many countries inevitably cause environmental disaster.

The volume of waste is largely determined by two factors – the size of the population and the structure of consumption. According to the United Nations' data, by 2025 the world's population will increase by 20 % to 8 billion people and in 2050 it will be 9.5 billion if certain

measures for lowering birth rates are not taken. It is important to note that Asia and Africa, where the poorest countries in the world are located, will make up 97 % of this growth, and by 2025 two-thirds of the world's population is expected to live in Asia [1]. Population growth will inevitably lead to higher rates of urbanization (on a global scale it is projected that urban population will be around 65 % of the total) and the formation of large areas filled with poor people in the big cities and in their surroundings. As a result, the number of people in poor blocks will double by 2025 and will reach 1.5 billion people.

In addition to overpopulation, global GDP is expected to increase substantially, especially in developing economies, and global output is likely to increase four-fold compared to the levels registered at the beginning of the century. The considerable rise in population and the upsurge in global GDP will inevitably trigger an increase in the amount of waste. It is estimated that a 1 % rise in national income leads to an increase by 0.69 % in solid waste [2]. Nonetheless, there are positive prospects for the future. It is a well-known fact that the larger the GDP of a country, the more complicated and efficient its waste management system is. Against this background, it can be claimed that GDP growth will certainly force governments of the new members of the group of developed countries to take measures for enhancing waste collection and management. The current economic situation, however, shows that it is cheaper for developed countries to export their waste to third world countries rather than to spend large amounts of money on recycling waste on their own. Thus, there are fears that technology advance without supporting measures will not resolve this problem. This also raises the question to what extent new technologies will be accessible for the developing countries.

The increased volume of waste will not have such disastrous effects if it was not for the change in waste composition. Prior to the beginning of the 20th century, most of the waste disposed of by people could be naturally and

easily degraded by soil bacteria: food is degraded in a year, paper and wood in a few years, metals in a few decades. The emergence of oil and synthetic materials, however, caused a drastic change and currently more than 80 % of waste is not naturally degradable because there are no bacteria which can degrade plastics. The problem is exacerbated by the large emissions of toxic substances which are created during the production of these products and the fact that they can be found in many objects of daily use – mercury in fluorescent lamps and thermometers, heavy metals in batteries, among others.

One of the most pressing environmental issues in the world is related to the recycling and utilization of the so called electronic waste. This kind of waste includes all types of high-technology electronic devices, from mobile phones and music players to computers and television sets. The increasing amount of old electronics raises concerns as these products contain a number of substances which are harmful for both people and nature. They contain a large quantity of cadmium which can be found in semiconductors, resistors, and all sorts of transmitters. There is mercury in the fuses and commutators, chromium in the hull, and bromine in the power and connecting cables [3]. It is a well-known fact that batteries are made of nickel, cadmium, lithium, and other harmful chemical substances. The problem is worsened by the fact that the quantity of e-waste in the world is growing [4]. According to several studies, the volume of high-tech waste, including only computers, mobile phones, and TVs, will enhance to 9.8 million tons. In addition, it is projected that the rapid development of nanotechnologies and the emergence of new types of materials will increase the quantity of hazardous waste which is not naturally degradable [5].

At the end of the previous and the beginning of the new century, developed countries started to experience difficulties in the disposal and recycling of waste produced on their territory and started to transport a huge part of it to developing countries where it is processed. Electronic waste accounts for the largest share

in total waste export since they contain heavy metals and hazardous substances and thus their recycling in accordance with the safety standards stipulated in national legislation becomes a very expensive process. A cheaper alternative for developed countries is to transport the waste to third countries where they are sorted and manually processed with the help of the most primitive methods. Although the Basel Convention prohibits the export of toxic waste to developing countries, its provisions are frequently disregarded and waste is transported in the form of humanitarian aid or under the pretext of doing charity.

The abovementioned trends in waste management will be present in the future, as well. The rising quantity of waste cannot be stopped because of the increase in the global population. Furthermore, consumerism will continue spreading among the society along with bigger progress achieved by some developing countries with huge population. The current economic system requires constant growth which can be achieved with a constantly rising consumption. Stagnation in consumption and thus in growth will lead to the collapse of many economies, to unemployment, and to famine. This creates a vicious circle which cannot be broken without innovations which will change dramatically the way resources are utilized as well as waste management and recycling.

As regards the changes in waste composition, prospects are once again far from optimistic. The attempts to replace plastics with easily degradable materials have failed to produce any significant results. A lot of artificial materials cannot be replaced and in those which can the costs for producing environmentally-friendly substitutes are 4 to 5 times higher.

Transporting waste to developing countries will also continue, at least until the end of this decade. In order to stop this practice, a higher living standard in all population strata in all third-world countries is necessary which, however, is an exceptionally hard and even

impossible task for the moment. Many of the poor countries are not abundant in natural resources, developed industry or quality education and have nothing to offer to the global market except for cheap labor.

3. Innovative solutions in waste recycling

Waste management generally comprises operations related to collecting, transportation, sorting, and treating of waste, but the active work with the population, government authorities, and business organizations is also part of it. The government, municipalities, private companies, non-government environmental organizations, and the ordinary people are directly involved in these processes. Numerous issues in the field of waste management need to be resolved. They include, among others, creating effective waste management system, providing financing, and defining the right government instrument (administrative, economic, etc.) that need to be implemented. Public opinion also has influence on the way waste is treated.

Of course, the national legislation and state regulations regarding waste management need to be considered. Different standards and limitations might hinder the introduction of new technologies. Another important condition for successful waste management is the relationship between the public and the private sector, between institutions, organizations, and society. The involvement of society is related mainly to encouraging people to separate their waste and to reduce the amount of waste thrown into the streets and the woods and to people's willingness to pay tax on waste collection and processing. Citizens' protests against building waste treatment and storage facilities in their neighborhoods should also be taken into consideration. The psychological mentality plays a crucial role in such cases. A new, better model of waste management needs to be created and innovative methods (instruments) for disposal and treatment of municipal solid waste (MSW) are needed.

Many countries have made efforts to develop pyrolysis systems over the past few years in order to maximize the production of methane and liquid petroleum products from MSW [6]. High-heat thermal pyrolysis (producing gas from solid wastes) might lead to liquid and solid slag separation. There are two types of liquid slag separations: slag-forming retort with air supply and slag-forming retort with oxygen supply. A typical example of processes which include air introduction is the Torrah method developed in the USA in which the MSW stream is fed into the slagging gasifier (a vertical furnace). The waste stream which flows into the reactor prevents air leakage. The decomposition of organic waste in a hermetically closed environment through pyrolysis is taking place in oxygen-poor conditions with a constant flow of heat gases from the primary combustion and melting zone. The liquid slag which is the end product of the pyrolysis is removed in a hermetical chamber of the water cooled vessel where the black sterile granular residue is formed. After waste is treated using this method its amount is reduced by 95 %.

Strong efforts have been made to ensure energy security and improve energy efficiency across the globe over the past decade. As a result, the role of renewable energy sources is becoming increasingly important. The energy produced from biomass (agricultural organic waste) plays an essential part in the production of energy from RES. The biogas produced from biomass contains about 70 % methane [7]. Biomass processing is most widely used in agriculture where significant quantities are processed to meet different technological needs. Currently, around 60 different technologies for production of biogas (a mixture of methane and carbon dioxide produced by anaerobic decomposition) are being used or developed across the world. The residue from biogas production contains organic substances and could be used as a fertilizer. Biogas production is economically viable which makes it very popular when having a constant supply of waste (from livestock and crop production, among others). This stems from the free raw materials (waste) and the cheap management of their supply. Biogas

production is quite effective for agricultural manufacturers which have large opportunities to launch complete ecological cycle.

The manufacture of biogas from organic waste has the following advantages: biogas with high saturation can be used to produce both power and heat; the anaerobic treatment of materials from plants and animals facilitates the manufacture of mineral fertilizers which are high in nitrogen and phosphorus (unlike the conventional production of natural fertilizers by composting waste where between 30-40 % of the nitrogen is lost); all pathogenic microbes are removed and the residue fully complies with the environmental requirements after the anaerobic treatment is completed; biogas production facilities can easily be installed in any region and they do not require expensive and complex pipe infrastructure. These facilities can fully replace the small steam generators which produce heat and power in rural areas.

The experience of oil companies in the past decades shows that the residue waste of oil refineries is rising. Currently, the only way to treat waste oil is to burn it which has a devastating impact on the ecosystem in that region. In addition, wastes detoxification is carried out by using the most primitive method, namely transporting them to industrial zone and even protected areas which are near the refinery.

Recycling waste oil in a safe and environmentally friendly way by using the right technologies is one of the most pressing issues of today. Given the difficulties in the recycling of heavy oil in Western Europe and the USA, the technology to treat waste oil with sulfuric acid was rarely used. Instead, it was replaced with modern selective hydrogenation and cleaning solvents. There are almost none environmentally friendly industrial technologies for treatment of acid tars as they are burned in the thermal power plants to generate heat which has an adverse impact on the environment. The most rational way to treat heavy oil is the controlled thermal destruction of saturated hydrocarbons. The high temperature, the high pressure, and the little

time for thermocracking allow for the production of asphalt and resin from the saturated hydrocarbons. In industry, the thermal cracking of heavy oils is used to produce tar, coke, and bituminous materials. The prospects for implementing this technology are supported by the thin film deposition of heavy oil in the composition of the original structure. The technologies and facilities for heavy oil processing might be used in refineries which already have huge quantities of heavy oil.

Despite all negatives, nuclear power makes up a significant part of total power output in the world. As a result, the treatment of hazardous waste from nuclear power plants is a significant problem. Nuclear waste could be used to fuel the reactors of the rising number of alternative energy companies in the future. At that moment, however, it is stored in underground nuclear waste dumps. Scientists from various organizations strive to improve the technologies for treatment of that kind of waste and to create new ways to process them with the aim to make residue less hazardous and toxic. According to one of the latest works in this field, nuclear fueled will be converted into very dense solid-glass blocks which will make it easier and safer to store.

For years scientists have developed and tested various kinds of nuclear weapons and created nuclear power plants which are in constant danger of suffering accidents. The case with the Chernobyl nuclear power plant, among others, showed that nuclear waste might have an adverse impact on both the environment and mankind. Therefore, the focus should be put not only on the effects potential accidents might have, but also on the storage of nuclear waste. Scientists from the University of Sheffield presented an innovative approach to convert nuclear waste into solid glass. The new method comprises mixing of frozen plutonium with furnace slag with the aim to produce glass. Currently, the nuclear waste is contaminated under concrete but in the future it might be used in glass production. It is noteworthy that for now the method of the scientist from the University of Sheffield is applied with cerium

instead of plutonium because they are very similar. If tests prove successful, then the mankind will have a simpler and safer way to treat nuclear waste.

Scientific progress allows for the implementation of new waste management technologies such as:

- Radio-frequency identification (RFID) which is used to gather information on the transportation and disposal of waste in towns and cities. Collected data are used to develop new types of waste containers for recycled raw materials, recycle bins, among others. The essence of this technology is the automatic identification of the objects which is done by using radio signals. Thus, data is received and analyzed by the so-called RFID tags. In fact, each RFID system includes a reader device.
- GPS system used primarily for transportation of waste which has already been sorted. GSP (Global Positioning System) is a satellite navigation system which measures the distance and the time necessary to reach specific point. The system can be used in almost every spot on the Earth (excluding the polar regions) in all weather conditions. The GPS system was developed by the United States Department of Defense.
- Underground waste treatment facilities. In contrast to conventional burning appliances, this device is a semi-round container with a tube that reaches a depth of 3.5 meters. It is equipped with a special waste compaction mechanism which reduces the volume of the waste five times. Thus, the container can hold a total of 50 m³ of waste. More than fifty devices of that type are already installed in Finland where they are becoming increasingly popular.
- Multistage waste recycling system – this type of technology derives from the traditional sorting and recycling systems in Western Europe, the USA, and Japan. For other countries, however, it still remains innovative and quite expensive. Usually, waste is treated in a facility which is very close to the waste source (or potential source of waste) which makes this technology quite useful for consumers as it requires minimal effort and capital.

4. Policies and initiatives in the sphere of waste recycling in Bulgaria

Sustainable waste management poses one of the main problems facing the modern world. The technological development in this field offers a wide range of opportunities for an increasing quantity of waste to be transformed into new resources and energy. At the same time, a change in the way of thinking and the culture of consumption is necessary in order to encourage companies to start using materials and products which do not pose a threat to ecological safety. In contrast to the rest of the Old Continent where numerous adequate solutions have been found to these problems, in Southeast Europe and in Bulgaria, in particular, relatively weak innovation activity has been observed in that respect. Waste disposal is still considered a 'dirty' and not economically and ecologically viable activity. It is a source of substantial greenhouse gas emissions (mainly carbon dioxide, hydrogen sulfide, and methane) which are released in the atmosphere in the process of anaerobic digestion of waste disposed of to landfills. On a global scale, the waste disposal process accounts for nearly 20 % of methane emitted in the atmosphere every year. At the same time, the state continues spending a considerable amount of money on building regional landfill sites due to their shortage or because their capacity has run out or as a result of the massive shutdown of landfills which could not meet the environmental requirements of the EU. This is in sharp contrast to the country's sustainable waste management strategy which is focused on avoiding landfill, maximum recycling, reuse, and reducing energy use only for non-recyclable waste, among others. The main obstacles are associated mainly with certain drawbacks of the separate collection system whose proper functioning is an important prerequisite for fulfilling these goals.

The 'European Mechanisms and Citizen Participation for Better Quality of Life in Sofia' project executed by the Association of the Recycling Industry in support of the application of the capital and Southwest region for

European Capital of Culture 2019 is an example of innovation activity in the sphere of waste management. The specific tasks of the project include research of good European practices in the field of mechanisms for control and establishing a partnership between the administration, the business, citizens, and media in order to improve the quality of life in the capital; raising the awareness of the local authorities, the business, journalists, and citizens with regard to good European practices of responsible attitude toward the waste as well as improving the quality of life in the capital; preparation of a summarized report on the applicability of European the mechanisms in Sofia and its presentation to the Sofia Municipal Council; encouraging the active participation of citizens and the media in improving the image of the capital and the quality of life through waste minimization.

MSW treatment and recycling in Bulgaria is done through their disposal at the designated sites near the towns or villages and at numerous small non-controlled dumps. The separate collection of MSW, however, is still not very popular in the country. Their transformation into useful raw materials is not a widespread practice and requires an increasing number of innovative management and technological solutions. As regards the EU's ambitious goals in the field of sustainable development, waste management and environmental protection have turned into tasks of key importance for the municipalities. In 2013, packages made up around 60 % of the total waste disposed of to landfills and a large part of them were from fast-moving consumer goods (FMCG) – food and household goods. Thus, municipalities face the problem of motivating FMCG producers to reduce waste from their products' packages in advance. This way 'the fight against waste' and the implementation of modern packaging technologies appear to be a complex problem for both the municipalities and the companies doing business on their territory (without taking into account retail chains and distribution systems which are hardly interested in this issue). In order to deal with the problem related to MSW, Bulgarian

municipalities have started to support and stimulate local businesses to modernize and adopt packaging systems using lightweight, recyclable, biodegradable, and multi-use packages.

The state and the business' focus in the sphere of MSW has shifted in line with the EU's strategic goals in the field of waste management in recent years. They include not only efficient waste treatment, but also reduction in the waste produced from raw materials processing. Every production process poses a potential threat of generating new waste therefore product designers face the difficult question what to do with the new product once it is has reached the end of its life cycle and has turned into waste. Due to this policy in the field of MSW, packages now have to meet more strict requirements. Their volume and size have to be reduced to a minimum and they have to be produced from recyclable and/or biodegradable materials, to be possible to be used multiple times, etc.

Bulgaria offers very good conditions for introduction of innovative methods for waste recycling like good infrastructure and favorable legal framework for waste management. The separate waste collection and recycling system, however, still does not function well enough and therefore a large share of the biodegradable waste goes to the dumps. In 2013, around 85 % of waste generated in the country was transported to the landfills given the fact that about 52 % of the total was biodegradable waste. Landfill sites and the large number of farms in Bulgaria are suitable for building plants for biogas and by-products (compost and liquid organic fertilizers) production. Biogas production facilities are recommended to be next to the landfill itself or in industrial or agricultural plants, which will reduce transportation costs. Non-centralized biogas plants are more beneficial, as they could be

The active disassembly using smart materials has a special place among all innovation technologies used in Bulgaria. Their use makes it possible to apply force on the binders so that the product can be disassembled into its

tailored to specific sites and raw materials, and transportation costs could be minimized.

The theoretical potential for biomass production in the country is assessed based on the total biomass output. Agriculture and the related industries and consumers generate a substantial amount of organic materials. Their utilization in biogas production is appropriate and advisable. Northeast and South Central regions hold most potential for production of biogas from primary and secondary agricultural wastes in Bulgaria due to the fact that agriculture is well developed there. As regards the municipal solid waste and waste water, the southwestern part of Bulgaria (especially the capital Sofia) which is a region with high density of population offers the most favorable conditions.

The thermal industry is one of the largest generators of solid waste in Bulgaria. In 2013, over 40 % of the electricity consumed in the country was produced by thermal coal processing plants. A large quantity of solid waste is generated every year and only 25 % of it (mainly gypsum) is recycled and the rest is disposed of.

Waste produced by thermal power stations can be used as a valuable resource in many production processes and it can offer a lot of ecological and economic benefits. Ash and cinder can be used as raw materials for the production of various artificial additives for lightweight concrete. Their advantages include: good cohesive properties, better texture, easier control of moisture in products, and larger sturdiness of products, among others. The ash and cinder from thermal power plants can be used alone in road and street construction as binder or in mixtures as inert filler for both the lower layers of the foundation of all categories of road surfaces and the upper layers of the foundation of little and moderately busy roads.

components. At this stage, the active disassembly technology allows for the disassembly of complex items such as subassemblies, major assemblies, PCB, LCD, antennas, displays, transformers, mechanic parts, disk appliances, buttons, fittings, screws,

and other assemblies. This technology will be particularly effective in the following cases: to replace the manual dismantling thus cutting dismantling time which, in turn, reduces costs; to increase the recycling efficiency when it is used instead of fragmentation and disassembly.

5. Conclusion

The analysis of new waste management technologies in Bulgaria and in the world

- technologies are usually much lower than costs incurred in implementing traditional technologies;
 - saving resources and energy efficiency – minimizing the quantity of resources used in waste recycling and treatment;
 - automation which is expressed in increased use of new technologies in the recycling with the help of innovative, high-tech tools: computer programs, satellite communication, etc;
 - information transparency and publicity.
- This trend is typical for the developed countries where the waste management process is increasingly open, democratic, and covered by the media. State agencies and local authorities present plans and forecasts in this sphere, inform the society about events, run active campaigns promoting waste minimization, encourage the population to have social responsibility for waste disposal and treatment, express the public opinion, and conduct effective exchange of information between the authorities and the civil society.

Waste management is one of the spheres where the introduction of innovative technologies is not a luxury but a necessity which is dictated by the modern life. The need for innovations is not caused only by the increasing quantity of waste including waste which poses a hazard for the ecological balance, neither by air pollution caused by hazardous substances produced in the process of incineration. Apart from helping solve the abovementioned environmental problems, the efficient and high-tech waste management process will contribute to creating a new renewable resource and an alternative

focuses the attention on the following trends in the process of modernization in this sphere:

- environmental safety – nearly all new technologies focus, albeit to different extents, on minimizing resource use and the harm on the environment;
- economy – the innovative technologies in this sphere largely contribute to the reduction (minimization) of waste treatment and disposal costs. Costs of using these energy source for the national and global economy.

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II PLENARY SESSION

Economics, Management, Tourism, law & Politics

Session Chair: Vasil Stefanov Petkov - University of National and World Economy, Bulgaria

Assessing international financial integration: Do industry and firm-specific characteristics matter?

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Abstract

This paper investigates international financial integration in Japanese markets by analyzing the relationships between the price difference between American Depositary Receipts (ADRs) and their underlining stocks (i.e., cross-listing premium) with firm-specific characteristics, industry, ADR, and corporate governance factors. We find that firms integrate well when they are larger in size, sales growth, turnover, performance, institutional holdings, or marked by merger activity, overseas subsidiaries, industrial or consumer goods industries, and a longer history of ADR listing. That is, the ADR with above mentioned characteristics tends to less scope for arbitrage. The results show that metals and mining industry converges notably slower than other industries, indicating arbitrage is possible.

1. Introduction

Numerous studies which investigated the financial integration amongst several equity markets are well documented. However, the literature reports a negligible role of the specific firm characteristics that influence

financial integration. Specially, Japanese stock market is world's second largest. The behavior of the cross-listing premium from American Depositary Receipt (ADR) and its underlying stock provides a useful price-based measure of integration.⁶ In particular, Japanese firms possess special features (Tsuji 2012), and are the second biggest issuers of Depository receipts (DR) next to the U.S.. In a fully integrated market, the cross-listing premium should be approximately zero. While, full integration of ADR and its underlying stock might be disrupted by firm or industry factors. The benefits of dual listing tend to be firm-specific (Alaganar and Bhar 2004). What and how do Japanese firm characteristics affect the cross-listing premium? What are the important determinants of the specific industry and firm characteristics impacted financial integration? This paper provides empirical answers to these questions and clarifies some interesting aspects relating to possible arbitrage opportunities.

⁶ Cross-listing premium is the percentage price difference exhibited by the underlying shares in the Japanese markets and the corresponding ADRs in the U.S. markets.

Financial integration decreases cost of capital (Bailey and Jagtiani 2000); increases economic growth (Bekaert *et al.* 2007a); mitigates agency problems and enhancing governance quality (Doidge *et al.* 2004). Diverted from current studies discussing the national level of financial integration, this study drills down the specific features of firm level affected financial integration and cross-listing premium. There is no existing studies demonstrating the kinds of firm-specific characteristics, industry, corporate governance factors, or ADR features that affect financial integration, cross-listing premiums, half-lives (i.e., convergence speeds of a shock to the cross-listing premium),⁷ and no-arbitrage bands (i.e., zones where deviations between an ADR and its related stock prices are not arbitrated away). This study entails looking at the firms features that cause the price-based evidence of financial integration. It is thus a first attempt to operationalize the financial integration in firm level.

We extend the existing literature to establish fourteen hypotheses (see Section 2). In the empirical analyses, first, we measure the cross-listing premium between Japanese ADRs and their underlying stocks. Second, we calculate the no-arbitrage band width and convergence speed outside the band as (inverse) measures of the degree of international financial integration (i.e., half-life). Third, by way of the non-linear Band-threshold autoregressive (Band-TAR) results, we focus on the asymmetric adjustment and no-arbitrage bands, and identify the firms' specific characteristics, corporate governance, industry, and ADR features that determine the convergence speed of financial integration and no-arbitrage band.

The work that comes closest to our study is Levy Yeyati *et al.* (2009). We augment their study and contribute to the existing literature in two aspects. First, we consider that the study of the firm level of Japanese case is critical, because most of the related studies probe in regional level, such as 12 Asia-Pacific

economies (Xie *et al.* 2013). Japan has a well developed market in which government controls on cross-country capital movement are less compared to emerging markets' controls, such as government restrictions on capital flow, government corruption. Therefore, most of the explicit barrier can be mostly ruled out. Besides, Japanese firms are the second largest issuers of DRs. In this study, we expect that the degree of integration between ADR and its underlying Japanese stock returns is diverse from different firm features. Daniel *et al.* (1997) suggest that firm characteristics determine expected returns. Chen and De Bondt (2004) pinpoint that the firm level partition forms the basis of a style momentum strategy. Also, inferences refer to average sector effects may not necessarily hold at the firm level (Manjón-Antolín 2010). What firm, ADR features, and industry affect arbitrage opportunity? Taking Japanese firms as examples, we examine whether cross-listing premiums exist within highly developed market.

Second, most of the international financial integration literature probes in limited firm features. Such as, Levy Yeyati *et al.* (2009) find that ADRs and their parent stock prices' deviations across markets are rapidly arbitrated away and no-arbitrage bands are narrow, particularly so for liquid stocks. Lucey and Zhang (2011) uncover that corporate leverage is negatively related to integration. This study probes more inclusive features of firms that influence the phenomena of international financial integration. By this way, we can address several important questions at one time, instead of only discussing about a firm's capital size or an individual leverage variable. Little studies explore the relationship between the convergence speeds and prices based on financial integration as well as firm-specific attributes and industry that result in possible arbitrage opportunities. Hence, this study sheds light on some debates on how firm-level factors affect firms' international financial integration, allowing investors and analysts to exploit investment opportunities and to diversify investment portfolios.

⁷ Chowdhury (1999) mention that calculated half-life indicating how long it takes for the impact of a unit shock to dissipate by half.

Following Aslanidis *et al.* (2010) study co-movement in monthly stock returns, we investigate the monthly cross-listing premiums from 10/2001 to 9/2010 for 33 stocks in Japan with ADR listings. Our analysis shows that firms characterized by a larger size, sales growth, turnover, better firm performance, institutional holdings, merger activity, overseas subsidiaries, industrial or consumer goods industries, Level 2 or 3 ADR, a longer history of ADR listing, or listed in the NYSE or NASDAQ market are able to integrate well (i.e., smaller absolute cross-listing premium, shorter half-life, narrower no-arbitrage band), we believe it is because the informativeness of firm-specific characteristics largely decrease investor information asymmetry. On the other hand, the cross-listing premium for firms with more large shareholders and a larger extent of earnings management converges more slowly and has larger half-lives and wider no-arbitrage bands. Moreover, most of the variables remain a significant determinant of the half-lives and threshold regimes, but firm leverage does not. Furthermore, the metals and mining industry converges more slowly than other industries, indicating arbitrage is still possible.

The paper proceeds as follows. Section 2 discusses the hypotheses' development. Sections 3 and 4 describe the data and empirical model. Section 5 discusses the main results. Section 6 concludes.

2. Hypotheses Development

2.1 Firm Characteristics

Financial integration may be affected directly or indirectly by factors related to the natures of the firm and its industry (Wiwattanakantang 2001). To examine such effects, we introduce the following five selected firm variables: size (log of the year-end equity), sales growth (the percentage of change in sales), volume turnover, return on equity (ROE), and leverage. Hong *et al.* (2007) pinpoints that international portfolio investments tend to be concentrated in large-cap stocks, and these stocks thus have greater investor recognition and face less direct or

indirect investment barriers. Thus, large-cap stocks show significant co-movements across countries and are priced globally. Levy Yeyati *et al.* (2009) offer evidence that large firms in emerging countries are fully integrated with the international financial system. Hence, these arguments on the large-cap firm and the cross-listing premium implication lead to the following hypothesis.

Hypothesis 1. The degree of financial integration is positively associated with firm size.

Following Roosenboom and van Dijk (2009), we use sale growth to represent growth opportunity. Growth opportunities may affect financial integration, because firms with large unrealized growth opportunities might be more likely to go abroad (Bekaert *et al.* 2007b). Also, Lakonishok *et al.* (1992) declare that growth stocks (measured in sales) are easier to tout in terms of analyst reports and media coverage. Chan and Lakonishok (2004) present that larger growth in sales stocks are less risky investments. These arguments on the sales growth and the cross-listing premium implication lead to the following hypothesis.

Hypothesis 2. The degree of financial integration is positively associated with firm growth.

The measure of liquidity used in this study is the turnover ratio, calculated as the value of total shares traded divided by market capitalization. Grammig *et al.* (2005) show the importance of liquidity in determining where price discovery takes place. Koumkoa and Susmel (2008) find that liquidity is positively correlated to the speed of convergence to price parity. Levy Yeyati *et al.* (2009) present that financial integration is stronger for more liquid stocks. For those stocks, transaction costs (including the associated liquidity risk) are likely to be smaller. Thus, we test the following hypothesis.

Hypothesis 3. The degree of financial integration is positively associated with turnover.

Lee and Zumwalt (1981) show that both earnings and revenue information are important to determine price return. Jegadeesh and Livnat (2006) reveal that conditional on earnings surprises, the market responds to the information conveyed by firm performance information. Lee *et al.* (1991) mention the mispricing frequently reflects a premium in value. They provide the possible explanations for the mispricing include poor performance. The above findings depict that firm performance has incremental information content for investors. The information linkages from earnings to stock price offer a venue for the analysis of the cross-listing premium. Thus, we test the following hypothesis.

Hypothesis 4. The degree of financial integration is positively associated with firm performance.

Smith and Watts (1992) suggest that leverage can be a proxy for a firm's investment opportunity. Highly leveraged firms are related with high risk, and thus their higher risk may bring more arbitrage opportunity. Taking the risk and profit views, the net effect of leverage on the cross-listing premium can be determined empirically. Lucey and Zhang (2011) study the effect of financial integration on corporate leverage in emerging markets, and show that corporate leverage is negatively related to equity market integration. Thus, we test the following hypothesis.

Hypothesis 5. The degree of financial integration is negatively associated with corporate leverage.

2.2 Corporate Governance

The impact of corporate governance on financial integration is elusive. Prior studies document that the more extent of large shareholders with high stakes may be harmful to the firm, because the controlling shareholders' interests may not align with those of small shareholders (La Porta *et al.* 1999). Large shareholders may pay out the firms' cash flows to themselves, such as excessive salaries. However, Admati *et al.* (1994) state that large shareholders mitigate

the free-rider problem of monitoring the management team and reducing the agency costs. Shareholders with large stakes have an incentive to bear monitoring costs since gains from investing in monitoring activities exceed the costs (Wiwattanakantang 2001). These arguments on the presence of large shareholders and the financial integration implication lead to the following hypothesis.

Hypothesis 6. The presence of large shareholders has no effect on financial integration.

The potential role for institutional investors is to provide a credible mechanism for transmitting information to the financial markets. Chidambaran and John (2000) mention that institutional investors can convey private information that is obtained from the management to other shareholders. Gillan and Starks (2003) also show evidence that institutional investors increase the liquidity of the markets and the price informativeness of the markets, which in turn result in a better monitoring of firms. These arguments on the presence of institutional shareholders and financial integration implication lead to the following hypothesis.

Hypothesis 7. Higher levels of financial integration are associated with a higher level of institutional shareholders.

The research on the impact of earnings management on stock returns is sparse. Sun (2009) reports that earnings management goes hand-in-hand with weak economic performance, because present low earnings lead to more frequent future earnings manipulation, and low returns are associated with high volatility in the subsequent periods. A high earnings management firm is perceived to have earnings uncertainty and greater information asymmetry (Barron *et al.* 2009). We thus hypothesize the following.

Hypothesis 8. Higher levels of financial integration are associated with a lower level of earnings management.

2.3 Industry Features

Early studies reported massive annualized excess returns to merger arbitrage (Larcker and Lys 1987; Dukes *et al.* 1992). Baker and Savasoglu (2002) refer that after a merger, investors in the target firm face completion risk. In reality, shareholders may wish to insure this risk by selling their shares to a limited number of capital-constrained investors and financial institutions. As a result of this selling pressure, the price of the target firm can fall below its efficient market price. This market inefficiency leaves abnormal profits. Moeller *et al.* (2005) find that acquiring shareholders suffer significantly negative abnormal returns. The mostly doubtful stock market reactions are due to the arguments of a merger being a form of wasteful investment and managerial over-confidence. We thus hypothesize the following.

Hypothesis 9. The degree of financial integration is negatively associated with the presence of merger activity.

Dhawan (1997) measures that 35% of the earnings of corporations in the Standard and Poor's 500 are generated from foreign operations. For some companies, the overseas fraction is much higher, with 85% of Coca-Cola's current profits from overseas (Dhawan 1997). Owhoso *et al.* (2002) mention that despite the challenges faced by parent firms in terms of political upheaval, poor infrastructure, and a lack of contract enforcement, there are significant rewards to gain by expanding overseas. We thus hypothesize the following.

Hypothesis 10. The degree of financial integration is positively associated with overseas subsidiaries.

Moerman (2008) show that industry-based diversification yields more efficient portfolios than diversification over countries. Espinoza and Kwon (2009) offer evidence that the financial industry may attain efficiency gains from financial integration due to economies of scale. Doidge *et al.* (2006) show that a positive cross-listing premium exists for most of the

industry, except agricultural production, transportation, and those associated with public safety administration. In order to understand the variation from industry effects on the dependent variable, we include three industry dummy variables (i.e., industrial, consumer goods, as well as metals and mining industry). The hypothesis drawn from these arguments is the following.

Hypothesis 11. The degree of financial integration is negatively associated with the specific industries.

2.4 ADR Characteristics

The preliminary sample of our study consists of Levels 1, 2, and 3 ADRs. ADRs can be traded on any of the U.S. stock exchanges (NYSE, NASDAQ, or AMEX) and over-the-counter (OTC). A Level 1 ADR traded in OTC with its price published in the pink sheets does not require full SEC registration in the U.S. and is the simplest and the fastest growing segment of ADRs. On the other hand, Levels 2 and 3 ADRs require full SEC registration and adherence to U.S. GAAP requirements.⁸ ADRs are split into ADR effective date in the 1970s, 1990s, or others in order to capture the impact of ADR listing history on financial integration. Thus, we hypothesize the following.

Hypothesis 12. The degree of financial integration is positively associated with Levels 2 or 3 ADRs.

Hypothesis 13. The degree of financial integration is positively associated with NYSE- and NASDAQ-listed ADRs compared with those that are OTC-listed.

Hypothesis 14. The degree of financial integration is positively associated with the history of ADR listing.

⁸

The main difference between Level 2 and Level 3 ADRs is that the Level 2 ADR is not employed to raise new capital whereas the Level 3 ADR is.

3. Data and the Cross-listing premium

3.1 Sample Selection and Descriptive statistics

Our dataset consists of 33 Japanese public firms with a long history of ADR listings covering the period from monthly data 10/2001-9/2010 to estimate cross-listing premium. Next, we calculate half-lives which are limited by the number of firms in single country. When focusing on firm-level data by half-lives, we can only use small-sample. The reason why Japanese ADR sample is picked for analyzing based on their relative merits on economic significance, isolates possible government intervention, and rules out the limitations of international presence. For each firm, we collect four categories of firm-level data, i.e., five financial features (size, sale growth, turnover, ROE, and leverage), three corporate governance features (large shareholder percentage, institutional holding percentage, and earnings management), three industry features (merger activity, overseas subsidiary, and industry classification), and three ADR features (ADR type, market listing, and ADR effective day). We also account for the effects of financial integration by controlling all regressions for indicators of ADR size (the amount of total ADR share) and ADR liquidity (i.e., ADR turnover which is calculated by ADR price times ADR traded share).

Firms must satisfy the following criteria for inclusion in our study samples. First, Japanese public firms with Levels 1, 2 and 3 ADRs listed before 2003 are used for investigation. Since we are interested in different ADR types resulting in different extents of integration, Level 1 ADRs traded in OTC are also included in our analysis. We set Level 2 and 3 ADR dummy equal to 1. Rule 144a issues trading only among qualified institutional buyers on the PORTAL system are discarded. The ADR market exchange is a dummy variable that is equal to one if the ADRs are listed in NYSE or NASDAQ and zero for the OTC exchange. Second, stocks that present irregular patterns in the time series, e.g., displaying large unexplained shifts in trading volume, are

excluded. We further impose a minimum number of observations to estimate reliably the AR and Band-TAR models; i.e., stocks that have at least 90 months of observations for AR and Band-TAR analyses.

Third, this study gathers ADR price, stock price, exchange rate, and ADR-related data from *DataStream*. The underlying stocks' data, such as stock capital, sales, turnover, ROE, leverage, large shareholder percentage, institutional holding percentage, earnings management, merger, overseas and industry data, are from *Compustat*. After eliminating firms for which relative data are missing, the final sample contains 33 firms to conduct our analysis. We focus on a long time span phenomena so that monthly data are used in this study, thus the issue of non-contemporaneous trading days and non-overlapping trading hours are neglected. Our sample firms come from Japan, thus the exchange rate influence that not the focus of this study is neglected.

Table 1 provides information about the list of 33 firms in our sample, such as ADR type, U.S. stock exchange, industry classification, ADR effective date, and size scaled by average equity. Growth is defined as the percentage of change in sales. Turnover is defined as the value of total shares traded divided by market capitalization. Leverage is calculated as total debt divided by total equity. Large shareholder is the percentage of stock holdings by large shareholders. Institutional holding is the percentage of stock holdings by institutions. Earnings management is the discretionary accruals divided by total assets. Table 2 provides the descriptive statistics for investigated variables over the sample period. For the overall sample, the sample firms show big size differences measured by capital, i.e., the largest firm is 1,344 times bigger than the smallest one.

[Inert Tables 1 and 2]

3.2 The Cross-Listing Premium

The cross-listing premium (or discount) reflects the deviation between the market price of the parent stock and its price in the

U.S. It is computed by converting the local currency price of the underlying stock into US dollar prices, multiplying this by the number of underlying shares that one ADR represents, and then dividing the value by the ADR price,⁹ expressed as follows:

$$X_t = \frac{E_t * R * P_t^{und} - P_t^{dr}}{P_t^{dr}}, \quad (1)$$

where X_t represents the cross-listing premium at time t , E_t denotes the spot exchange rate expressed in US dollars per local currency, R is the number of underlying stocks per unit of ADR, P_t^{und} is the price of the underlying stock in the local currency, and P_t^{dr} represents the price of the ADR in US dollars. When financial assets can be transferred freely between the parent market and the U.S. market, transaction costs are negligible, and the two markets close at the same time, then the cross-listing premium should be close to zero, if the market is fully integrated.

Table 3 displays the summary statistics of the cross-listing premium of the sample firms. A positive premium implies that the price of the underlying stock is higher than the ADR price. The average premium for all stocks is 0.383%. The largest premium is in Kobe Steel at

4.019%, followed by Sumitomo Metal at 4.014%. Notably, both of them are from the metals and mining industry. Compared with Levy Yeyati *et al.* (2009), who measure the cross-listing premium of nine countries and find the mean premium is 0.53%, the summary statistics of this study for all stocks show a mean premium of 0.38%, indicating a slightly lower average premium than emerging markets. Of the 33 Japanese sample firms, 15 exhibit a negative mean premium. We suggest that the positive and negative premiums of different firms offset each other and result in a close to zero premium, signifying the important and diverse features contained in firm-specific characteristics and industry. Among all the industry, the metals and mining industry has the largest mean premium (4.02%), whereas the mobile and fixed line telephone industry has the lowest premium (-

⁹ The average (absolute) price differential is not used as an integration measure, because price differential scaled by ADR price can eliminate the possible effect of large-cap firm.

0.81%). The DF-GLS tests reject the unit root null for all firms at the 1% level in the constant, constant and time trend cases. The results are confirmed by the NP test and all data series are I(0) variables, except for NIDEC in the MSB test of NP (2001). Thus, it is reasonable to assume that all firms follow a I(0)/stationary process.¹⁰

[Insert Table 3]

4. Models and Methodology

4.1 AR Model

Financial integration through the LOOP can be measured using two models. The first consists of a traditional linear AR model. Follow Levy Yeyati *et al.* (2009), higher convergence speeds reflect a quicker convergence to the LOOP and hence strong financial integration. We estimate the persistence of stocks applying the Augmented Dickey-Fuller model, with one autoregressive component and another lagged difference -that is, we estimate the following model:

$$\Delta X_t = \alpha X_t + \sum_{i=1}^p \psi_i \Delta X_{t-i} + \varepsilon_t, \quad (2)$$

$$\sigma_t^2 = \beta_0 + \sum_{i=1}^q \beta_i \varepsilon_{t-i}^2 + \sum_{i=1}^q \phi_i \sigma_{t-i}^2,$$

where α measures the change in the premium to differences between the price of the underlying stock and the price of the ADR. Put differently, α offers a measure of the speed of convergence of the premium back to its equilibrium value. Here, σ_t^2 is the variance of the process. The model includes Generalized Autoregressive Conditional Heteroskedasticity (GARCH(p,q)) effects to account for heteroskedasticity prevalent in the data. Lags are included so that no serial correlation or heteroskedasticity is present in the residuals. Specifically, in each AR model the number of lags and GARCH terms vary such that there is no serial correlation and heteroskedasticity left in the residuals. The half-life measures the time it takes for a deviation from the premium to dissipate by 50% and is calculated by $\ln(0.5)/\ln(1+\alpha)$ (Chowdhury 1999). This expression assumes a monotonic rate of decay,

¹⁰ We omit the tables of industry distribution of the ADRs and unit root test for brevity, but available upon request.

which does not necessarily occur in higher-order AR models.

4.2 Band-TAR Model

The second type of model we utilize is the non-linear Band-TAR model. The Band-TAR model was first proposed by Tong (1978) and further developed by Tong and Lim (1980). The non-linear models are well motivated by theoretical arguments based on international transaction costs or sunk costs of international arbitrage (Sercu *et al.* 1995). The existence of transaction costs implies the existence of two different regimes, i.e. an arbitrage and a no-arbitrage regime. If the difference between the two prices is smaller than the transaction costs, then an arbitrage will not take place and the difference can persistently exist. However, when a shock in either of the two markets results in a difference between the two prices that exceeds the transaction costs (i.e., the premium is outside the no-arbitrage band), then it triggers profitable arbitrage trades that elicit a strong pressure on the premium to go back inside the band. In other words, theoretically there will be a no-arbitrage regime, where the persistence is high, and an arbitrage regime, where there exists pressure on the price to converge. To the extent that high transaction costs, and hence a broader band of a no-arbitrage regime, are associated with a lower degree of financial integration, the estimated width of the no-arbitrage bands provides a measure of effective integration. Following Levy Yeyati *et al.* (2009), the Band-TAR specification we estimate is the following:

$$\Delta X_t = (C_{in})\beta_{in}X_{t-1} + (C_{out})\beta_{out}\Theta(X_{t-1}, V) + \sum_{i=1}^k \phi_i \Delta X_{t-i} + \varepsilon_t$$

$$\sigma_t^2 = \alpha + \sum_{i=1}^p \eta_i \varepsilon_{t-i}^2 + \sum_{i=1}^q \lambda_i \sigma_{t-i}^2, \text{ where}$$

$$\Theta(X_{t-1}, V^{up}) = X_{t-1} - V^{up} \text{ if } X_{t-1} > V^{up},$$

$$\Theta(X_{t-1}, V^{low}) = X_{t-1} + V^{low} \text{ if } X_{t-1} < V^{low},$$

$$C_{in} = 1 \text{ if } V^{low} < X_{t-1} < V^{up}; \text{ zero otherwise.}$$

$$C_{out} = 1 \text{ if } X_{t-1} > V^{up} \text{ or } X_{t-1} < V^{low}; \text{ zero otherwise,}$$

$$V^{up} > 0 \text{ and } V^{low} < 0. \quad (3)$$

This model is known as the Band-TAR($k, 2, de$), where k is the augmented lag length, 2 is the number of thresholds, and de is the delay

parameter. We assume that the thresholds are symmetric and that the dynamics of the process outside the threshold are the same regardless of whether there exists a premium or a discount. Moreover, we set de equal to one, β_{in} and β_{out} represent the convergence speed in the no-arbitrage and arbitrage regimes, respectively, V^{up} is the upper threshold, and V^{low} is the lower threshold. We assume that constants in both regimes are zero. For each firm, we estimate a different model, where k , p , and q are set such that the residuals do not contain any serial correlation or heteroskedasticity (p is the number of ARCH terms and q is the number of GARCH terms).

Vashchuk (2003) mentions that there are two reasons to use the Band-TAR model. First, if it is true that there are transactions costs and an arbitrage is profitable only if premiums are big enough, then there should be some interval in which convergence to 0 does not occur - that is, convergence occurs not to 0, but rather to a band. The meaning is exactly the effect that the Band-TAR model captures. Second, the Band-TAR model is continuous at the threshold, meaning that the specification test of the Band-TAR model against the usual AR model is also a test for β_{in} and β_{out} .

The model is estimated following the procedure described in Obstfeld and Taylor (1997). The estimation proceeds via a grid search on the threshold, which maximizes the log likelihood ratio (LLR). As the threshold is not defined under the null, the standard inference is invalid and LLR does not follow the usual χ^2 distribution. To derive the critical values of the LLR test, we follow Obstfeld and Taylor (1997) and use Monte Carlo simulations. The empirical distribution of the LLR can then be calculated from the 1000 simulations, and this is used as the basis for the inference in judging the alternative Band-TAR model against the AR null.

5. Empirical Results

5.1 Estimated Half-Lives and Threshold Regimes

We examine the extent of financial market integration through the LOOP by conducting

AR and Band-TAR models for each firm, and the results are reported in Table 4. Table 4 shows that the average half-lives (from the AR models) range from 0.01 in Kubota to 2.74 in Sumitomo Metal. A similar pattern is observed in the case of the TAR estimates. From the non-linear estimation, we display faster adjustments for all the firms. For the non-linear models, the estimated average half-life is 0.49 months or smaller than that of the linear model at 0.61 months. By allowing non-linear adjustments, the average half-life is reduced by

more than 24% compared to the standard linear model, indicating non-linear Band-TAR models fit well across all firms.

[Insert Table 4]

Cross-listing premiums for Kubota (industrial engineer industry) and Honda (automobiles) are the quickest to converge to zero. The faster the convergence is for premiums, the more efficient the pricing is in the ADR and underlying markets, implying fewer arbitrage opportunities. The average half-lives are below 1 month in the majority of firms. Note that for 11 out of 33 firms, when using the non-linear model it takes less than 0.1 months for the ADR price premium to be reduced by half. While, the metals and mining industry (average half-life 2.6) has the longest AR and Band-TAR half-lives.

In Table 4, a positive correlation between AR half-life and the threshold width signifies that slowly reverting industries tend to have larger thresholds. The no-arbitrage bands range from 0.02% in Honda to 1.44% in Sumitomo Metal. This means that the cross-listing premium in Sumitomo Metal can move between -1.44% and 1.44% without any arbitrage taking place in the market. Once outside the inaction-band, arbitrage happens very quickly, with a typical half-life less than a month. Levy Yeyati *et al.* (2009) mention that if non-linearities are present in the evolution of the cross-listing premium, then convergence speeds should be slower when estimated by the AR models than the Band-TAR models. Furthermore, the wider the band-width is, the higher the convergence speed will be. The phenomenon is the same in our findings.

5.2 Regressions

This study gauges the effects of firm features, corporate governance, industry, and ADR features on international financial integration. We conduct estimation using the generalized least squares (GLS) technique in the following equations:

$$Y_i = \alpha + \beta x_i + \zeta c_i + \varepsilon_i \quad (4)$$

$$\alpha + \psi d_i + \vartheta g_i + \zeta c_i + \varepsilon_i \quad (5)$$

$$Y_i = \alpha + \beta x_i + \psi d_i + \vartheta g_i + \zeta c_i + \varepsilon_i \quad (6)$$

Where Y_i is firm i 's estimated half-life as well as thresholds. x_i is a set of firm-level variables for firm i , g_i is a set of corporate governance variables, d_i is a set of dummy variables, and

c_i is a set of control variables. The coefficients β, ϑ, ψ , and ζ measure the effects of firm-specific characteristics, corporate governance factors, dummy and control variables on the estimated half-life and thresholds.

5.2.1 Convergence Speeds of Integration and Firm-Specific Characteristics

This part of the analysis investigates the dependence of the conditional persistence of the cross-listing premium (that is, convergence speeds or half-lives). In Table 5, the persistence of the premium outside of the thresholds co-varies notably negatively with firm size, growth rate, turnover, performance, and its interaction variables, except for leverage. As to the corporate governance variables, large shareholders and earnings management are positively significant in explaining the persistence of the premium outside of the thresholds, while institutional holdings are negatively significant related to the persistence of the premium, indicating that institutional holdings increase integration, while large shareholders and earnings management decrease integration. The premiums for firms with a larger size, growth, turnover, better performance, and more institutional holdings take a shorter time to converge to the no-adjustment bound. The premiums for firms with larger shareholders

and earnings management take longer to converge to the no-adjustment bound.

As to the dummy variables, the convergence speed co-varies significantly negatively with merger activity, overseas subsidiaries, Level 2 or 3 ADRs, NYSE or NASDAQ market exchange, as well as an ADR effective date in the 1970 at less than the 10% significance level. Only younger listing ADRs have an insignificant influence on the persistence of the premium outside of the thresholds. Regarding the industry classifications' impact on financial integration, industrial and consumer goods industries are more financially integrated than other industries. The metals and mining industry is significant with a positive sign, suggesting that this industry with a higher degree of premiums has longer half-lives. The metals and mining industry has a lowest level of financial integration. Fernandez (2009) mentions that mining industry is a complicated industry and affected by political un-stability and energy industries. Hong *et al.* (2007) address that the metals and mining industry can forecast the market up to two months, because certain investors receive information originating from metals and mining only with a lag. Thus, we believe that the salient negative effect from the metals and mining industry is more likely to go from a risk and information asymmetry to a cross-listing premium. These results are robust to including ADR size and ADR liquidity as additional control variables.

[Insert Tables 5]

Table 6 reports the results from the dependent variable of the estimated half-life in the Band-TAR models, confirming the importance of firm-specific characteristics and corporate governance variables. The results highlight the need to account for firm-specific characteristics in explaining a persistent premium. Firm size, growth, turnover, performance, institutional holdings, merger activity, overseas subsidiaries, Level 2 or 3 ADR, NYSE or NASDAQ listing, and a longer ADR listing history are significantly negative related to half-lives, while large shareholders and earnings management converge more slowly to the half-lives. Except for leverage and younger ADR listing, all variables are

significant explanatory variables. The results from Band-TAR for the dependent variables improve, and the above results remain robust to the full model shown in Model (4) of Table 6. The additional control variables allow us to make inferences about the possibility impact from ADR size and ADR liquidity on financial integration. We find the larger the ADR size and liquidity, the larger the degree of financial integration.

[Insert Table 6]

5.2.2 Determinants of Thresholds

In this section, we test whether firm-specific characteristics, corporate governance, and ADR features can explain threshold regimes. As shown in Model (1) of Table 7, only leverage cannot explain the threshold regime for firm-specific characteristics. That is, size, growth, turnover, ROE, and the interaction terms are highly significant in explaining the threshold regime. Other things constant, larger size firms have a narrower threshold of no-arbitrage. An increase in the size decreases the threshold by 4.6% points in Model (4). Similarly, firms with larger growth, larger turnover, and larger ROE have a narrower threshold of no-arbitrage. We believe the results are due to informativeness. In Model (4) of Table 7, the corporate governance variables in determining no-arbitrage bands remain highly significant after controlling for the firm-specific characteristics. An increase in larger shareholders increases the no-arbitrage threshold by 12.7% points, as well as an increase in earnings management increases the no-arbitrage threshold by 21.5% points, indicating larger shareholders and earnings management have wider thresholds of no-arbitrage. On the other hand, institutional holdings are significantly negative related to the size of the thresholds by -17.7% points. Consistent with Gillan and Starks (2003), corporate monitoring by institutional holders enhances monitoring, decreases the no-arbitrage threshold, and increases the liquidity of the markets and price informativeness of the markets.

[Insert Table 7]

Merger activity and overseas subsidiaries dummies are also important in explaining threshold regimes. Merger activity increases the informativeness of a firm and thus decreases the no-arbitrage bands. Overseas subsidiaries dummies increase the reputation effect of the firm, thus decreasing the no-arbitrage band. As to the industry dummy in Model (3), the industrial and consumer goods industry is significantly negative in determining no-arbitrage bands, while the metals and mining industry increases the no-arbitrage threshold by 122.4% points. This is likely due to information asymmetry and risk being popular in the metals and mining industry.

Regarding the ADR features, ADR type, market exchange, and effective date, three kinds of dummy variables are used. In determining no-arbitrage bands, Level 2 or 3 ADRs are significantly negative in explaining thresholds. The market exchange is also important in explaining thresholds - that is, NYSE or NASDAQ exchange ADRs show significantly lower thresholds, compared to ADRs in the OTC market. The effective date dummy shows that a long history of ADR listings since the 1970s (i.e., Canon, Honda, and Sony) decrease no-arbitrage bands, while ADR listings since the 1990s do not show any significant relation with thresholds. A closer scrutiny suggests that all of the variables have the same results as in the full model and Model (1). Interestingly, the control variables (ADR size and ADR liquidity) have significant impact on financial integration, implying ADR features are as critical as firm-specific characteristics in explaining arbitrage opportunity.

In sum, our threshold, and half-life AR and Band-TAR regression results present evidence that the larger the extent is of earnings management and more large shareholders, the larger the half-lives and no-arbitrage bands are. Specifically, earnings management and large shareholders increase the boundary of the no-arbitrage band, causing the premium to be, on average, positive. The higher the ROE is and the larger are the size, turnover, and growth of the firms, the lower the deviations

from the LOOP will appear to be (integration appears to be stronger). In other words, a worse performance adds to transaction costs and weakens financial integration. Only the leverage ratio of all firm-specific characteristics seems to be insignificant. Our empirical results significantly support Hypothesis 1 (size), Hypothesis 2 (growth), Hypothesis 3 (turnover), Hypothesis 4 (performance), Hypothesis 6 (large shareholder), Hypothesis 7 (institutional shareholder), and Hypothesis 8 (earnings management), except for Hypothesis 5 (leverage). The results also indicate that the matter for Hypothesis 11 of the association of financial integration can be demonstrated for specific industries, so do merger activities (Hypothesis 9) and overseas subsidiaries (Hypothesis 10). Finally, we find support for the hypotheses that Levels 2 and 3 ADRs (Hypothesis 12), NYSE and NASDAQ listing ADR (Hypothesis 13), and longer effective date ADR (Hypothesis 14) integrate financially well, implying more liquid firms' ADRs have less arbitrage opportunities. Thus, the empirical results are not anomalous.

5. Summary and Conclusion

This paper studies specific firm characteristics resulting in possible arbitrage opportunities for ADRs. We use 33 Japanese public firms that have ADRs. Since we use monthly data, arbitrage considerations should achieve a persistent deviation from price parity over a long time. Linear and non-linear models are used to estimate the integration of ADRs with their parent stocks. Our empirical findings support the Band-TAR non-linear model.

We find that firms characterized by larger size, sales growth, turnover, performance, more institutional holdings, merger activity, more overseas subsidiaries, industrial and consumer goods industries, Level 2 or 3 ADR, a longer history of ADR listing, and in the NYSE or NASDAQ market exchange are able to converge more quickly, have narrower no-arbitrage bands, and decrease the unconditional persistence of the cross-listing premium, due to the informativeness of firm-specific characteristics that largely decrease investor

information asymmetry. Of course, these types of firms show a better degree of international financial integration. Consistent with Levy Yeyati *et al.* (2009), we find that integration is stronger for more liquid stocks (usually large ones and with a longer history). Specifically, we also find that the cross-listing premium for firms with more large shareholders and a larger extent of earnings management converges more slowly, has wider no-arbitrage bands, and has longer half-lives.

Our empirical findings enrich the thin body of the financial integration literatures focusing on firm-specific characteristics, corporate governance, ADR features, and industry factors. As expected, we present the impacts of the abovementioned firm-specific variables on the cross-listing premium, convergence speeds, and no-arbitrage bands, implying information that a market receives and the difficulty in performing an immediate arbitrage. Moreover, this paper reflects that the metals and mining industry converges slowly and has wider no-arbitrage bands than other industries, indicating the possibility of arbitrage. In closing, the effects of these firm-specific variables also warrant further study to compare the differences between different countries or market conditions, e.g., emerging versus developed markets, bulls or bears.

This study's analysis provides important implications for diversification. First, our firm level evidence shows that industry effects are important in explaining the variation of firm level cross-listing premiums. For example, the convergence speeds in cross-listing premium, and no-arbitrage bands of the metals and mining industry are considerably higher than other industry. The prices of metals and mining industry are salient higher than its ADR prices in our nine-year sample periods; while reverse to the prices of mobile and fixed line telephone industry stocks. Second, in composing portfolios and selecting individual equities, consideration should be given to the firm-specific characteristics and ADR features, such as their level of global business, proportions of large shareholders, sales growth, turnover, performance, institutional holdings, and ADR listing status. Finally, this study also has strong

implications as firms especially seek to list ADRs to lower cost of capital could adjust their firm features and fuel their financial performance before globalized financial markets. Then, increased international financial integration promotes financial development and enhances economic performance in the countries, while decreasing arbitrage opportunities.

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Table 1. Summary of empirical data for ADRs

Firm No.	DR Issue	ADR Type	Exchange	Industry	ADR Effective Date	Size
1	Advantest	2	NYSE	Tech. hardware and equipment	17/09/2001	Small
2	All Nippon Airways	1	OTC	Travel and leisure	28/11/2000	Medium
3	Belluna	1	OTC	General retailers	20/12/2001	Small
4	Canon	3	NYSE	Tech. hardware and equipment	01/01/1979	Medium
5	Eisai	1	OTC	Pharmacy and biotechnology	1/12/1995	Small
6	Hitachi	3	NYSE	Electronic and electric equipment	11/03/1982	Large
7	Honda	3	NYSE	Automobiles and parts	01/01/1977	Large
8	Kawasaki	1	OTC	Industrial engineer	6/11/1997	Medium
9	Kewpie	1	OTC	Food producers	18/02/1998	Small
10	Kobe Steel	1	OTC	Industry metals and mining	01/10/1992	Medium
11	Konami	3	NYSE	Leisure goods	30/09/2002	Small
12	Kubota	3	NYSE	Industrial engineer	01/01/1976	Medium
13	Kyocera	3	NYSE	Electronic and electric equipment	13/05/1980	Medium
14	Makita	3	NASDAQ	Household goods	01/04/1991	Small
15	Minebea	1	OTC	Electronic and electric equipment	11/04/1997	Small
16	Mitsubishi	2	NYSE	Support services	01/07/1994	Large
17	Mitsubishi UFJ Fin.	2	NYSE	Banks	02/04/2001	Large
18	Mitsui	3	NASDAQ	Support services	01/12/1970	Large
19	Nidec	2	NYSE	Electronic and electric equipment	27/09/2001	Small
20	Nippon	3	NYSE	Fixed line telecom	01/09/1994	Large
21	Nomura	3	NYSE	Financial services	17/12/2001	Medium
22	Ntt Docomo	2	NYSE	Mobile telecommunication	01/03/2002	Large
23	Olympus	1	OTC	Leisure goods	01/06/1993	Small
24	Orix	3	NYSE	Financial services	16/09/1998	Medium
25	Panasonic	3	NYSE	Leisure goods	01/01/1970	Large
26	Ricoh	1	OTC	Tech. hardware and equipment	01/04/1991	Medium
27	Sekisui House	1	OTC	Household goods	28/03/2001	Medium
28	Shiseido	1	OTC	Personal goods	01/07/1992	Small
29	Sony	3	NYSE	Leisure goods	01/01/1970	Large
30	Sumitomo Metal	1	OTC	Metals and mining	01/07/1993	Medium

31	Sumitomo Trust	1	OTC	Banks		30/04/1998	Medium
32	Toyota	3	NYSE	Automobiles and parts		28/09/1999	Large
33	Wacoal	3	NASDAQ	Personal goods		01/12/1997	Small

Table 2. Summary statistics of firm characteristics

The table provides the descriptive statistics for the percentage of firm characteristic and corporate government measures of the 33 Japanese listed firms from monthly data 10/2001-9/2010. Firm size is scales by average equity in thousand. Growth is the percentage of change in sales. Turnover is the value of total shares traded divided by market capitalization. Leverage is calculated as total debt divided by total equity. Large shareholder is the percentage of stock holdings by large shareholders. Institutional holding is the percentage of stock holdings by institutions. Earnings management is the discretionary accruals divided by total assets.

Variable	Mean	Median	Minimum	Maximum	Std. Dev.
Size	90596.227	18546.758	1003.967	1350000	236000
Growth (%)	10.224	7.329	-1.376	24.518	22.351
Turnover (%)	3.616	1.474	0.324	341.701	62.219
ROE (%)	10.445	3.412	-2.147	17.293	36.228
Leverage (%)	105.736	64.267	22.935	203.156	55.881
Large shareholders (%)	40.157	32.136	2.472	89.213	41.725
Institutional holding (%)	17.329	7.239	3.162	32.587	24.127
Earnings management (%)	32.4	12.4	2.1	88.4	24.561

Table 3. Summary statistics - each company's cross-listing premium

The table shows summary statistics for the cross-listing premiums (%), defined as the percentage difference between the dollar price of the stock in the domestic market and the price of the corresponding DR in the U.S. "All stocks" denotes the simple average of all the stocks in the sample. All statistics are based only on the months on which both the underlying stock and the ADR are traded.

Firm	Mean	Median	Std. Dev.	Skewness	Kurtosis	Obs.
Advantest	-0.252	-0.144	1.437	0.456	3.900	10
All Nippon Airways	-0.413	-0.339	4.967	-0.168	7.637	9 12
Belluna	-0.051	0.269	1.653	-1.119	6.525	1 102
Canon	0.013	-0.070	1.249	1.514	8.143	121
Eisai	-0.491	-0.497	5.117	9.514	4.325	121
Hitachi	0.062	-0.059	1.074	-0.053	4.911	121
Honda	-0.080	-0.132	1.363	-0.389	5.743	121
Kawasaki	1.515	0.905	8.315	2.017	15.241	12 1
Kewpie	1.577	0.452	11.124	8.353	14.835	121
Kobe Steel	4.019	4.025	11.338	2.263	29.300	121
Konami	-0.400	-0.352	1.361	-	3.767	96

				0.328		
Kubota	0.232	-0.050	1.385	-	3.612	121
				0.165		
Kyocera	0.236	-0.432	1.075	0.246	4.188	121
Makita	0.689	0.610	1.885	3.843	9.738	121
Minebea	1.615	0.430	10.234	9.514	10.961	121
Mitsubishi	1.992	2.991	4.828	-	4.992	121
				0.250		
Mitsubishi UFJ Fin.	-0.174	-0.169	1.534	-	6.589	114
				0.198		
Mitsui	0.217	-0.030	2.113	2.280	11.910	121
Nidec	-0.107	-0.284	1.466	0.775	6.905	109
Nippon	-0.502	-0.501	0.687	-	12.992	1 ¹²
				3.048		
Nomura	0.455	-0.292	3.900	6.261	17.330	121
Ntt Docomo	0.340	-0.108	3.575	6.214	6.254	121
Olympus	-0.912	-0.901	0.836	-	12.892	121
				0.347		
Orix	-0.123	-0.173	1.290	0.326	8.211	121
Panasonic	-0.131	-0.100	1.258	-	13.828	121
				1.877		
Ricoh	1.013	0.805	9.629	0.907	7.656	121
Sekisui House	-0.211	0.025	4.933	-	8.672	121
				1.889		
Shiseido	-0.793	-0.798	2.267	3.457	15.943	121
Sony	0.245	0.022	1.824	2.284	15.536	121
Sumitomo Metal	4.014	3.993	9.859	3.857	28.086	1 ¹²
Sumitomo Trust	0.816	0.405	4.833	1.241	10.969	121
Toyota	-0.034	-0.089	1.149	0.441	7.160	121
Wacoal	0.552	0.494	1.899	0.822	7.824	121
All stocks	0.383	-0.154	1.299	2.191	6.271	3918

Table 4. Result for Half-Lives of the linear model (AR), non-linear model (Band-TAR), and estimated thresholds

This table shows the per-firm average half-life based on AR and Band-TAR models and estimated Band-TAR thresholds in monthly data. The firm estimates correspond to the simple average of the AR half-lives and Band-TAR thresholds and half-lives of all the stocks. "All stocks" is the simple average of the half-lives and thresholds of all stocks in the sample. Half-lives are equal to $\ln(0.5)/\ln(1+\alpha)$. Thresholds are expressed in percentage terms and reflect both the lower and the upper bands. The half-life of the Band-TAR model reflects the half-life of a shock when outside the band of no-arbitrage. Both the AR and Band-TAR models are corrected for heteroskedasticity and serial correlation. The models are estimated using only months on which both the underlying stock and the ADR are traded, or the contemporaneous trading months.

Firm	AR Half-life	Estimated Band- TAR Threshold (%)	Band-TAR Half-life
Advantest	0.452	0.212	0.321
All Nippon Airways	0.054	0.053	0.034
Belluna	0.673	0.514	0.474

Canon	0.150	0.126	0.158
Eisai	0.075	0.069	0.054
Hitachi	0.074	0.071	0.059
Honda	0.044	0.023	0.022
Kawasaki	0.666	0.267	0.347
Kewpie	1.053	0.563	0.742
Kobe Steel	2.473	1.319	1.753
Konami	1.541	0.617	1.396
Kubota	0.014	0.026	0.010
Kyocera	0.056	0.033	0.044
Makita	0.994	0.391	0.937
Minebea	1.234	0.414	1.201
Mitsubishi	0.290	0.167	0.260
Mitsubishi UFJ Fin.	0.185	0.105	0.171
Mitsui	0.434	0.243	0.427
Nidec	0.084	0.038	0.074
Nippon	0.529	0.246	0.424
Nomura	0.797	0.292	0.684
Ntt Docomo	0.785	0.351	0.706
Olympus	0.893	0.294	0.681
Orix	0.056	0.051	0.044
Panasonic	0.047	0.027	0.033
Ricoh	0.318	0.163	0.284
Sekisui House	1.030	0.514	0.680
Shiseido	1.447	0.572	1.328
Sony	0.067	0.041	0.057
Sumitomo Metal	2.743	1.444	1.784
Sumitomo Trust	0.587	0.252	0.498
Toyota	0.078	0.028	0.064
Wacoal	0.351	0.293	0.273
All stocks	0.614	0.212	0.486

Table 5. Result for AR half-life regressions in monthly data

The table reports the regression results for independent variables and estimated AR half-life in monthly data. Model (1): Independent variables = firm characteristics. Model (2): Independent variables = firm characteristics + corporate governance. Model (3): Independent variables = Dummies variables. Model (4): Independent variables = firm characteristics + corporate governance + Dummies variables. The standard errors are reported in parentheses. ** and * mean significance at the 5% and 10% levels, respectively.

Variable	(1)	(2)	(3)	(4)
Constant	-0.332.** (.117)	-0.514.** (.212)	-0.447.** (.179)	-0.661.** (.227)
<i>Firm characteristics</i>				
Size	-0.064.** (.022)	-0.082.** (.029)		-0.077.** (.026)
Growth	-0.056.** (.025)	-0.061.** (.028)		-0.082.** (.031)
Turnover	-0.217.** (.093)	-0.283.** (.101)		-0.352.** (.119)
Size*Growth	-0.072.** (.025)	-0.081.** (.031)		-0.113.** (.039)
Size*Turnover	-0.084.** (.041)	-0.093.** (.044)		-0.091.** (.045)
Growth*Turnover	-0.049.** (.021)	-0.056.** (.027)		-0.072.* (.041)
Size*Growth*Turnover	-0.017.* (.011)	-0.026.* (.015)		-0.032.* (.018)
ROE	-0.105.** (.043)	-0.113.** (.047)		-0.097.** (.041)
Leverage	0.134 (.112)	0.179 (.121)		0.206 (.128)
<i>Corporate governance</i>				
Large shareholders		0.229.* (.132)		0.241.* (.139)
Institutional holdings		-0.117.** (.053)		-0.132.** (.059)
Earnings management		0.265.** (.112)		0.307.** (.116)
<i>Dummies</i>				
Merger dummy			- 0.092.* (.056)	- 0.102.* (.059)
Overseas dummy			-0.122.** (.044)	-0.141.** (.051)
Industry dummy				
Industrials			- 0.224.** (.103)	-0.237.** (.107)
Consumer goods				
Metals and mining			0.169.* (.092)	-0.151.* (.085)
			1.913.** (.229)	2.017.** (.233)

ADR Features

ADR type dummy			-0.047*	-0.053*
			(.026)	(.031)

Table 5. Result for AR half-life regressions in monthly data (*Continued*).

Variable	(1)	(2)	(3)	(4)
Market dummy			-0.325**	-0.402**
			(.144)	(.149)
Year dummy				
ADR effective in 1970s			-0.147*	-0.165*
			(.081)	(.088)
ADR effective in 1990s			0.137	0.144
			(0.92)	(0.96)
Control variables				
ADR size	-0.036*	-0.042*	-	-0.067**
	(.021)	(.024)	0.037*	(.031)
			(.022)	
ADR liquidity	-0.119**	-	-0.126**	-0.205**
	(.053)	0.184**	(.057)	(.072)
		(.067)		
Adj. R ²	0.227	0.263	0.204	0.31
				9

Table 6. Result for band-TAR half-life regressions in monthly data

The dependent variable is the estimated half-life in the Band-TAR model for the cross-listing premium of 33 firms in monthly data. Model (1): Independent variables = firm characteristics. Model (2): Independent variables = firm characteristics + corporate governance. Model (3): Independent variables = Dummies variables. Model (4): Independent variables = firm characteristics + corporate governance+ Dummies variables. The standard errors are reported in parentheses. ** and * mean significance at the 5% and 10% levels, respectively.

Variable	(1)	(2)	(3)	(4)
Constant	-0.327** (.145)	-0.421** (.147)	-0.335** (.148)	-0.471** (.151)
<i>Firm characteristics</i>				
Size	-0.052** (.023)	-0.064** (.025)		-0.076** (.029)
Growth	-0.041** (.019)	-0.057** (.021)		-0.059** (.027)
Turnover	-0.223** (.096)	-0.241** (.094)		-0.229** (.090)
Size*Growth	-0.064** (.029)	-0.075** (.028)		-0.069** (.025)
Size*Turnover	-0.077** (.031)	-0.082** (.033)		-0.112** (.039)
Growth*Turnover	-0.042** (.019)	-0.049** (.017)		-0.039* (.023)
Size*Growth*Turnover	-0.022* (.013)	-0.027* (.015)		-0.031* (.019)
ROE	-0.097** (.036)	-0.112** (.038)		-0.105** (.035)
Leverage	0.104 (.096)	0.101 (.093)		0.096 (.092)
<i>Corporate governance</i>				
Large shareholders		0.192* (.103)		0.200* (.109)
Institutional holdings		-0.105** (.049)		-0.124** (.046)
Earnings management		0.176** (.062)		0.228** (.081)
<i>Dummies</i>				
Merger dummy			-0.082* (.047)	-0.094* (.051)
Overseas dummy			-0.091** (.043)	-0.103** (.049)
Industry dummy				
Industrials			-0.142** (.056)	-0.167** (.059)
Consumer goods			-0.132** (.051)	-0.124** (.053)
Metals and mining			1.667** (.241)	1.796** (.249)
<i>ADR Features</i>				
ADR type dummy			-0.032* (.018)	-0.041* (.023)

Table 6. Result for band-TAR half-life regressions in monthly data *(Continued)*

Variable	(1)	(2)	(3)	(4)
Market dummy			-0.221** (.101)	-0.214** (.104)
Year dummy				
ADR effective in 1970s			-0.162* (.091)	-0.178* (.096)
ADR effective in 1990s			0.124 (.086)	0.135 (.089)
Control variables				
ADR size	-0.027* (.015)	-0.034* (.019)	-0.029* (.016)	-0.041* (.023)
ADR liquidity	-0.092** (.032)	-0.104** (.035)	-0.101** (.039)	-0.126** (.041)
Adj - R ²	0.234	0.317	0.211	0.347

Table 7. Thresholds and determinants in monthly data

The dependent variable is the firms' estimated thresholds from the Band-TAR model for the cross-listing premium of 33 firms in monthly data. Model (1): Independent variables = firm characteristics. Model (2): Independent variables = firm characteristics + corporate governance. Model (3): Independent variables = Dummies variables. Model (4): Independent variables = firm characteristics + corporate governance+ Dummies variables. The standard errors are reported in parentheses. ** and * mean significance at the 5% and 10% levels, respectively.

Variable	(1)	(2)	(3)	(4)
Constant	-0.367** (.122)	-0.448** (.131)	-0.406** (.133)	-0.492** (.139)
<i>Firm characteristics</i>				
Size	-0.037** (.017)	-0.041** (.019)		-0.046** (.021)
Growth	-0.031** (.015)	-0.039** (.016)		-0.057** (.023)
Turnover	-0.132** (.053)	-0.144** (.057)		-0.157** (.061)
Size*Growth	-0.041** (.021)	-0.047** (.023)		-0.052** (.025)
Size*Turnover	-0.057** (.022)	-0.066** (.026)		-0.063** (.021)
Growth*Turnover	-0.036** (.015)	-0.031** (.011)		-0.047** (.018)
Size*Growth*Turnover	-0.022* (.014)	-0.036* (.019)		-0.039* (.021)
ROE	-0.088** (.041)	-0.094** (.044)		-0.087** (.040)
Leverage	0.102 (.074)	0.114 (.077)		0.117 (.079)
<i>Corporate governance</i>				
Large shareholders		0.122* (.068)		0.127* (.071)
Institutional holdings		-0.152** (.066)		-0.177** (.069)
Earnings management		0.204** (.088)		0.215** (.085)
<i>Dummies</i>				
Merger dummy			-0.027* (.015)	-0.033* (.018)
Overseas dummy			-0.084** (.036)	-0.095** (.039)
Industry dummy				
Industrials			-0.061** (.029)	-0.072** (.031)
Consumer goods			-0.105** (.044)	-0.113** (.049)
Metals and mining			1.224** (.121)	1.216** (.127)
<i>ADR Features</i>				
ADR type dummy			-0.037* (.020)	-0.031* (.017)

Table 7. Thresholds and determinants in monthly data (*Continued*)

Variable	(1)	(2)	(3)	(4)
Market dummy			-0.226** (.096)	-0.234** (.099)
Year dummy				
ADR effective in 1970s			-0.142* (.077)	-0.157* (.081)
ADR effective in 1990s			0.122 (.089)	0.134 (.091)
<i>Control variables</i>				
ADR size	-0.043* (.025)	-0.049* (.027)	-0.052* (.029)	-0.066* (.036)
ADR liquidity	-0.137** (.050)	-0.144** (.052)	-0.147** (.053)	-0.152** (.057)
Adj - R ²	0.226	0.277	0.215	0.349

Modeling the Stock Market Performance of Insurance Industry: The Case of Turkey

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Abstract

This paper investigates the relationship between insurance industry, financial index, and blue chip index of Istanbul Stock Exchange (BIST). To be able to analyze the relationship between insurance industry, financial industry and stock market performance; the data insurance industry index(XSGRT), financial industry index(XUMAL), and top 100 stock market index(XU100) are used. The variables XU100, XUMAL, XSGRT are tested to check whether they are stationary by Augmented Dickey-Fuller (ADF), Phillips-Perron Test (PP) and Ng-Perron tests. The research period is between January 1, 2004 and April 15, 2014. A vector autoregression model and Johansen cointegration tests are developed. The authors also provide financial and policy implications of the study. The results of the study reveal that there are 3 long run cointegrating equations between the variables.

Keywords: Insurance Modeling, Capital Markets, Stock Market Performance, Johansen cointegration.

1. Introduction

Turkish insurance industry's consolidated balance sheet involves total assets of over TRY 62 Million. The equity capital of the industry is nearly TRY 10,7 Million. This includes paid in capital and reserves required and in accordance with the harmonization process(EU- Solvency). The consolidated balance sheet of Turkish Insurance industry is given in Table 1 below.

Table 1: Consolidated Balance Sheet Of Insurance Companies 01.01.2013-31.12.2013 (TRY)

<u>Assests</u>	<u>Total</u>
I. Current assets	46.900.737.532
a. Cash and cash	12.911.664.047

assents	
b. Financial assets	11.863.688.130
c. Receivables from operational	20.011.420.015
d. Due from related parties	16.519.356
e. Other receivables	162.429.976
f. Accruals	1.839.197.230
g. Other current assets	95.818.778
II. Non-Current Assets	15.536.590.534
a. Receivables from operational	11.985.570.798
b. Due from related parties	186.326
c. Other receivables	15.422.059
d. Financial assets	924.102.788
e. Tangible assets	738.710.007
f. Intangible assets	1.469.876.260
g. Accruals	57.567.940
h. Other non-current assets	345.154.356
Total Assets	62.437.328.066

<u>Liabilities</u>	<u>Total</u>
I. Short Term Liabilities	35.520.443.283
a. Financial payables	217.477.714
b. Operating activity payables	16.830.310.083
c. Due to related parties	52.770.533
d. Other payables	588.723.534
e. Technical provisions	16.701.616.387
f. Taxes and other liabilities	317.993.175
g. Provisions related other risks	256.190.165
h. Accruals	536.076.453
i. Other short term liabilities	19.285.239

II. Long Term Liabilities	16.222.653.117
a. Financial payables	10.538
b. Operating activity payables	11.828.777.878
c. Due to related parties	7.005.770
d. Other payables	29.799.494
e. Technical provisions	4.135.272.642
f. Other liabilities	9.387.819
g. Provisions for other risks	102.612.133
h. Accruals	11.592.254
i. Other long term liabilities	98.194.589
III. Equity Capital	10.694.231.666
a. Paid-in capital	7.820.239.018
b. Capital reserves	698.158.006
c. Profit reserves	2.707.889.475
d. Profits from previous period	168.593.928
e. Losses from previous period (-)	-1.931.113.666
f. Net profit/loss for the period	1.230.464.905
Total Liabilities	62.437.328.066

Source: Insurance Association of Turkey Data

The Solvency II Directive is the regulatory framework for the European insurance industry that adopts a dynamic risk-based approach and implements a non-zero failure regime, i.e., there is a 0.5 percent probability of failure. This new single market approach is based on economic principles that measure assets and liabilities to appropriately align insurers' risks with the capital they hold to safeguard policyholder. Similar to the reasoning behind Basel II, the new framework is being implemented, in part, as a result of the previous market turmoil, which highlighted system weaknesses and renewed awareness over the need to modernize industry standards and improve risk management techniques. As a result, Solvency II sets out to establish its new set of capital requirements, valuation techniques, and governance and reporting standards to replace the existing and

outdated Solvency I requirements. In particular, the new regime is intended to harmonize the regulations across the EU, replacing the piecemeal system under which different countries have implemented the Solvency I rules in different ways, particularly for group supervision, to a single unified regime. In addition, changes to capital requirements will provide a better reflection of an insurer's individual risk profile and should encourage major insurers to develop their own internal models for setting the Solvency Capital Requirement (SCR), while many smaller companies are more likely to opt for the standard formula to calculate the SCR [1].

This process even increases the capital requirement, and therefore the importance of capital markets is increasing for the industry. The use of capital markets are, obtaining debt by corporate bond and issue of equity by insurance companies and securitization of insurance risks by modern capital market products.

Turkish capital market is only active in the issue of common equity and secondary trade for insurance industry. Therefore this paper provides a research on the relationship between insurance industry index and financial and stock market indices.

The remainder of this paper is organized as follows. Literature review section includes some of the recent and important papers which is related to the research topic. Data and methodology section includes the explanation of the variables used and all of the research methodology technique descriptions. Results section includes the model and findings of the paper. Finally the conclusion section summarizes the authors' contributions and policy and financial suggestions.

2. Literature Review

According to Mey (2007) the transfer of insurance risk is still very much a market in development; unlike in banking where risk transfer to the capital markets through securitization has become a widely used financial

technique. Reinsurance will continue to play a dominant role, but gradually we see how innovative securitization instruments are brought to the market, in non-life and in life. The main issues to overcome to make securitization a more widely used financial technique are the lack of transparency and consistency in modelling insurance risks. Enhanced standardization and liquidity will be crucial for the success of insurance risk securitization. Most of the capital market deals for insurance companies are still primarily financially driven. To strengthen their capital position, companies can raise equity or debt, and more recently also hybrid capital. The insurance sector is capable of raising substantial amounts of equity in the market. Moreover, the access to the debt markets has improved substantially for insurers over the last few years [2].

More recently, insurance companies started using risk securitization techniques for transferring insurance risk to the capital markets. In general, the capital markets have the potential to help the insurance market by providing additional capacity beyond what is available from the reinsurance market. The insurance risk transfer to the capital markets is still very much a market in development. Insurance securitizations are in fact complementing the traditional reinsurance. Property/casualty catastrophe bonds were introduced in 1995 because of rising reinsurance costs for natural catastrophes. Since then, insurance companies have become more comfortable with using the capital markets as an alternative solution for reinsurance.

Making the insurance securitization market more liquid will require more issues on the market, since broadening the investor base is crucial to move from essentially a private placement market today towards a public market place tomorrow. Effective pricing of insurance risk also requires the development of sound risk-based capital models. Main issues to overcome are the lack of transparency and consistency in modelling insurance risks. Enhanced standardization and liquidity will be crucial for the success of insurance risk securitization.

Delong and Gerrard (2007) consider a collective insurance risk model in which the evolution of claim intensity is described by a stochastic differential equation driven by a Brownian motion. The insurer operates in a financial market consisting of a risk-free asset with a constant force of interest and a risky asset which price is driven by a Lévy noise. Two optimization problems are studied. The first one is the classical mean-variance portfolio selection. In this case the efficient frontier is drawn. The second optimization problem, except the mean-variance terminal objective, includes also a running cost penalizing deviations of the insurer's wealth from a specified profit-solvency target which is a random process [3].

Insurance contracts are frequently modelled as principal-agent relationships. Quiggin and Chambers (2009) examine the interaction between differential bargaining power and the efficiency of insurance contracts. The analysis is undertaken in a framework of state-contingent production, which allows to consider, as separate choices, the level of effort committed by the client and the riskiness of the equilibrium state-contingent production vector. Our central result is that, in the presence of hold-up problems, the exercise of monopoly power by insurers leads clients to undertake socially costly self-protection, leading to suboptimal levels of insurance. Clients can exploit information asymmetries to offset the bargaining power of the insurer, but this process is also socially costly. Hence, competitive markets for insurance will yield a Pareto-superior outcome to the constrained Pareto-optimum reached in markets where insurers have monopoly power. More generally, in a bargaining situation, an increase in the bargaining power of clients will increase social welfare [4].

Uscumlic (2010) analyses the manner of evaluation of insurance holder affordability conducted by an insurance company. A well done financial analysis and appropriate methodology applied enable greater efficiency when making strategic decisions by selecting business partners, production programs, placing funds into investment programs with an aim of

preserving and increasing company value, protecting interest of shareholders, insurers and other insurance creditors. Adequate macroeconomic methods are applied against a corresponding software application, the analysis and synthesis of which lead to conclusions verifying the set hypothesis that there is at least one model satisfying the required and sufficient condition to reduce the level of risk of an insurance company by determining the financial standing of an insured. On a sample of data corresponding results are obtained and commented [5].

Lisa et al. (2009) extend the existing literature on deposit insurance by proposing a new approach for the estimation of the loss distribution of a Deposit Insurance Scheme (DIS) that is based on the Basel 2 regulatory framework. In particular, the distribution of banks' losses following the Basel 2 theoretical approach and focus on the part of this distribution that is not covered by capital (tail risk). The approach is considering two major sources of systemic risks: the correlation between banks' assets and interbank lending contagion. The application of our model to 2007 data for a sample of Italian banks shows that the target size of the Italian deposit insurance system covers up to 98.96% of its potential losses. Furthermore, it emerges that the introduction of bank contagion via the interbank lending market could lead to the collapse of the entire Italian banking system. Our analysis points out that the existing Italian deposit insurance system can be assessed as adequate only in normal times and not in bad market conditions with substantial contagion between banks. Overall, we argue that policy makers should explicitly consider the following when estimating DIS loss distributions: first, the regulatory framework within which banks operate such as (Basel 2) capital requirements; and, second, potential sources of systemic risk such as the correlation between banks' assets and the risk of interbank contagion [6].

3. Data and methodology

To be able to analyze the relationship between insurance industry, financial industry and stock

market performance; the data insurance industry index(XSGRT), financial industry index(XUMAL), and top 100 stock market index are used. The data is downloaded from Istanbul Stock Exchange (BIST). The research period is between January 1, 2004 and April 15, 2014. The data is available 5 workdays a week, and the data in level is given in the below Figure 1.

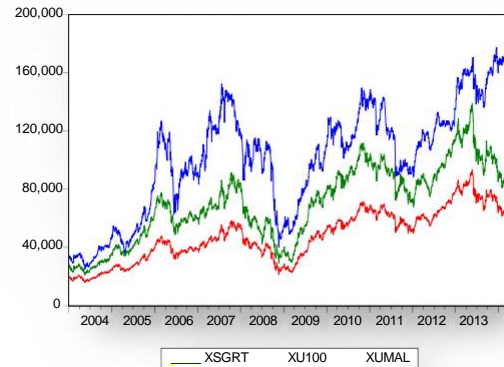


Figure 1: Graphical presentation of the data

XSGRT is the insurance industry index for Istanbul Stock Exchange (BIST). The index covers 6 insurance industry firms, namely; AKGRT, ANHYT, AVIVA, GUSGR, RAYSG and ANSGR. XUMAL indicates financial industry performance of BIST. The index has 105 stocks; including commercial banks, insurance firms, leasing and factoring companies, venture capital companies, holding companies, and investment trusts. XU100 is the most popular blue chip index; which includes top 100 large capitalization companies.

We begin the analysis by examining the stationary properties of the variables using the Augmented Dickey-Fuller (ADF) Test (Dickey and Fuller, 1981). The following equations are estimated for each of the time series:

$$\Delta x_t = a_0 + a_1 t + \beta_0 x_{t-1} + \sum \beta_t \Delta x_{t-i} + \mu_t$$

Where Δ is the first difference operator; t is the time trend; k denotes the number of lags used and η is the error term; a_s and β_s are parameters. The null hypothesis that series x_t is non-stationary can be rejected if β_0 is statistically significant with negative sign. The optimal lag k , is chosen carefully by the Akaike Information Criterion (AIC) [7].

The Dickey-Fuller test can be set up in three ways, depending on what we want the alternative hypothesis to be. The null is always that x_t is a random walk without drift. The alternative can be that x_t is stationary $I(0)$, or that x_t is driven by a deterministic trend (t); alternatively that x_t is driven by a deterministic quadratic trend (t^2). For each model the empirical distribution of t_p is different, and tabulated in separate tables. The three tests are presented. The empirical distribution is always simulated under the assumption a random walk with white noise residuals, $s \sim iid(0, \sigma^2)$. In general, this is not the case; Δx_t is likely to be having an ARMA representation. In this situation the autoregressive structure can be dealt with by augmenting the regression equation with lagged Δx_t variables, such that s_t in the regression model becomes white noise and the Dickey-Fuller distributions are valid. If Δx_t contains a moving average process the situation is more complex [8].

The use of lag augmentation using lags of the dependent variable in the ADF regression is motivated by the need to generate residuals which are free of serial correlation. However, an alternative unit root testing approach that can be used in the context of models with weakly dependent errors is that of Phillips (1987) and Phillips and Perron (1988), known as the Phillips Perron [PP] unit root tests. In contrast to the ADF approach, the PP tests deal with serial correlation in the errors by employing a nonparametric serial correlation correction factor, which is based on a consistent estimate of the long run variance of the error process. An in-depth investigation into the behavior of the PP test when different types of first order AR and MA dependencies are allowed for in the errors is given in Nabeya and Perron (1994), Perron and Ng (1996) and Perron and Ng (1998). The application of the PP unit root tests is based on the ordinary least squares (OLS) parameter estimate, a from the AR (1) (pseudo-) equation [9].

$$x_t = a x_{t-1} + u_t$$

Ng and Perron (Econometrica, 2001), building on some of their own work (Perron and Ng, Rev. of Econ. Studies, 1996) and work by Elliott, Rothenberg, and Stock (Ecta, 1996), new tests to deal with both of these problems. Their tests, in contrast to many of the other "new" unit root tests that have been developed over the years, seem to have caught on as a preferred alternative to the traditional ADF and PP tests. The family of NP tests (which includes among others, modified DF and PP test statistics) shares the following features -first, the time series is demeaned or detrended by applying a GLS estimator. This step turns out to improve the power of the tests when there is a large AR root and reduces size distortions when there is a large negative MA root in the differenced series. The second feature of the NP tests is a modified lag selection (or truncation selection) criteria. It turns out that the standard lag selection procedures used in specifying the ADF regression (or for calculating the long run variance for the PP statistic) tend to under fit, i.e., choose too small a lag length, when there is a large negative MA root. This creates additional size distortion in unit root tests. The NP modified lag selection criteria accounts for this tendency. NP's DF-GLS test using a modified AIC (MAIC) to select the lag length for the ADF regression is given below [10].

$$H_0: Y_t \sim I(1), \text{ no drift}$$

$$H_A: Y_t \sim I(0), \text{ no restriction on the mean}$$

Since the publication of 'Macroeconomics and reality' by Sims (1980), the vector autoregression (VAR) has become the dominant tool of empirical macroeconomics in the United States - if somewhat less so in Europe. Dissatisfied with the 'incredible identifying restrictions imposed on structural macro econometric models; Sims proposed the use of the VAR - an unrestricted reduced form. A VAR can be written as

$$B(L) Y_t = U_t, \text{ where } B(0) = I$$

The subscript t indexes time; Y_t is an $n \times 1$ column vector of the contemporaneous values of the variables $Y_{it} = 1, 2, \dots, n$; $B(L)$ is a conformable square matrix whose terms are polynomials in the lag operator; and U_t is a

column vector of residuals with elements u_{it} . Although the VAR is easily estimated, difficulties begin when we turn to policy analysis. A typical problem would be to work out the effects of a shock to one of the variables on all the other variables of the system. Let $u_i = [u_{i1}, u_{i2}, \dots, u_{iT}]$ be the time series for u_{it} and U without a time subscript be the $n \cdot T$ matrix whose rows are the u_i (Equivalently, here and in analogous cases, omitting time subscripts indicates the matrix whose columns are the U_t) [11].

The Johansen tests can be calculated with the formula below;

$$\Delta X_t = T_1 \Delta X_{t-1} + \dots + T_{k-1} \Delta X_{t-k+1} + \Pi X_{t-1} + \mu + \delta_t + s_t$$

The long-run multiplier matrix $\Pi = \Phi(1) - I$ can be decomposed into two $(p \times r)$ matrices such that $\alpha\beta' = \Pi$. The $(p \times r)$ matrix β represents the cointegrating vectors or the long-run equilibria of the system of equations. The $(p \times r)$ matrix α is the matrix of error-correction coefficients which measure the rate each variable adjusts to the long-run equilibrium. Maximum likelihood estimation can be carried out by applying reduced rank regression. Johansen suggests first concentrating out the short run dynamics by regressing ΔX_t and X_{t-1} on ΔX_{t-1} ; ΔX_{t-2} ; ..., ΔX_{t-k+1} , 1 and t , and saving the residuals as R_{0t} and R_{1t} , respectively. Next calculate the product moment matrices $S_{ij} = T^{-1} \sum R_{it} R'_{jt}$ and solve the eigenvalue problem $|\lambda S_{11} - S_{10} S^{-1}_{00} S_{01}| = 0$. Then order the estimated eigenvalues from largest to smallest $(\lambda_1, \lambda_2, \dots, \lambda_p)$. The test for cointegration is a test for the number of non-zero eigenvalues and the estimated cointegration space is the space spanned by the eigenvectors associated with these non-zero eigenvalues. The likelihood ratio statistic testing the rank of Π ; or equivalently the number of non-zero eigenvalues, is given by $-T \sum_{i=r+1}^p \ln(1 - \lambda_i)$ and is called the trace statistic by Johansen [12].

4. Results

The variables XU100, XUMAL, XSGRT are tested to check whether they are stationary. For this purpose Augmented Dickey-Fuller (ADF) and Phillips-Perron Test Results (PP) were studied.

According to ADF test results the variables XU100, XUMAL, and XSGRT are not stationary in level. This is because test statistics are lower than critical value for 5% level of significance. The variables are then studied with differenced series. This time, the variables' test statistics exceed test critical values. They are therefore stationary as differenced series. Therefore according to ADF test results, differenced series should be used in the model.

According to PP test results the variables XU100, XUMAL, and XSGRT are not stationary in level. This is because test statistics are lower than critical value for 5% level of significance. The variables are then studied with differenced series. This time, the variables' test statistics exceed test critical values. They are therefore stationary as differenced series. Therefore according to PP test results, differenced series should be used in the model. Both ADF and PP results indicate that series are not stationary as level but they are stationary with their first difference. (I (1)) These results are presented in Table 2.

Table 2: Augmented Dickey-Fuller and Phillips-Perron Test Results

	ADF Test Critical Value	Test Statistic	Pp Test Critical Value	Test Statistic
XU100	-3,4115	-2,5230	-3,4115	-2,5854
XUMAL	-1,9409	0,3457	-1,9409	0,3298
XSGRT	-1,9409	0,5061	-1,9409	0,4758
D(XU100)	-1,9409	-52,3213	-1,9409	-52,3250
D(XUMAL)	-1,9409	-52,1054	-1,9409	-52,1084
D(XSGRT)	-1,9409	-48,5720	-1,9409	-48,6528

The variables XU100, XUMAL, XSGRT are tested to check whether they are stationary also with Ng-Perron Test. According to test results Mza and MZt critical values for XU100, XUMAL and XSGRT are lower than test statistics as absolute value. Also MSB and MPT critical values for XU100, XUMAL and XSGRT are higher than test statistics as absolute value. This shows that XU100, XUMAL and XSGRT are not stationary in level. These variables are then tested with differenced series. Ng-Perron test results indicate that Mza and MZt critical values for D

(XU100), D (XUMAL) and D (XSGRT) are higher than test statistics as absolute value. Also MSB and MPT critical values for D (XU100), D (XUMAL) and D (XSGRT) are lower than test statistics as absolute value. This shows that D (XU100), D (XUMAL) and D (XSGRT) are stationary as differenced. These results are presented in Table 3.

	Mza	MZt	MSB	MPT
XU100	-12,4479	-2,4922	0,2002	7,3355
XUMAL	-11,6945	-2,3995	0,2052	7,8951
XSGRT	-9,5077	-2,1803	0,2293	9,5844
D(XU100)	-50,4418	-4,9892	0,0989	1,9722
D(XUMAL)	-53,0806	-5,1287	0,0966	1,8308
D(XSGRT)	-1331,75	-25,8044	0,0194	0,0687
Ng-Perron Test Statistics	-17,3000	-2,9100	0,1680	5,4800

Table 3: Ng-Perron Test Results

The variables D(XU100), D(XUMAL) and D(XSGRT), as suggested by the unit root tests, are then modeled as Vector Autoregression (VAR). The number of lags required for the model is tested with lag selection criteria. As seen in Table 4, 0 lag is suggested by SC and HQ, 1 lag is suggested by FPE and AIC and 4 lags are suggested by LR. 2 and 3 lags are selected by no selection criteria. For most degrees of freedom, VAR (1)-1 lag model is studied.

Table 4: Lag Length Selection Criteria for Vector Autoregression Model

Lag	LogL	LR	FPE	AIC	SC	HQ
0	-63591.13	NA	9.11e+16	47.56479	47.57140*	47.56718*
1	-63572.86	36.47999	9.05e+16*	47.55786*	47.58430	47.56743
2	-63568.34	9.014115	9.08e+16	47.56121	47.60748	47.57795
3	-63563.16	10.32291	9.11e+16	47.56407	47.63017	47.58798
4	-63554.28	17.68023*	9.11e+16	47.56416	47.65008	47.59525
5	-63551.30	5.916605	9.15e+16	47.56866	47.67442	47.60693
6	-63546.86	8.818224	9.18e+16	47.57207	47.69766	47.61751
7	-63539.15	15.28881	9.19e+16	47.57304	47.71845	47.62565
8	-63532.39	13.40376	9.20e+16	47.57471	47.73995	47.63450

* indicates lag order selected by the criterion
 LR: sequential modified LR test statistic (each test at 5% level)
 FPE: Final prediction error
 AIC: Akaike information criterion
 SC: Schwarz information criterion
 HQ: Hannan-Quinn information criterion

VAR (1) model is tested whether it is stationary. This is done by testing autoregression roots. The suggested VAR(1) is only stable if no roots lies outside the unit circle. Otherwise the model is not stationary and another model has to be proposed since the results are not reliable. For the VAR (1) model no root lies outside the unit circle. The modulus is clearly smaller than 1. Therefore VAR (1) model satisfies the stability condition. The results of the VAR stability check are presented in Table 5.

Table 5: AR Roots Table- Vector Autoregression Model-Stability Condition Check

Root	Modulus
0.051897 - 0.004141i	0.052062
0.051897 + 0.004141i	0.052062
-0.020984	0.020984
No root lies outside the unit circle. VAR satisfies the stability condition.	

The VAR (1) model consists of a matrix of variables D(XSGRT), D(XUMAL), D(XU100); as well as their first lags. The model in its standard form is given below.

VAR Model:

$$\begin{aligned}
 D(XSGRT) &= C(1,1)*D(XSGRT(-1)) + C(1,2)*D(XUMAL(-1)) + C(1,3)*D(XU100(-1)) + C(1,4) \\
 D(XUMAL) &= C(2,1)*D(XSGRT(-1)) + C(2,2)*D(XUMAL(-1)) + C(2,3)*D(XU100(-1)) + C(2,4) \\
 D(XU100) &= C(3,1)*D(XSGRT(-1)) + C(3,2)*D(XUMAL(-1)) + C(3,3)*D(XU100(-1)) + C(3,4)
 \end{aligned}$$

Our data is then substituted into the equations according to VAR(1) model results. The final VAR(1) equation is presented below.

VAR Model - Substituted Coefficients:

$$\begin{aligned}
 D(XSGRT) &= 0.0775876705955*D(XSGRT(-1)) + 0.143840589626*D(XUMAL(-1)) - 0.287712932858*D(XU100(-1)) + 45.1417081489 \\
 D(XUMAL) &= 0.0196590664667*D(XSGRT(-1)) + 0.289598543166*D(XUMAL(-1)) -
 \end{aligned}$$

$$0.549056209399 * D(XU100(-1)) + 29.7134821913 D(XU100) = 0.0140844206495 * D(XSGRT(-1)) + 0.147994946694 * D(XUMAL(-1)) - 0.284375724581 * D(XU100(-1)) + 21.4224406405$$

The cointegration between D(XSGRT), D(XUMAL), and D(XU100) is tested with Johansen Cointegration based on previously calculated VAR(1) model. The Granger causality may not be applied for this research since there

are more than 1 cointegration equations. (more than 2 variables) The differenced series are tested according to Johansen's procedure since all variables are I(1). According to Trace test and Max-eigenvalue statistics, 3 cointegration equations are found. This means the variables D(XSGRT), D(XUMAL), and D(XU100) are cointegrated. This means there is a long run relationship between the variables. This meets our expectations based on the practical situation of the Turkish insurance industry. The results are summarized in Table 6 below.

Table 6:Johansen Cointegration Test Results

Unrestricted Cointegration Rank Test (Trace)				
Hypothesized		Trace	0.05	
No. of CE(s)	Eigenvalue	Statistic	Critical Value	Prob.**
None *	0.345574	3212.123	29.79707	1.0000
At most 1 *	0.325893	2075.811	15.49471	1.0000
At most 2 *	0.316268	1018.908	3.841466	0.0000
Trace test indicates 3 cointegrating eqn(s) at the 0.05 level				
* denotes rejection of the hypothesis at the 0.05 level				
**MacKinnon-Haug-Michelis (1999) p-values				
Unrestricted Cointegration Rank Test (Maximum Eigenvalue)				
Hypothesized		Max-Eigen	0.05	
No. of CE(s)	Eigenvalue	Statistic	Critical Value	Prob.**
None *	0.345574	1136.312	21.13162	1.0000
At most 1 *	0.325893	1056.904	14.26460	1.0000
At most 2 *	0.316268	1018.908	3.841466	0.0000
Max-eigenvalue test indicates 3 cointegrating eqn(s) at the 0.05 level				
* denotes rejection of the hypothesis at the 0.05 level				
**MacKinnon-Haug-Michelis (1999) p-values				

Conclusion

The Turkish insurance industry, financial index and blue chip index is modeled with VAR(Vector Autoregression) with the data downloaded from Istanbul Stock Exchange (BIST). These variables are also tested with Trace and Max-eigenvalue Johansen Cointegration tests. Both results indicate 3 cointegrating equations, meaning multi-dimensional cointegration. The performance of Turkish insurance index is determined by the indices' performances and the stock market performance can be partly explained by the insurance industry.

In the Turkish insurance industry no corporate bonds has been issued. The only source of mitigating (sharing) the risk and enhancing capital adequacy through the capital markets is the stock market. The stock market performance on the other hand, determines the value of the company and cost of capital.

According to the research results there is a long-run relationship between insurance industry index, financial industry index and blue chip index. This means the performance of the insurance market will move closely with

the financial market and blue chip index. This is a concern especially when there is a bear market. (when the stock prices are falling) Together with increased capital requirement due to Solvency II criteria, the sustainable pricing (premiums) of the industry is likely to be increased especially when there is a downturn in the capital markets. (ie. less funds can be obtained with favorable costs) Insurance industry is therefore encouraged to increase their capital reserves in this process.

On the other hand the insurance companies with better audit systems and the ones that avoid asymmetric information would work with greater profitability and gain competitive power in the industry. Finally, corporate governance and transparency has an increased role in decreasing cost of funding from capital markets.

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III PLENARY SESSION

Economics, Management, Tourism, law & Politics

Session Chair: Lise Harmsen - Duquesne University, USA

The Influence of Subcultures on Inter-Organizational Communication through Signalling Theory

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Abstract

Communication among internal stakeholders within large organizations can be a difficult task to facilitate, as these organizations are often composed of disparate groups with different backgrounds, perspectives and goals. Organizational subcultures can indeed vary greatly from one division to another, from one department to another, from one location to another. The purpose of this paper is to investigate the impact of organizational subcultures on internal communication patterns and the formal institutions that are generated as a result. The paper makes use of signalling theory to develop a theoretical model and research propositions. Signalling theory is adapted and used in an organizational behavior context where both senders and receivers are internal to the organization. This constitutes two new contributions to research. Implications on management, communication and corporate culture are discussed, based on a case study in a university. This research has an impact on how an organization sets its values and culture. A strong-cultured organization may be looking for a way to maintain this strength. A weak-cultured organization may be willing to increase the level of shared meaning held by all its members through communication. When subcultures are overpowering, the organization as a whole may lose its identity. By building a level of understanding of the subcultures present in the organization, these subcultures become identified and understood. This can bring organizations a step further in adapting

their global communication to local subcultures in order to stimulate local teams in the most successful way.

1. Introduction

Organizations are devoting more attention to their own culture and for many identified reasons. Extensive research has suggested that culture is positively correlated with the level of performance ([1] Gordon and DiTomaso, 1992; [2] Sorensen, 2002) and commitment ([3] Deal and Kennedy, 1982; [4] Peters and Waterman, 1982; [5] van Vianen, 2000) in an organization. A high performance internal culture also has positive external effects. It reflects on the image of the organization, image conveyed by more and more agents as almost all organizational members have integrated external relations as part of their daily activities ([6] Hatch and Schultz, 1997). Rosenthal and Masarech [7] (2003) have listed other reasons for organizations to look more carefully at their culture such as the wish for a long term competitive advantage, workforce's self-fulfillment, public scandal avoidance, talent generator, and creativity unlock. Attempts at shaping organizational culture are suggested by Rosenthal and Masarech (2003) and have been proven successful for companies of all types and sizes. The conducted research included a software company, a manufacturing company, a bank and a consulting company. Sizes went from the hundreds to 17,000 employees worldwide. Resulting from this work came a set of best

practices for building and sustaining a high-performance culture in an organization. This model is composed of five steps forming a continuous improving cycle: Communicate, Model, Align, Engage, and Clarify. This paper focuses on the Communication side of the process. Efficient culture communication is best achieved when integrated within a monthly-based communication plan composed of a diversity of senders and supports, and where actions follow words from top down management positions. Within this perimeter, this paper discusses that there are subtle differences between an official corporate culture, as stated by the organization, and its interpretation by the members of the organization, causing subcultures to exist naturally in any organization. Perceived cultures differ from the stated organizational culture. Cameron and Quinn [8] (2011), developed a questionnaire type used for distinguishing the organizational culture from the different perceptions workers make of the organizational culture.

Organizational culture refers to a system of shared meaning held by the members of an organization that distinguishes them from other organizations ([9] Schein, 1985). Culture is present in the minds of the members and shared between all members ([10] Hofstede, 1991). Subcultures are another layer of culture to be found in organizations ([11] Brown, 1995; [12] Martin, 1992; [13] Trice and Beyer, 1993). It has been researched that they typically form around members who share one or more of the following factors: location, functional focus, and professional background ([14] Bloor and Dawson, 1994) or localized power based on the resource dependency theory, where subcultures are formed based on what individuals need from one another the same way board of directors are formed based on what resources the company needs ([15] Hillman, Cannella, and Paetzold, 2000). Subcultures are also influenced by ethical work climates ([16] Victor and Cullen, 1988). Subcultures have a stronger influence on commitment and on performance than organizational cultures have ([17] Lok and all, 2005). In the same vein, this paper argues that subcultures have an influence on the understanding members of an organization

make of the official culture, the organizational culture.

Signalling theory is used to demonstrate how groups of people can understand the cultural signals sent by the executive team in different ways. The sender delivers the same information to a receiver, who may interpret it in different ways. Signalling theory has been developed in the field of economics ([18] Spence, 1973). This paper will explore the signalling theory in the context of knowledge transfer on organizational culture. It constitutes the first adaptation of the theory to Organizational Behavior studies.

This research has an impact on how an organization sets and shares its values and culture. How a company determines and communicates a corporate culture. A strong-cultured organization may be looking for a way to preserve this strength. A weak-cultured organization may be willing to increase the level of shared meaning held by all its members. In the same way as a strong organizational culture may influence performance (either in a positive or a negative way) whereas a weak organizational culture may not ([19] Kreitner and Kinicki, 2004), a strong subculture can influence variations in perception of organizational culture. It can either support and promote the organizational culture, or on the other hand hinder and go against the organizational culture. Subcultures can be linked to the organizational ethical work climate (Victor and Cullen, 1988).

There are two purposes for this paper. First, we discuss the application of the signalling theory in an information asymmetry context where both the senders and the receivers are internal to the organization. This will enlarge the research on signalling theory in two ways: (1) signalling theory is adapted to Organizational Behavior, (2) both senders and receivers are internal to the organization. Second, we suggest that subcultures act as a filter on members' understanding of the official culture as stated by the organization. We further discuss how an organization can take this interpretation gap into account when it attempts to reinforce its organizational culture.

2. Theoretical framework

Organizational culture and subcultures

Organizations are more than a group of individuals working towards the same goal. Organizations become institutionalized ([20] Selznick, 1948) when they live on their own, detached from their founders and their members. They build their own identity, which is shared among members and they develop a common level of understanding. Organizational culture refers to a system of shared meaning held by the members of an organization that distinguishes them from other organizations ([21] Schein, 1985).

Culture is a set of beliefs or basic assumptions ([22] Wilkins, 1983), or a set of shared core values ([23] Deal and Kennedy, 1982) between the members of a group. Organizational culture has three layers (Schein, 1992). The first layer is the visible artifacts. Artifacts are easy to observe but difficult to decipher. They are contained in language, dressing codes, objects, creations, etc. One level deeper is the espoused values. They are shared by the group and have been defined, spoken out. They initially started by the founder or the leader and are assimilated by the rest of the group members. The deepest layer is the underlying assumptions. They justify the observable differences in artifacts but are unspoken, difficult to perceive for an outsider.

An organizational culture can be strong or weak, and will have a positive or negative impact on the organization's performance (Gordon and DiTomaso, 1992; Sorensen, 2002; Rosenthal and Masarech, 2003). By facilitating behavioral consistency among the members of an organization, a strong common culture can have a positive impact on performance. Gordon and DiTomaso empirically demonstrated that a strong culture is correlated with higher performances in general, supporting the previous work of Denison [24] (1990), stating that a strong culture is predictive of short-term performance. Sorensen further refined Gordon and DiTomaso's findings by stating that a strong culture is of even bigger importance when the organization is operating in a stable environment. Rosenthal and Masarech list

many other reasons explaining the importance of culture, from ensuring a sustainable competitive advantage, to retaining talented employees, as well as for stimulating creativity, well-being, and avoiding media scandals.

Cultures are composed of subcultures ([25] Handy, 1978; [26] Louis, 1983; [27] Jamison, 1985). A weak organizational culture is more likely to let subcultures develop themselves (Sorensen, 2002). On the contrary, the more members accept the organizational core values and the greater their commitment to these values is, the stronger the organizational culture is.

It has been studied that a shared organizational culture enables a larger diffusion of knowledge ([28] Kramer, Brewer, and Hanna, 1996; [29] Barua, Ravindran, and Whinston, 1997; [30] Husted and Michailova, 2002). *Knowledge Sharing*

Knowledge is the organization's collective wisdom. Schütz and Luckmann [31] (1975) defined four types of knowledge. Dictionary knowledge is the content of commonly held descriptions, such as what is considered a promotion. Directory knowledge is the set of commonly held practices. Recipe knowledge is recommendations for future improvements, often expressed with "shoulds". Finally, axiomatic knowledge is the causes underlying dictionary knowledge, often expressed with "whys". Knowledge is typically not stored in a unique location but spread across the organization, in hardware, software, products, technologies, and people's heads. Sharing knowledge among the members of an organization is enabled by social capital, defined by Lin [32] (1999) as the resources embedded in the organization's social relations and structures. Scholars have suggested that three aspects of social capital act as a support to knowledge sharing ([33] Nahapiet and Ghoshal, 1998). These three dimensions are mutual trust among knowledge-sharing partners (relational), effective system for communication (structural), and shared norms across an organization (cognitive).

Signalling theory

Signalling theory is a framework used to reduce the level of uncertainty between a

sender and a receiver through a signal. In other words, through an action or a discussion, a piece of information, the signal, is sent by a person and received by another. Information is needed for any decision-making process, it reveals part of an organization's knowledge. Signalling theory bases its principle on the concept of information asymmetry (Spence, 2002).

Information asymmetry occurs when the sender and the receiver of the piece of information do not share the same amount of knowledge related to that information. Akerlof first mentions information asymmetry in 1970 in a study of the market of second-hand cars [34]. In this market there are two different types of cars: good cars and bad cars, also called lemons. The first owner of the car, the seller, knows if their car is a lemon, a piece of information that the buyer does not know. This creates a situation of information asymmetry in the market. Spence (2002) and Stiglitz [35] (2002) further linked information asymmetry with signalling theory.

An early application of signalling theory in the OB field can be found in Spence's work [36] (1973) on observation of the job market.

company's legitimacy by Ivanova and Castellano, 2011 [41]), and marketing (signalling effects on media reputation by Deephouse, 2000 [42]). This research applies the signalling theory to the Organizational Behavior (OB) field.

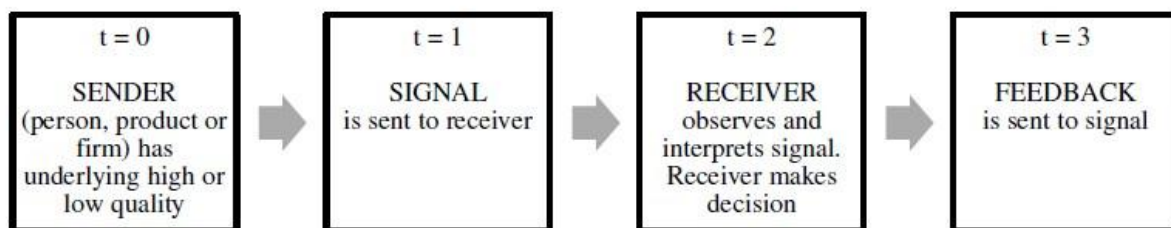
Similarly to the car market, there are high-quality applicants and low-quality applicants in labor markets. Applicants might engage in signalling behaviors in order to reduce information asymmetry on the market. One way to do so is by higher education achievement. Obtaining a university degree sends a high-quality signal to the potential employer and reduces therefore information asymmetry. Signalling theory literature has grown in OB and further, as its applications and the range of potential signals have expanded.

Many studies on signalling theory have been conducted since Spence introduced it to the job markets and Ross [37] (1977) developed its principles. An empirical compilation of all research studies regarding signalling theory ([38] Connelly, Certo, Ireland and Reutzel, 2010) has shown that the topic is still discussed today and has spread across the fields of finance (signalling effects on debt by Ross, 1977; signalling effect on dividends by Bhattacharya, 1979 [39]), human resources (signalling effects during the recruitment process by Suazo, Martinez, and Sandoval, 2009 [40]), strategy (signalling effects on a

In more details, signalling theory contains key concepts. **Figure 1** illustrates the signalling timeline. There are four phases in signalling, as described by Connelly et al.

Figure 1: Signalling Timeline

Figure 1: Signalling Timeline



Source: Adapted from Connelly, B. L., Certo, S. T., Ireland, R. D., Reutzel, C. R. 2011. Signalling Theory: a Review and Assessment. *Journal of Management* 37: 39.

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The sender, also called a signaler, sends a signal to the receiver. The receiver interprets the signal and sends a feedback. In OB senders and receivers are mostly individuals. Ehrhart and Zeigert [43] (2005) have studied

recruiters. Ramswami, Dreher, Bretz, and Wiethoff [44] (2010) have studied managers. Hochwater, Ferris, Zinko, Arnell, and James [45] (2007) have studied employees. The sender could also be a product or a company. Senders and receivers have competing and sometimes opposite interests. There is a potential presence of false signals coming from low-quality senders ([46] Johnstone and Grafen, 1993). Therefore the differential signal costs for high-quality and low-quality signals become important ([47] Ndofor and Levitas, 2004). The sender is an insider, as opposed to the receiver who is an outsider. The sender disposes of specific information, also called private information, which the receiver does the signal may be that they should sell as well. This decision is the feedback sent to the sender, who will in turn be comforted in the idea that it was a good time to sell their shares. Large institutional shareholders diffuse stronger signals than individual shareholders. The absence of action may also constitute a signal. As long as a large shareholder is willing to hold its shares in a company, other players on the market will receive a positive signal that this company is a good investment.

The signal is the communication happening from the sender to the receiver. A signal is a communication or an action given by the sender to the receiver, in which the receiver will find information of importance which may help him to make a decision. The signal is deliberate and clear. It is primarily positive information that should convey positive organizational features. On the contrary, when a negative signal is sent, its first role is not to reduce information asymmetry but it would be a side effect. The quality of the signal refers to the capability of the signal to fulfill its purpose. A signal of high quality level is achieved when the sender has succeeded in sharing his original message with the receiver. It will integrate two characteristics. The signal observability is the extent to which the receivers are able to notice the signal. The signal cost determines the affordability of the signal. The more costly the signal, the more difficult it is to replicate, and thus can be perceived as trustworthy by the receiver. This characteristic, called the signal honesty, is the extent to which the sender has the underlying quality associated with the signal (Connelly et

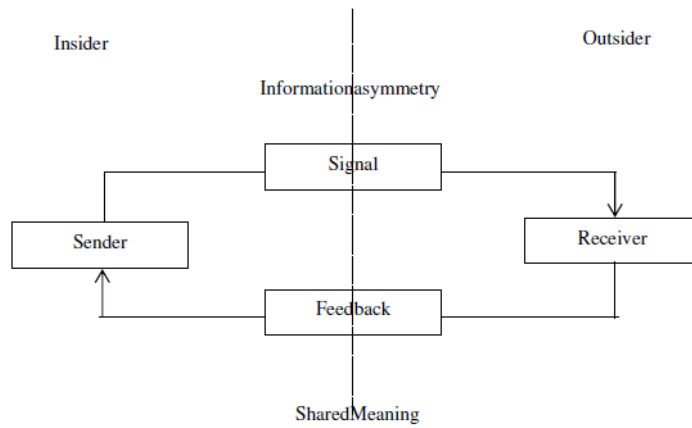
not know of. This confers a privilege to the sender. Private information could be the latest R&D findings, the new strategic expansion goals, or the readiness to face a lawsuit. Stiglitz takes the example of an entrepreneur having a stake in a firm, selling back their shares is the action that will convey a signal to other shareholders and potential buyers. The seller has access to internal information that makes them decide to make a sell. The potential buyers and other entrepreneurs in the market receive the signal and can from there understand that this shares are going to lose value in the near future. Their interpretation of

al., 2011). Signals can be strong or weak (Ramaswami et al., 2010), based on the importance the signal has for the receiver. Signals are more or less frequent ([48] Janney and Folta, 2003), and more or less consistent ([49] Gao et al., 2008). Consistency is determined by the coherence found between different signals from the same source.

The receiver is the outsider, in the sense that the receiver does not dispose of as much information as the sender, they miss the piece of information the sender bases their signal on excluding him from the insider circle of information. Typically, the receiver is lacking the most important information to make an informed decision.

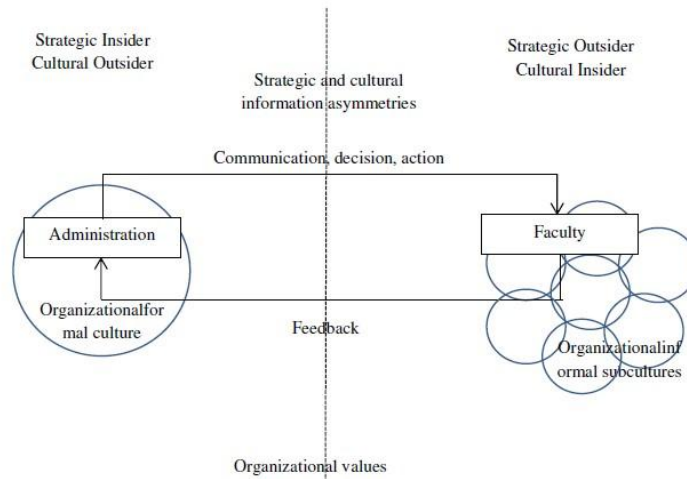
The feedback is the information the sender receives back from the receiver when the latter has made a decision based on the signal. The above description is illustrated by the signalling theory model in **Figure 2**.

Figure 2: Signalling Theory Model



3. The Model

Figure 3: Signalling Theory Model Applied to the Context of a University



Now that the theoretical foundations have been set, we can apply our model to a concrete situation in any large organization, illustrated in figure 3. Take a standard school of business of an American university with several campuses, two in the city and two abroad in different countries. The school is composed of administrative members and faculty members. On the one hand, the faculty President, deans,

associate deans, directors of administrative departments and associates, and the chairs of academic departments are part of *administration*. On the other hand, the professors, associate professors, assistant professors, lecturers, instructors and adjuncts are part of *faculty*. Administration develops a strategic direction for the school along guiding principles. These guiding principles have been

formulated by the founders of the school, passed along successive administrations, while modified and adapted by them. They are based on the underlying assumptions forming the common culture, and can be adapted under the influence of market forces. The guiding principles are the *shared meaning* among administration and faculty members. They are to be found back in various internal communication materials, under the naming of values, mission, and vision, which constitutes the school's official cultural codes, called in the model the *organizational formal culture*. The organization's intranet website spreads the values of the school. The faculty and students are given the rules and code of conduct of the school. The September Convocation speech that launches a new academic year contains high references to the guiding principles, as well as graduation ceremonies to which students and faculty members are attending.

All these examples are observable and costly *signals*. They are observable because they are identified and assimilated by receivers. They are costly and hard to imitate. These two attributes certify of the authenticity of signals. We can enlarge our use of signals to integrate all communication from administration to faculty. On the other side of the model are faculty members. They are part of the organizational formal culture, but are also forming different *organizational informal subcultures*, the shapes of which depend on different criteria such as the different departments of the school, the rank of the faculty member, the office location relative to the administrative services and the rest of the campus, etc.

Faculty receives the signals from the administration side. There is a situation of *information asymmetry*, although it occurs inside of the organization, since faculty members do not develop strategic directions. Administration are insiders, they detain strategic information, also called secret information, that faculty does not have. Faculty members are thus left as outsiders. Another factor of information asymmetry is the

differences in cultures. Here, faculty understands the formal culture, and develops subcultures in addition to it, which administration does not control. Administration only has limited visibility on its own organizational subcultures. This complex situation makes administration a strategic insider, but a cultural outsider, and faculty a strategic outsider and a cultural insider.

Proposition 1: If the organization sends a unique message, then receivers can perceive it in multiple ways. If administration sends a unique signal to faculty, then different members of faculty can make different interpretations of it.

The receiver's understanding of the signal is influenced by a variety of social factors contained in its direct environment. These social factors can be previous discussions with colleges, interaction with students, or previous communication from administration. They may induce that the interpretation the receiver makes of the signal varies from one receiver to another. Cameron and Quinn's questionnaire could be used for collecting data.

Case study: Administration has decided to move HR outside of campus for saving on costs. This sends one signal to faculty. Is faculty thinking alike administration "this is good for me, it will save me costs"? Probably not, because faculty does not work on administrative tasks. Faculty may be wondering how easy it will be from now on to work in relation with HR. Is all faculty sharing the same doubts? Probably not, the school campuses located abroad will probably not see much difference. They are already used to working long distance with HR. On the other hand chairs of academic departments located on campus, who depend on HR for hiring new staff may be concerned about the changes in certain procedures. This signal sent by administration may be interpreted as Human Resources are not important by certain members of faculty.

Proposition 2: If proposition 1 is true, the different interpretations can be sorted according to the subculture of origin. If different interpretations arise, i.e. if proposition one is

verified, these interpretations can be correlated with the subcultures of the organization.

The process of sensemaking ([50] Weick, 1993) can help us understand how faculty is enabled to make sense of new signals received from administration. Sensemaking is a process during which a realized event is reconsidered and interpreted to be understood. It ultimately serves the decision making process. In our model, sensemaking of the signal, the interpretation faculty makes of it, will affect their decision, thus the feedback. Sensemaking can occur from formal and informal sources of information. For our purposes, we will only consider administrative formal communication. In their article, Weick, Sutcliffe and Obstfeld [51] (2005) describe sensemaking as being "about labeling and categorizing to stabilize the streaming of experience". Labeling ([52] Chia 2000, p.517) is the process of classification, where a new single element is identified to a category thus "regularizing [it] into a form that is more amendable to functional deployment". The classifications are not based on individual perceptions and interpretations, but on the shared meaning of the group. This common ground ensures recurring behaviors among members of a same group.

Case study: But which group are we talking about? Administration would certainly identify the common ground as the organizational formal culture. Their communicative action ([53] Habermas, 1984) is oriented towards mutual understanding. Yet faculty could use the labeling matching their subculture instead. This would create differences in interpretation and thus in feedback. There are different ways of observing these variations. They can be seen in the differences occurring from the decision making process happening after the signal has been received. One example can be the delays of responses. Shorter delays would either suggest that organizational formal culture is strong, either that the organizational informal subculture it originates from is close in values and common grounds to the formal culture. Longer delays would suggest that the

organizational informal subculture it originates from is strong, imposing its own labeling to its members, over the formal culture.

(ere again Cameron and Quinn's questionnaire could be used to verify proposition 2, by identifying in advance the subcultures of the organization through preliminary questions.

Proposition 3: If the interpretation, thus feedback, can vary from one faculty member to another, it will not be easy to identify for administration.

The feedback process is also affected by the differences between cultures and subcultures. Each culture has its codes and norms, and subcultures will vary from these more or less intensely depending on their strength. Administration detains the means of understanding feedback that uses the codes of its culture but the further away the informal subculture stands from the formal culture, the more difficult it will be for administration to identify and understand feedback from these faculty members. This may cause administration to ignore feedback from faculty because of its incapacity of seeing it. Here administration becomes the outsider and faculty the insider, creating a twist on the model.

4. Conclusion

Subcultures are present in most organizations. They are often important for commitment and performance levels, but can sometimes become too strong compared to the formal culture. In this case, the risk is that they overrule administration signals and degrade administration's legitimacy. The feedback sent to the sender is a source of information useful to detect such a situation when happening. It will be easier for the sender to observe it if they have built a level of understanding of the subcultures present in the organization. Therefore, it is important for organizations liable to have subcultures to identify them and understand them. This can bring organizations a step further and understand how corporate

communication can be adapted to local subcultures in order to stimulate teams in the most successful way. This can be compared to the adaptation of global product marketing campaigns to potential customers among populations of different countries around the world.

From our case study, and it could be generalized, we can determine a set of principles that the university could use to avoid disparities in levels of understanding of corporate communication.

- *Simplicity*, first the message has to be kept as simple as possible. For that to be true, it has to embody the values of the organization. Faculty will recognize what matches the organizational culture and what does not. Despite of the filter of their respective subculture, when the action is related to the organizational culture, both in the design and in the communication phase, this will send a coherent message.

- Which lead us to our second attribute, *communication*. When a decision has been taken or an action has been made, it has to be communicated in the context of the organizational values. The more the values come across in communication, the more subcultures are likely to embrace them.

- *Immediate* is the third principle. (ereby is meant as little intermediaries as possible, as they might filter the decision or action with their own subcultural perspective. It is therefore better to centrally communicate all decisions coming from Administration rather than having them inform the first layer of Faculty who then informs the second layer of faculty, who then informs the third layer.

These principles consist in adapting to all local subcultures and ensure that the message still comes across. It participates in increasing the level of shared meaning among all employees.

An empirical study on the propositions and suggestions advanced in this article would complete the research.

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Advances and Growth of Banks in Pakistan

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Abstract

Advances are the main element of a banks' income and has an effect on the growth of banks. The aim of this research is to correlate the advances of banks with their growth over the years in terms of total assets, total deposits, profit before taxation and on non-performing loans. Secondary data for six major banks have been used in this study. Five years' data has been used to run correlation among the above said variables.

The results of the study show a very strong relationship between advances and total assets of a bank. Similarly, a strong relationship is found between advances and total deposits of the bank. Moreover, strong relationship also exists between advances and profit before taxes and non-performing loans.

This study will provide guidance and assistance to the readers in general and bankers in particular. It will also enlighten the role, status and importance of advances in the whole equation of bank's growth.

1. Introduction

In the current era all commercial banks are involved in introducing new and innovative advances schemes with different features to cater the needs of customers; the main driving force behind all such activities is the banks growth. Advances are the main element of a banks income and thus have an effect on the growth of the bank.

Credit demand mounted at an immensely high rate after the end of WWII, resulting in institutions like credit unions and banks receiving a noteworthy share of the market. In

old days, simple loans were granted to customers by the banks but things changed later and with the advancement and new schemes coming in, the technique has transformed into an immense field where many potential areas have arisen for the banks.

The example of money can be considered like blood in human body's veins, which is pumped on and forwarded by the heart, which are banks in the case of the economy. Other several financial institutions have an enormous role to play in mobilizing and transference of it from surplus to deficit entities; hence playing great part in process of capital structure formation. With the time passing on and advancement in technology mounting up, the role of financial institutions has increased immensely. There is a gradual and continuous rise in the efficiency and effectiveness of the banking sector with the rising banking competition, accelerating privatization process of multiple financial institutions along with the general financial liberalization.

1.1. Purpose

The research is being conducted for the purpose to know about the Correlation of Advances with growth of Banks (in terms of total assets, total deposits and profit before tax) and NPL (Non-Performing Loans). Based on the relationship a direction for the growth model of banks can be established.

1.2. Scope

With the increased expansion of the Banking industry in Pakistan and worldwide and the

amount of research that is being done in this field, this study is limited to the extent of finding relationship between Advances which act as life blood in any bank and its growth. There are many proxies for growth. Three of the best measures of growth have been taken here, namely: total assets, total deposits and profit before tax.

2. Literature review

Up till now American profit-making banking has aided different sectors' proprietors and customers. Because of public and private financing options available outside the banks to organizations, the trend of bank credit to loan seekers is decreasing than ever before. Consumer financing is thought as good by bankers all over the world based on thinking that it will help bank in bad times with the hope that loan seekers (even if a common man) will return loan along with interest to the bank. Most of the primary data regarding consumer finance is not available, which is the root cause of difficulties found in gathering facts about this growing field [1].

2.1. Consumer financing

Consumer financing is another name of consumer credit and it excludes insurance companies' profits and keeping bank pass books. Customer credit and retail installment loan are also different things. Consumer credit is giving commodities to customers on credit sale process and it is mostly used in world by people with varying income band. It may involve legal documents and can be diversified as by the loan giver party. People need consumer financing because of their high demands (of food, living in better homes, and wearing luxury dresses) and ability to pay the loan in parts in future. Trading companies and banks want to know which commodities the customers are interested in for consumer credit process. Banks maintain balance sheet of consumer credit processes in their banks for this purpose [2].

2.2. Single and multiple studies on consumer financing

Chandrasekhar [3] explained that if the credit suspension in the consumer finance market remained uncontrolled, it has the probability to affect the viability of banks. In the previous research, the banks have been taken in isolation for studying their growth levels, especially when considering bank acquisition. With that, there is a chance that there might exist an element of biasedness since multiple contaminating proceedings have been there which weren't announced. (However, there exists an exceptional case of a paper written in 1999 [4] which studies choice of bank growth that is taken dependent on the choice of its growth through branching, acquisition etc. The findings show that larger banks have higher tendency to exhibit external growth, and the ones with high costs of labor are having low tendency towards growth. Talking in terms of expansion, the ones showing statewide branching tend to show more expansion, and banks having good performance on accounting scale tend to show more likelihood towards branching than towards expansion, or bank acquisition. Below are the mini-sections that show the review of the literature separately for each growth area.

2.3. Selection of cost functions

Cost functions of branch are being examined in the banking industry by multiple studies of branching. However, there are limitations to this approach on the issue of the type of cost function that are to be used on inputs and outputs of banks. The limitation is due to need of consensus on the above said matter. Branch banks are found to enjoy economies of scale whereas unit banks have diseconomies of scale using the translog (transcendental logarithmic) cost equation by Benston, Hanweck and Humphrey [5]. Above a deposit level of around \$25 million the concept of economies of scale in branch banks vanishes. An addition of 'convenience in branching' is being found by Nelson and Winter [6] implying to the fact that banks, at above minimal cost, can afford to operate their branches at output levels. The finding of Nelson and Winter's work suggests that bank would have one branch and would have operated at around \$200 million, had the convenience not been the determinant.

2.4. Takeovers, mergers and acquisitions and growth opportunities

Factors like operating performance, that is, methodology of X-efficiency and event study methods are mostly used for the study of takeovers of banks. The outcomes of event study for the acquirers shows mixed patterns; some show gain on takeover announcement [7] and some seem to indicate bidders' losses [8]. The results of event study are most of the times negative, that is, insignificant. However, time period of study is the determinant in deciding the gain or lose incurred by the acquirer in takeovers. Another factor, such as, assistance by FDIC (Federal Deposit Insurance Corporation) can be another major determinant.

Before and after merger accounting performance variables are being considered for studying operational performance. From all the related studies, it can safely be concluded that mergers and acquisitions increases the good performance in certain limited cases [9]. For instance, it has been found that the federally chartered banks that have been into mergers from the period of 1970-80, there weren't any increase in the performance after the mergers [10].

2.5. Ratio Analysis

Price / Book ratio or ratios of similar types have been taken to compute and study the impacts of bank mergers by various studies [11]. Beatty, Santomero and Smirlock [12] analyzed, in the period of 1984-85, the bank takeovers' ratio of purchase price to book. There is a positive as well as significant relation between ratio of purchase price to book to the target equity return, binary variable that is equal to one for banking states unit and the Herfindahl index [13, 14]. There exists a negative relation between loans to total assets ratio, provision of loan loss and equity to the total assets, premium and the treasury securities to total assets ratio and the two payment method measuring indication. Purchase price minus price the month before merger ratio was used by Benston, Hunter and Wall [15]. Their findings show that whenever there is an increase in target variance and

assets acquirer there is a decrease in purchase premium. It has also been found that with the target to asset ratio falling there is a rise in purchase premium. There exists a consistency between their findings and the hypothesis that it is managers' intention to diversify earnings as opposed to the hypothesis that their intention is to make the most of the deposit of insurance put option.

The techniques i.e. X-efficiency, scale economies and studies of scope basically tests mergers of banks for betterment in the cost levels, revenues, and profits accruing from activities of taking over. Majority of the studies have shown less or almost no betterment in efficiency of costs as computed by the remoteness from the best-practice frontier of cost efficiency [16, 17].

Frontier profit function was being utilized by Akhavein, Berger and Humphrey [18] in their study to find efficiency and price impacts of mergers and concluded an escalation in profit efficiency for big banks. In about two to four years' time, X-efficiency decreases after a merger with the use of a control group of banks which are non-merging, taken for the sole purpose of comparison [19]. The major portion of boost in the efficiency of profit levels is from growing revenues because of variation in output towards a higher lending.

2.6. Expansion in banking and non-banking subsidiaries

The products offerings of banks can be expanded to sections which are non-banking. Expansion is being allowed by the regulation into sections like insurance, processing of data, real estate, financing consumers and bank investment, with the current declining of Glass-Steagall Act along with the other sections as permitted by specific regulator. In 1987, Wall [20] came up with conclusions firstly that both ROE (return on equity) and average standard deviation are directly proportional to amount of non-banking subsidiaries. The second conclusion by Wall is that risk mitigation by banks is by two ways: the near to liquidate banks should add non-banking subsidiaries and other banks should not.

Liang and Savage [21] consider that bank subsidiaries are less profitable than non-bank subsidiaries. Their results show involvement of risk in business finance, debt based banking, customer finance and doing the leasing of non-bank subsidiaries than in associated bank subsidiaries.

Boyd, Graham and Hewitt [22] while talking about bank holding companies (BHCs) reveals that fake blends of insurance of one's existence or of goods is less risky than mergers with BHCs dealing in securities and real estate projects. The bank's growth and effect on market are due to economic forces and new banks grow with same rate.

3. Research methodology

Since banking has grown a lot in Pakistan, this study is primarily confined and restricted to the Correlation of Advances with growth of banks and NPL and uses the following methodology:

3.1. Data and time period

For the purpose of the study five year annual reports, from year 2003-07, of six major banks in Pakistan are used. These include National Bank of Pakistan (NBP), Muslim Commercial Bank Limited (MCB), Habib Bank Limited (HBL), United Bank Limited (UBL), Bank Alfalah Limited (BAL) and Askari Commercial Bank Limited (ACBL). The data used in the study is secondary in nature and have been collected mainly from the annual reports of respective banks and Business Recorder.

3.2. Variables

The variables used in the study are: Advances and the variables used as proxy for growth of bank, which are, total assets, total deposits and profit before taxation. Another variable is non-performing loans.

3.3. Statistical techniques

For the purpose of analysis, the Statistical tools of Correlation and test of significance of parameter are used to find out the relationship between the above stated variables. The parameters are tested at 95% confidence

interval i.e. 5% level of significance and (n-2) i.e. (5-2) = 3 degrees of freedom (d.f.).

4. Findings and analysis

Data are taken from the annual reports of the six major banks selected for the representation of the banking sector in Pakistan. The yearly average for the 6 banks for five years and the correlation between the variables is given as follows:

Table 1. Average of variables for 2003-07 and correlation coefficient (Rs. in billions)

Average for Year	Advances	Total Assets	Total Deposits	Profit Before Tax	NPL
2003	87	233	190	3	21
2004	106	265	216	5	20
2005	154	307	257	5	19
2006	197	360	294	10	17
2007	226	403	319	14	22
Correlation	1	0.99	0.99	0.96	0.64

4.1. Correlation of total assets with advances

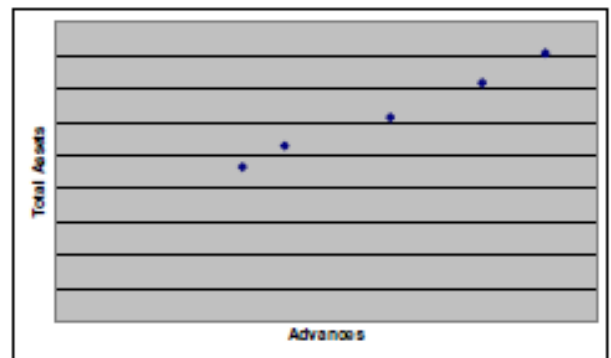


Figure 1. Correlation between total assets and advances

The Correlation coefficient of average total assets of banking industry with advances is approximately equal to one or more specifically 0.996 which shows a very strong positive relationship which is also clear from Fig. 1. This indicates that advances and total assets move together in the same direction and are almost perfectly positively correlated.

While testing the significance of parameter, the null hypothesis is rejected that there is no relationship between X (advances) and Y (total assets) and thus alternative hypothesis that there is in fact a significant relationship between X and Y is accepted. So there is statistically significant relationship between X and Y at 5% level of significance meaning perfect positive correlation exists at 95% confidence interval.

4.2. Correlation of total deposits with advances

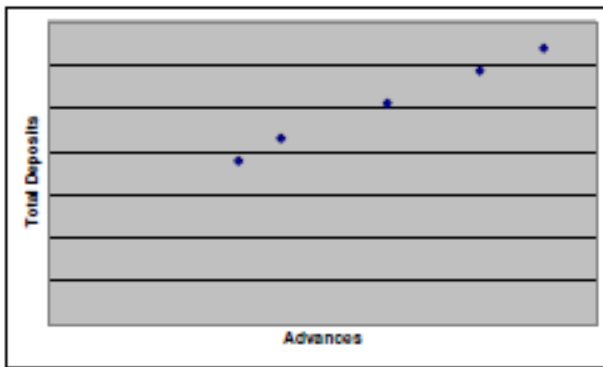


Figure 2. Correlation between total deposits and advances

The correlation of average total deposits of banking industry with advances is approximately equal to one or more specifically 0.998 which is a very strong positive relationship showing almost a perfect positive correlation which can be seen in Fig. 2 as well.

At 5% level of significance with 3 d.f., null hypothesis H_0 is rejected and the alternative hypothesis H_1 is accepted that there is in fact a relationship between total deposits and advances which is statistically significant at the 5% level of significance.

4.3. Correlation of total profit before tax with advances

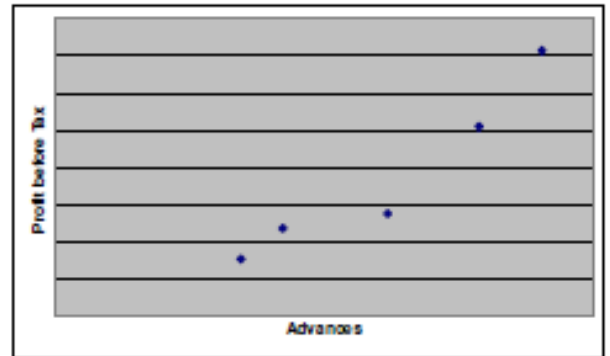


Figure 3. Correlation between total profit before tax and advances

The Correlation of average Profit before taxation of banking industry with advances is also almost perfect positive (0.956). The relationship can be plotted as a scatter diagram above in Fig. 3.

The null hypothesis is rejected which says that there is no relationship between X (advances) and Y (profit before tax) and the alternative hypothesis which says that there is in fact a significant relationship between X and Y is accepted. So there is a relationship between total profit before tax and advances which is statistically significant.

4.4. Correlation of NPL with advances

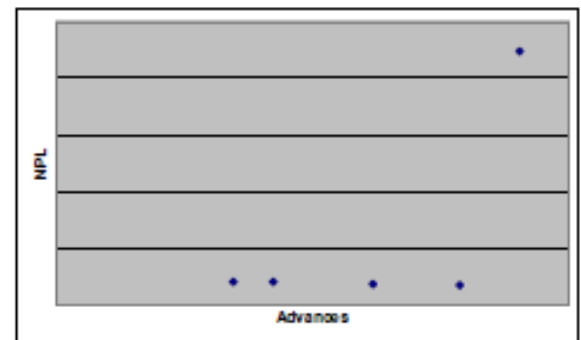


Figure 4. Correlation between NPL and advances

The correlation of average NPL of banking industry with advances is 0.671 which shows a positive relationship. However, the relationship of advances with NPL is not as strong as it is with total profit before tax, total deposits and total assets. By comparing Fig. 4 with Fig. 1, 2 and 3, the difference in the extent of the relationship becomes clear.

As compared to the relationships previously, the null hypothesis is accepted, showing there is no significant relationship between NPL and advances at 5% level of significance and 3 d.f.

5. Conclusion and recommendations

Bank treats advances as its asset. The growth of bank, measured in this study in terms of total assets, total deposits and profit before taxes has a very strong relationship with advances. Advances and total assets of a bank have a perfect positive correlation. An increase in the advances positively affects the total assets of the bank which increases the banks' ability to spend on further growth and investments. Similarly, a perfect positive correlation exists between advances and total deposits of the bank. An increase in deposits would result in the bank having more funds to advance further to the customers. There is also a perfect positive correlation between advances and profit before taxes. An increased amount of advances would result in an increase in profit before taxes because increased advances would earn more interest and thus more profit for the bank. Although a positive correlation exists between advances and NPL, it is not statistically significant unlike the other relationships stated above which are statistically significant.

As the study shows a strong relationship among banks' advances and banks' growth variables so banks should make sure they are giving due attention to all kinds of advances (especially short term loans). In this regard, an eye should be kept on NPL to advances ratio, security against loans etc. In addition to long term advances, banks should consider short term advances as an opportunity for their growth. Banks should make a more diverse advance portfolio so that they should be able to cater to the needs of more and more customers. For this purpose, banks should introduce different modes of financing with special attention to SME financing. Although diversifying advances portfolio is good for the bank, it can have a negative implication for credit risk which makes up the largest part of bank's risk exposure. So banks have to take care of the risk factor while increasing advances.

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The Effect of Price, Quality, Sacrifice, Risks and Value on General Consumers' Perceptions with Aesthetic Medicine

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Abstract

When consumers purchase a product or a service, they frequently use extrinsic cues (the price) to evaluate quality and comparative sacrifice. This paper integrates extrinsic cues, perceived quality, perceived sacrifice, perceived risk and perceived value in order to explore what elements influence the formation of value. This paper inquires into 328 consumers of aesthetic medicine. The empirical result indicated that the price is still the main element to influence the value; it also influences perceived value with the mediate of perceived quality. In addition, it influences perceived value with the mediation of perceived sacrifice and financial risk. However, perceived quality does not have remarkable effect on perceived risk and performance risk does not mediate the connection between the quality and the price. This paper proposes researchers should consider the effect of the price and risky elements in different industries as well as provide the aesthetic medicine dealers with practicable suggestions.

1. Introduction

The price is not only the significant reference point for the consumer to purchase products or services, but a kind of notable extrinsic cues. In the model of Dodds, Monroe and Grewal [6], they mentioned that extrinsic cues like the price make the consumer to develop the perceptions of perceived quality and monetary sacrifice; these perceptions further form into perceived value. Baur [3] is the first person who mentioned that consumers use extrinsic cues like the price to form perceptions of risks and to cause the development of perceived value. Besides, Agarwal and Teas [1] tested perceived quality, perceived sacrifice, and the influence between

perceived risks and perceived value. In their research, they discovered that perceived quality and perceived sacrifice mediated between extrinsic cues (like the price) and perceived risks (such as performance risk and financial risk). In addition,

perceived risks such as performance risk and financial risk also mediated perceived quality, perceived sacrifice and perceived value. Lee [16] proved that perceptions of risks mediated the relationships between extrinsic cues (like the price) and perceived quality in his research. Although these researches have specific explored the mediated roles in perceived quality, perceived sacrifice and perceived risks, they have not explored how perceived value is influenced by perceived price as well as whether perceptions of risks may mediate the relationships between perceived price and perceived value in aesthetic medicine situations.

In line with these efforts, the purpose of this paper integrates extrinsic cues, perceived quality, perceived sacrifice, perceived risk and perceived value; further, it stresses how perceived quality, perceived sacrifice and perceived risk mediate the connection between extrinsic cues and perceived value. This paper also emphasizes whether the meditated effect of perceived quality, perceived sacrifice and perceived risk is altered by the asymmetric information in an aesthetic medicine situation especially.

2. Theory

2.1. Perceived price

The price and the brand are two of the common dimensions in extrinsic cues [26]. The price

usually affects the product quality because a high-quality product is usually accompanied by high cost which is reflected on the price [14]. Besides, consumers usually decode the price as perceived price; therefore, perceived price usually stands for a significant meaning of consumers' decisions on purchase [5].

Many researchers have considered that the brand name can be a "summary" construct or a rapidly reference point for consumers to judge the product quality [8] [30]. Consumers judge a product by their attitude towards a brand, instead of the attribute of this product. Compared to the normal service industry, Aesthetic medicine cannot market its products by the means of advertisements [12]. Therefore, because brand marketing is restricted to advertisements, consumers can only use the price as one of the most important extrinsic cues. In addition, perceived price can not only transmit a signal of the merchandise or services, but indicate the amount of money which consumers are willing to pay for the merchandise or services [17]. For the above reasons, this paper choose perceived price to represent extrinsic cues. Lee [16] verified that perceived risk mediates the connections between extrinsic cues (the price) and perceived value in his research. However, he still has not examined the direct connection between extrinsic cues and perceived value. Before consumers purchase the merchandise and services, they frequently judge the value of their consumption based on the price of it. This kind of the connection has not been verified yet.

2.2. Perceived quality

Perceived quality has a significant feature of subjectivity as well as information clues [7] [17]. It belongs to conscious behavior and changes with the update on new information. The definition of perceived quality is the degree of difference between consumers' perception of a product or a service and their expectancy [18]. It is noteworthy that the service quality is an abstract concept and differs from the features of different industries. Taylar and Cosenza [25] posited that perceived quality is a stand of comparison for suffers to judge their medical clinics. Therefore, Parasuraman, Zeithaml and Berry [19] proposed that service quality model is the basics of SERVQUAL Scale, including five

dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Because of the high completeness in PZB theory, it is extensively applied to judge service quality.

2.3. Perceived sacrifice

The high price is accompanied by high monetary sacrifice. As a result, perceived sacrifice can be deemed to be consumers' potential losses which mean a product or a service cannot maintain or operate as usual. These potential losses include perceived cost of time, perceived cost of effort, perceived cost of psychology and elements of international monetary [6]. The sacrifice of monetary is usually the main factor in the most researches on monetary sacrifice because non-monetary factors are difficult to estimate. As a result, compared to non-monetary factors, the sacrifice of monetary is relatively easy to judge [30]. The model of Monroe and Krishnan [17] maintains that the price is a double index of the quality standard of a product as well as inevitably sacrificial monetary limit. Therefore, extrinsic cues (the price) trigger off the consumers' influence over the sacrifice of monetary (perceived sacrifice), so as to influence the financial risk.

2.4. Perceived Risks

Agarwal and Teas [1] mentioned perceived risk comes from the anxiety among the consumer because the consumer worries that the product cannot reach its equipped functions successfully; then, this anxiety brings about the negative result of potential losses. Bauer [3] also expressed that the consumer behavior is an activity of taking risks because it will come out with an unpredictable and unpleasant result. In addition, he posited that there are two main dimensions in subjective perceived risk under specific purchase circumstances; these two dimensions are the uncertainty as well as the possible negative result (the loss related to purchase behavior). Jacoby & Kaplan [11] posited that there are five forms of perceived risk: functional risk, physical risk, financial risk, psychological risk, and social risk.

Performance (function) risk and financial risk are the most common risks among marketing researches. Performance risk is used as risk prediction of the applications in products or

services. When consumers purchase a product or a service, they frequently use many risk-reduction clues to make a decision [24]. It indicates that perceived quality is the important antecedent of performance risk. On the other hand, perceived sacrifice is relatively the central antecedent of financial risk.

2.5. Perceived value

Perceived value is the cogitation of consumers on what they receive and pay as well as an evaluation of effect on a product [30]. Woodruff [29] posited that consumers' perceived value is the profit evaluation which is concluded by consumers' subjective viewpoints on product attribute, performance and using result. Vandermerwe [27] indicated that when consumers are satisfied with the whole of experience, the price should be defined by them. To He & Mukherjee [10], he posited that perceived value is the effect and option between utility and sacrifice.

Perceived value is usually also conceptualized to the option between quality and sacrifice mainly because the quality has positive effect on perceived value [26]. However, the perceived sacrifice has negative effect on perceived value. Teas and Agarwal [26] discovered that extrinsic cues (the price) are the cause of quality and sacrifice. In addition, the quality plays a role as a partial mediator between the price and value, and so does the sacrifice. Therefore, it implies that there may be a direct link between extrinsic cues (the price) and value.

3. The Conceptual Model

The theoretical model proposed in this research, as shown in Fig. 1.

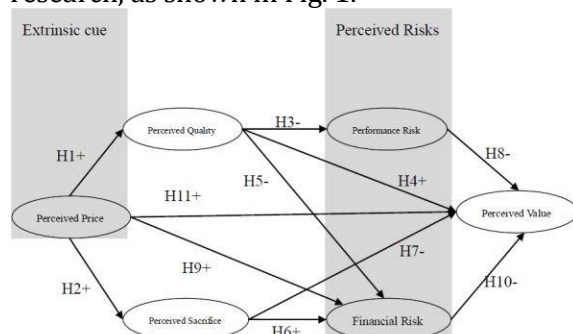


Figure 1. The conceptual model and hypotheses

This model proposed that perceived quality meditates extrinsic cues (the price) between (a) performance risk and financial risk, and (b) perceived value. Perceived sacrifice meditates extrinsic cues (the price) between (c) financial risk and (d) perceived value.

In addition, performance risk meditates the connection between perceived quality and perceived value. Financial risk meditates the connection between perceived sacrifice and perceived value.

Finally, it is an examination on how perceived price links with perceived value.

3.1. Perceived quality and sacrifice as mediators between perceived price and perceived risks/perceived value

Perceived price is a central element to influence perceived quality of consumers; meanwhile, it also provides a signal of monetary sacrifice [1]. Previous researches have already confirmed that perceived quality and perceived sacrifice precisely meditates the relevance among perceived price and performance risk, financial risk as well as the connection between perceived price and value [16]. In an aesthetic medicine situation, due to the asymmetric information, the price is the only central element in extrinsic cues. Because perceived quality is relatively difficult to evaluate, the mediated effect of it is worthwhile to be further explored. According to the above statement, the following is the postulation.

- H1. Perceived price is positively related to perceived quality.
- H2. Perceived price is positively related to perceived sacrifice.
- H3. Perceived quality is negatively related to performance risk.
- H4. Perceived quality is positively related to perceived value.
- H5. Perceived quality is negatively related to financial risk.
- H6. Perceived sacrifice is positively related to financial risk.

H7. Perceived sacrifice is negatively related to perceived value.

3.2. Perceived risks as mediators between perceived quality/sacrifice and perceived value

Perceived risk is an invisible spiritual cost and has the negative influence on perceived value [28]. Besides, if the risk of application to a product or a service is too high, it will make the expenditure on maintenance relatively increase in the future, so as to increase financial risk and reduce perceived value [1]. Sweeney et al. [23] posited that if the consumer holds high perceived quality on the product, it can reduce the uncertainty of the functions on this product and financial risk. Financial risk is a financial loss caused by the improper purchase policy [21]. The higher the perceived price is, the higher the loss of purchase is; as a result, financial risk is relatively increased. Therefore, the following is the postulation of this paper.

H8. Performance risk is negatively related to perceived value.

H9. Perceived price is positively related to financial risk.

H10. Financial risk is negatively related to perceived value.

3.3. Perceived price and value

The consumer usually evaluates a product through the price. For instance, expensive luxury goods stand for preeminent value so the value of low-priced goods is relatively low. Teas and Agarwal [26] discovered that extrinsic cues (the price) are the antecedents of quality and sacrifice. In addition, the quality also plays a role as a partial mediator between the price and value, and so does the sacrifice. As a result, it implies that there may be a direct link between extrinsic cues (the price) and value. Therefore, the following is assumption of this study.

H11. Perceived price is positively related to Perceived value.

4. Method

4.1. Subjects

The topic of this study is aesthetic medicine

industry and the main aim of this study is to analyze the public perception of aesthetic medicine. The objects of study were not limited to the consumers who had the experience of aesthetic medicine. Besides, this study used questionnaire survey to collect information with the consideration that medical cosmetology belonged to private consumer behavior. As a result, online questionnaire was the main method for collecting information. The online survey was mainly issued on the social websites such as PTT, Facebook, and Fashion Guide; meanwhile, this survey provided a lottery in order to increase response rate. This survey issued on April 24th 2013 to May 18th 2013 and 25 working days in all. There were 619 response surveys. After deducting the invalid surveys from response surveys, there were 328 valid surveys in all. As a result, the rate of valid response survey was 52.99%. Table 1 lists the characteristics of the sample.

Table 1. List the characteristics of the sample

Characteristic	frequency	Percentage
Gender		
Male	123	37.5
Female	205	62.5
Age(years)		
Under 19	46	14.0
20-29	208	63.4
30-39	58	17.7
40-49	12	3.7
50 or above	4	1.2
Marriage		
Not married	289	88.1
Married	38	11.6
Another	1	.3
Education		
Junior high school or under	0	0
Senior high school	13	4.0
University	249	75.9
Graduate institute or above	66	20.1
Occupation		
Public employees	20	6.1
Service industry	37	11.3
Manufacturing industry	20	6.1
Freelancer	8	2.4
Business	17	5.2
Agriculture	0	0
Labour	2	0.6
Student	209	63.7
Housewife	9	2.7
Retire	0	0
Another	6	1.8
Income (NT dollars)		
20,000 or under	222	67.7
20,001 ~30,000	43	13.1
30,001 ~40,000	29	8.8
40,001 ~50,000	15	4.6
50,001 ~60,000	9	2.7
60,001 above	10	3.0

4.2. Measures

This survey was evaluated by Likert seven-point scale. The objects of study gave one to seven points according to their level of agreement from strongly disagree to strongly agree as the anchors.

For to improve the content validity, all items were adapted from existing literature. First, these items are translated into Chinese by a researcher. Second, invite two university professors, who are familiar with service industries, to examine the Chinese wording of items in each scale and comment the content validity. Third, conduct the pilot test before the formal survey in order to improve each item to become readable and clear. By the pilot test, subjects can provide valuable comment for the items in each scale. Fourth, another researcher translates them back into English to ensure consistency. If high degree of correspondence between the two questionnaires, we can make sure the minimum bias in the process of translation.

In order to fit the aim of this study, these questions on perceived price evaluation were modified by four items in Price-Quality Schema which was posited by Lichtenstein, Ridgway and Netemeyer [14]. Besides, there were 22 items on perceived quality evaluation in this survey which were modified by Parasuraman's [20] SERVQUAL scale. In addition, in the items on perceived sacrifice, this survey modified these questions from two items in Teas and Agarwal's [26] evaluation scale. Furthermore, the questions on perceived risk evaluation used the scale from Stone and Grønhang [21]. In two dimensions of evaluation questions on modified performance risk and financial risk, there were three items on performance risk and also three items on financial risk. Finally, to the five items on perceived value, they were modified by the scale from Dodds, Monroe and Grewal [6].

4.3. Measurement Model Testing

After data collection, a two-step structural equation modeling (SEM) procedure proposed by Anderson and Gerbing [2] is then employed for data analysis. The first step of the procedure is to examine scale validity from the measurement model using confirmatory factor analysis (CFA). The second step is to focus on

hypotheses testing using the structural model. Table 2 list the standardized loadings and reliabilities/validity.

Table 2. Standardized loadings and reliabilities

Construct	MLE Parameter Estimation		CR	AVE	Cronbach's α
	λ	ϵ			
Perceived Quality			0.89	0.62	0.92
X1 Tangibles	0.74***	0.45			
X2 Reliability	0.84***	0.29			
X3 Responsiveness	0.84***	0.29			
X4 Assurance	0.79***	0.38			
X5 Empathy	0.73***	0.47			
Perceived Price			0.84	0.57	0.79
X6	0.60***	0.64			
X7	0.83***	0.32			
X8	0.86***	0.26			
X9	0.72***	0.49			
Perceived Sacrifice			0.85	0.74	0.85
X10	0.88***	0.23			
X11	0.84***	0.29			
Performance Risk			0.87	0.70	0.87
X12	0.86***	0.26			
X13	0.89***	0.21			
X14	0.75***	0.44			
Financial Risk			0.88	0.71	0.88
X15	0.77***	0.40			
X16	0.94***	0.13			
X17	0.80***	0.36			
Perceived Value			0.88	0.60	0.88
X18	0.74***	0.46			
X19	0.78***	0.39			
X20	0.87***	0.24			
X21	0.77***	0.41			
GFI=0.972, NFI=0.966, CFI=0.988, SRMR=0.018					

(1)***: $p < 0.001$; **: $p < 0.01$; *: $p < 0.05$
(2) λ : Factor Loading; ϵ : Measurement Error;
CR: Composite Reliability; AVE: Average Variance Extracted

SRMR is smaller than 0.05; CFI, GFI and NFI are greater than 0.9 indicate that most fits of the model are satisfactory, given that a model's fits need not meet all of the criteria in order to be deemed acceptable [9]. The reliabilities in Table 2 for all constructs exceed 0.7, satisfying the general requirement of reliability for research instruments. Accordingly, the average variance extracted (AVE) for each construct exceeds 0.50; composite reliability (CR) for each construct exceeds 0.70, suggesting that the hypothesized items capture more variance in the underlying construct than that attributable to measurement error. All factor loadings for indicators measuring the same construct are statistically significant (see Table 2), showing that all indicators effectively measure their corresponding construct, support convergent validity, and discriminate validity [2]. Collectively, the above results suggest that instruments used for measuring the constructs of interest in this study are statistically adequate.

4.4. Structural Model Testing

This study uses gender with two levels, age with five levels, marriage with two levels, education

with four levels, occupation with nine levels and income with six levels (see Table 1). Following the first step of measurement model testing, the second step analyzing the structural models is now performed. Table 3 lists the test results for the structural model.

5. Result

5.1. Hypothesis tests

Based on test results in Table 3, 7 paths out of 11 are significant (H1, H2, H4, H6, H9, H10, H11 are supported), while the linkages from Perceived quality to performance risk and financial risk are insignificant (H3 and H5 are not supported). Besides, the linkages from perceived sacrifice to perceived value (H7) and performance risk to perceived value (H8) are not supported.

Table 3. Empirical Result

Hypothesis	Paths	Expected	Empirical Regression		Result
		Result	Result	Weights	
H1	Perceived Price → Perceived Quality	+	+	0.168 ^{**}	Supported
H2	Perceived Price → Perceived sacrifice	+	+	0.306 ^{***}	Supported
H3	Perceived Quality → Performance Risk	-	+	0.368	Not supported
H4	Perceived Quality → Perceived Value	+	+	0.155 ^{**}	Supported
H5	Perceived Quality → Financial Risk	-	+	0.016	Not supported
H6	Perceived sacrifice → Financial Risk	+	+	0.304 ^{***}	Supported
H7	Perceived sacrifice → Perceived Value	-	+	0.007	Not supported
H8	Performance Risk → Perceived Value	-	+	0.128	Not supported
H9	Perceived Price → Financial Risk	+	+	0.131 [*]	Supported
H10	Financial Risk → Perceived Value	-	-	-0.255 ^{***}	Supported
H11	Perceived Price → Perceived Value	+	+	0.439 ^{***}	Supported

* P<0.05; ** P<0.01; *** P<0.001

5.2. Mediated tests

According to each path coefficient on mediated variable (see Table 3), this study explored the mediated influence on the mainly relationship between cause and effect. The evaluated standard of mediated effect was that the connection between two sides of mediating variable should both have significant effects and corresponded to the orientation of the hypothesis. The following are the respectively illustrations.

5.2.1. Perceived quality as mediators between perceived price and perceived risks/perceived value: According to each path coefficient on perceived quality, it does not have the mediated connection between perceived value and performance risk.

According to each path coefficient on perceived quality, it plays a role as a partial mediator between the price and value.

According to each path coefficient on perceived quality, the result indicated that perceived quality does not mediate the connection between perceived price and financial risk.

5.2.2. Perceived sacrifice as mediators between perceived price and perceived risks/perceived value: According to each path coefficient on perceived sacrifice, the result proved that perceived sacrifice mediates the connection between perceived price and perceived value.

According to each path coefficient on perceived sacrifice, it does not mediate the relationship between perceived price and value.

5.2.3. Performance risk as mediators between perceived quality and perceived value: According to each path coefficient on performance risk, it is not equipped with the mediated function.

5.2.4. Financial risk as mediators between perceived price/sacrifice and perceived value: According to each path coefficient on financial risk, it proved that financial risk plays a role as partial mediator between the perceived price and perceived value.

According to each path coefficient on financial risk, it completely mediates the connection between perceived sacrifice and perceived value.

6. Discussion

6.1. The mediated effect of customers value

Lee [16] confirmed that perceived risk not only plays a role in mediating extrinsic cues and perceived value, but mediates the relevance among perceived quality, perceived sacrifice, and perceived value.

Evaluation of the result in this study indicated that perceived quality does not have mediated effects on performance risk and financial risk. In addition, performance risk does not mediate the connection between perceived quality and perceived value, either. From the result in this study, it indicated that the indirect effect of perceived quality and perceived risk does not have strongly influence over consumer perceived value in the aesthetic medicine industry. The result in this study differs from the previous

researches. The possible reason is that in the aesthetic medicine industry, it cannot establish its brand image though marketing activities. As a result, it is hard for consumers to form the cognition on perceived quality and performance risk. From this study, it indicated that only perceived quality partially mediates the connection between perceived price and value.

6.2. The effect of perceived price on perceived value

According to the path coefficient on perceived price to perceived value (0.439), its direct effect is the most strongest than other path coefficients. The result indicated that consumers in aesthetic medicine still process the conviction that "You get what you pay for".

Teas and Agarwal [26] proposed that there may be a direct connection between extrinsic cues (the price) and perceived value.

This research also verified the possible connection between the price and value. According to the examined result, it appeared that perceived sacrifice does not have a direct effect on perceived value and the hypothesis does not gain the support, either. Therefore, perceived sacrifice does not mediate the connection between the price and value; instead, it influences perceived value indirectly through the help of financial risk. Likewise, financial risk also plays a partial mediated role in the price and value. In aesthetic medicine industry, except for the direct effect of perceived price, the consumer also cares about the choice of sacrifice as well as the financial risk caused by sacrifice. These above reasons will further influence the customers' value. Sweeney et al., [23] claimed that when consumers conduct their purchase decision, they need to face the unknown performance of the product. The reason is because they never gather the further information on the product. As a result, the price is the main referenced element; on the other hand, the possible sacrifice and financial risk are the indirect avenues to form consumer perceived value.

7. Implication

7.1. Implication for research

Teas and Agarwal [26] discovered that performance risk mediates the connection between quality and value, but it does not mediate the connection between perceived sacrifice and value. Perceived quality influences perceived sacrifice, although it does not have direct effect on financial risk. Thus, they proposed that the price is based on not only the considered result of perceived quality and sacrifice, but the considered result of risk.

Due to the difference between investigated industry and sample, this study conducted a survey of consumers in aesthetic medicine industry. Besides, this study explored the direct and indirect effects of quality and sacrifice on financial risk and value. In addition, it also explored the connection between perceived price on value in this study. The result appeared that perceived quality and performance risk have limited effect on consumers' perceived value; on the other hand, perceived sacrifice and financial risk mediate consumers' perceived value. Consumers form their value based on extrinsic cues of a product or a service and sacrifice clues [30] [6] [26]. The previous researches have integrated the perceived quality and performance risk and have gained the support. However, researchers should notice that it is hard to form consumer value when consumers have limited cognition, which is caused by consumers' unfamiliarity and asymmetric information on industry, on quality and performance risk. The influential element can be considered by the dimension of financial risk.

7.2. Implication for practice

In Taiwan, because of the change in the health insurance, it makes many doctors transfer to aesthetic medicine industry. Besides, strong competitors such as consortiums enter the medical aesthetic market in Taiwan. In addition, because the goal orientations of these strong competitors are business and sales performance, it causes the excess of supply over demand and makes aesthetic medicine industry enter the competitive mature market [13]. Compared to normal service industry, medical institutions cannot market their products or services with advertisements [12]. Besides, medical

institutions are relatively prone to have the problem of asymmetric information. Therefore, although the price is the only element to take into consideration, it is also prone to have consumer dispute.

Chang, Wang & Zhu [4] posited that medical providers should use the opinion which principally stresses to manage the relationship between patients and doctors by consumer value, instead of using the opinion of asymmetric information to manage it.

This study claimed that in aesthetic medicine industry, perceived quality has a significant effect on consumer value. In spite of the fact that consumers still take perceived sacrifice and financial risk as indirect influence over value into consideration, it is helpful to solve the problem of asymmetric information though establishing positive word of mouth in public and intensifying the quality of product. In addition, the reason why performance risk could not form consumer value in this study may be because consumers still have quite uncertainty about the meaning of aesthetic medicine and whether it can satisfy their demand for beauty. Therefore, people who work in aesthetic medicine industry can make effort to reduce the consumer's risk of using this service. Besides, they can provide more information to reduce performance risk and unveil the mysteries of aesthetic medicine, so as to increase consumer value.

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IV PLENARY SESSION - Education, Psychology & History

Session Chair: Vincent Wai-kit Ho - University of Macau, People's Republic of China

World Cultural Heritage Site and Casino: How Gambling Industry Co-Exist with Monuments in Macau Historic Center

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Abstract

This paper is a draft version. Please do not cite without the author's permission. Macau is known as a Casino city which attracted many of the visitors all over the world for gambling. At the same time, Macau is also a heritage city which enlisted in World Cultural Heritage site in 2005 which proofed it is a city with good potential to develop its cultural tourism. Since Macau is small on its size, the land use of Macau is a crucial factor of a balance development in the future. Since 2005, there are growing of concern over the issue of the priority of development between these two tourist elements. Such kind of discussion also involved in the cultural politics of Macau as the Portuguese cultural is highlighted, but the majority of local residence are Chinese. This paper will analysis the dilemma of such matter of representation of cultural elements in tourism in Macau.

1. Introduction

The study will draw on examples which state heritage administrators and Heritage Trusts regard as successful models; for example, the Leal Senado building in Macau, and an old school in Macau. In many ways, the Macau Heritage preservationist is fighting the concept of redundancy, or of heritage values leading to places being regarded as redundant one of these ways is through legislation. This is one of the two sections of the policy which impose obligations on historical centers, departments and authorities to protect places in the UNESCO. A large amount of our time is spent on considering proposals from departments such as defence,

which own enormous parcels of land and buildings, or from agencies such as casino, which is industriously digging thousands of kilometres of trenches and erecting more and more towers for the mobile phone network. These plans must clearly specify the significance of the place, the various values, what is of crucial significance and how that significance is expressed, and what the options are for the owner manager. In some cases, the place may not be declared redundant if the owner sees accepted ways of continuing the use.

2. Objectives of the Conservation Plan in Macau's Heritage

The objectives of the Conservation Plan for the Macau Historic District are as follows. To retain and restore buildings of historical and architectural significance. To improve the general physical environment and, to introduce appropriate new features to further enhance the identity of the area. To retain and enhance ethnic-based activities while consolidating the area with new and compatible activities. To involve both the public and private sectors in carrying out conservation projects. The Macau Historic District - bounded by Pedro Nolasco da Silva Street and Merchants' Street contains both conservation buildings and redevelopment sites. The key features needed for the enhancement of Macau as a historic district.

The five historic architectural styles can be distinguished in the existing stock of buildings in the District. As mentioned earlier, the five styles are roughly chronologically organized and were

the result of the prevalent economic and technological circumstances, tastes and fashions of the various periods. In order to preserve the sense of historical evolution, both in form and variety, and such that the ethnic-based activities can continue to take place in an authentic environment, the entire area were declared a conservation area. However, there will still be room for the development of new architectural expressions so that the District continues to evolve. Vacant sites, squatter sites and sites with architecturally poor quality buildings will be allowed to be redeveloped within specified envelop control guidelines. Envelop control sites are of two kinds, namely infill sites and independent sites. Infill sites are redevelopment sites sandwiched between or adjacent to historic buildings gazetted for conservation and are therefore subject to urban design, architectural and construction guidelines. Generally, the permissible height is determined by the height of the surrounding buildings so as to maintain a uniform streetscape.¹¹

Independent sites are sites not abutting any buildings and are capable of independent comprehensive redevelopment. They will be controlled to a height which would allow greater development potential to be realised while still being in scale with the surrounding historic fabric. This height is generally taken to be three to four storeys, although height controls will be evaluated on a case by case basis. The heritage area is defined as the area containing the greatest density of ethnic base activities and buildings of historical and architectural importance. The designation of the core, therefore, encourages the retention of the District's ethnic characteristics. Creation of a Bazaar tourist area The proposed introduction of a commercial development in the form of a bazaar amidst the tight streetscapes of Macau would provide a measure of contrast to its urban feeling.¹²

In recognition of the lack of a hierarchy in pedestrian movement pattern in the District, a range of provisions to better serve pedestrian

traffic has been or is being implemented. The streets in the core area, as well as the arterial linkages across the Historic District, will be provided with open walkways so that pedestrian enjoyment of the streets can be maximised without disrupting the existing traffic circulation. Pedro Nolasco da Silva Street have been earmarked for pedestrianisation. To complement the lanes open sidewalks have also been proposed along selected streets. These sidewalks will enhance the pedestrians' enjoyment of the environment without their having to worry about vehicular traffic. The existing major open space at Pedro Nolasco da Silva Street will be connected by a system of pedestrian sidewalks..

3. Infrastructure of Historical Center

The infrastructure facilities - including electrical substations transformer rooms, drainage systems, sewerage pumping stations, telephone exchanges, and water and gas mains - need to be upgraded in tandem with the adaptive reuse of conservation buildings. A co-ordinated infrastructure plan has been formulated to cater for the anticipated increase in demand for infrastructure facilities. To ensure that the District's external public environment retains its historic charm, it is important that elements such as street furniture, signage on buildings, etc, be sensitively selected or designed. Authentic signboards and lighting and the use of compatible historic materials for lanes and external building surfaces, such as the use of wood for openings and granite edgings for footways, will also help retain the desired ambience.

The adaptive reuse of historic buildings to serve contemporary functions is an important concept in conservation. The continued usage of historic buildings ensures that they are maintained and their useful lifespan extended. It is, however, equally important to ensure that new uses do not destroy a building's architectural integrity new uses must also contribute to the overall identity of the district. However, it is not an objective of conservation to retain or recreate past lifestyles. The primary thrust of conservation is to consolidate and enhance the ethnic based activities which contribute to the overall charm, character and identity, of the Historic District. Within the designated core area, the first storey

¹¹ Hunag, Wen-Kuan [黃文寬], *Ao Men Shi Gou Chen* 澳門史鉤沈 [An Outline of Macau History], 澳門: 星光出版社, 1988.

¹² Boxer, C. R., *The Great Ship from Amacon: Annals of Macao and the Old Japan Trade, 1555-1640*, Macau: Instituto Cultural, Centro de Estudos Marítimos, 1988.

must be utilized for retail shops or eating establishments.

Outside the designated core area, commercial use is allowed except for heritage trades, for example, motor workshops, the and battery shops, manufacturing and industrial uses. The final decision on the activities within the district is left to market forces so that viable social and economic life is brought to the restored buildings. The conservation of the Macau Historic District calls for both government and private sector participation. The government has taken the lead and has steadily proceeded with its plans to upgrade the street environment and properties owned, by the state However, as the majority of the conservation buildings within Macau are privately-owned, the private sector's role in conservation is an important one.

Historic buildings are a gracious presence in any city. They remind us of the past and serve as an important counterpoint against future development. They serve as a reminder that the city undergoes a continuous evolutionary process. In order to achieve harmonious coexistence between the "old" that is to be preserved or conserved and the "new" that is to be developed, a systematic selection criteria is necessary. The criteria for selecting buildings worthy of conservation or preservation are important.

Importance as representative of the architecture of a particular period. Importance in exhibiting particular aesthetic, design, construction or use of materials. Significance in possessing or demonstrating rare or uncommon aspects of Portuguese's traditional, social, cultural or artistic life. Importance in demonstrating a rare and distinctive design, tradition or custom that is either no longer practiced or only rarely or by a small sector of the community, but is of exceptional interest to the larger community. Rarity in terms of total stock of the built environment in Macau. Contributions to the Environment Importance in its contribution to the environmental character of district in which it is located, in

terms of presence and visual quality either as a group or as an individual building.¹³

Importance as a group of buildings of harmonious design, scale and built form. The attractiveness of the streetscape that it presents. Importance as an individual building in enhancing the visual character of the built environment by its scale, location, presence, setting and overall visual quality. The Macau heritage takes a long view of historical processes and changing requirements, and regards demolition very much as limiting future options and choices. Our policy defines the national estate as places that have value 'for future generations as well as for the present community'. In addition, as a historian, I am acutely aware that concepts of significance can change over time, sometimes quite dramatically.

Owners, too, need to give clearer direction to consultants and to the commission about their future plans, what they perceive as constraints and what future ways they may want to use the building. They should therefore be better able to draw on the available expertise and to receive advice on the best way to mitigate adverse effects. Returning to the concept of redundancy this could, quite often, be just a matter of degree rather than an open and shut case. Sometimes it may cost a little bit more to maintain the fabric of a historic building than that of a new one. In this instance, recent amendments to the heritage policy to allow rebates for approved conservation works on heritage listed buildings and structures should policy as a strong incentive for private owners.

The arguments for this scheme are many. Particularly relevant to the conference theme is that there are significant economic, employment and social benefits arising from heritage conservation works. The actual work itself is more labour intensive, encourages the maintenance of traditional trades and training in heritage conservation skills and has demonstrated multiplier effects in local economies. There is the stimulus to tourism and

¹³ Boxer, C. R., *Four Centuries of Portuguese Expansion, 1415-1825: A Succinct Survey*, 2nd ed., Berkeley, Los Angeles: University of California Press, 1969

the increasing awareness of Macau history and national identity.

Finally, the Macau Heritage policy is looking at what else the Chinese Government is doing or proposing to do, which may cause more buildings to be perceived as redundant, or offer opportunities to preserve and re-use heritage places of this status. In conclusion, redundancy is an issue of major significance to the Macau Heritage policy ; and questions of continuity and the sympathetic re-use of buildings and sites are of critical importance for the long-term conservation of the heritage.

3. Physical Structure of Macau

Throughout the 19th and early 20th centuries, industry, both large and small scale, had a major impact on the physical structure of our cities, towns and landscapes and the daily lives of their inhabitants. Leaving aside issues of economics, increased efficiency or social impact, one of the major changes that has occurred in industrial practice since the arrival of the industrial revolution in Macau in 1849 is the compulsion (either statutory or moral) to rehabilitate redundant industrial sites. In terms of cultural heritage, rehabilitation programs pose a major threat to our ability to understand our environment and to relate to the physical evidence of major historical events and processes. Specifically, rehabilitation in many circumstances erases the physical component of a major aspect of our heritage.¹⁴

The trend towards industrial site rehabilitation affects not only contemporary industrial features but also those historic sites which, like many mines, are in the same location as new ventures. Urban industrial sites are often located on what is now prime waterside real estate and are under increasing pressure to realise the underlying land value or perceived 'development potential. This paper will examine key issues that arise in relation to industrial site rehabilitation, using examples from conservation projects at industrial places during the last five years. Major issues to be addressed include questions of safety and visitor access, the physical condition of industrial structures, the implication of

purpose-built structures and plant for long-term conservation, contaminants and other environmental concerns, modification to landscapes, adaptation of buildings and removal of operating equipment. Probably more than any other type of cultural site, industrial sites and the threats and issues raised by proposed rehabilitation lend themselves to resolution through the planning and decision making process advocated in the heritage protection policy.

This part considers property from an investment point of weighing up initial building costs against the long-term returns of our built heritage is not a trendy dream emanating from the 1960s, but a practical, incremental process developed since humankind moved out in cave existence into an artificial habitat. The real question in conserving the built environment is it is economically feasible (and sustainable) beyond the emotional debate that to cloud rational discussion. Most commercial buildings were constructed of fire work or sandstone and all internal walls made of a similar material on solid footings. Any requirement to modify the structure would require extensive building work, in most cases providing little added value to the property for the cost incurred. High ceilings are sin ominous with old buildings, portraying a feeling of spatial grandeur. Unfortunately, such space is difficult to heat and light to acceptable modern standards without compromising the aesthetic fabric. Unlike modern open space office blocks, most older buildings have extensive networks of corridors, considered common areas in multi-tenanted premises, which provide no rental return to the investor. In historic properties this ratio falls to 60-70 percent. Expansion generally reduces the preservation area unless the property is fortunately able to extend.

Older properties have inadequate amenities, usually developed from previous domestic uses. With limitations in building modification, these facilities remain sub-standard. Such additions then need to aesthetically blend with the architectural style and building fabric. Most older buildings no longer conform to modern fire regulations, though under the new building code stringent controls have been softened to encourage redevelopment of heritage buildings. As buildings are refurbished or sold, fire orders

¹⁴ Ptak, R., *Portugal in China*, Heidelberg: Klemmerberg-Verlag, 1980.

imposed on the premises must be met. This is another case of cost being in excess of true value. Computer networking creates the biggest headache in the refurbishment of buildings. Today's modern commercial enterprise relies on information technology to survive and compete. Wiring through solid walls and footings is difficult and expensive, and surface exposure again compromises internal form. Poor building construction and inadequate maintenance will eventually need rectification. Many heritage buildings suffer from structural defects. Bulging partywalls, rising damp, sandstone weathering, movement cracks, subsidence, wet and dry rot, electrical and plumbing deterioration are common examples faced by developers or owners which will require expensive remedial action. In old buildings minor repair eventually leads to major construction works as more problems are uncovered and local authorities impose ever increasing building standards. Under modern planning schemes, plot ratio plays a major part in the optimizing of project returns.

The multiple building owners do not have the necessary finance to redevelop the property, yet unless refurbishment occurs the premises will not attract tenants or purchasers. It has always been considered that location is the most significant selling point of any property. Certainly this has influenced values in select residential and retail properties. However, in office accommodation the issue is more clouded. Offices close to existing administrative centers are certainly influential in attracting select purchasers and tenants. The improvement of a building should be of a general purpose nature providing flexibility in refurbishment and the capability of upgrading to meet changing market conditions. This is very important when considering the recycling of the premises in the future. I once valued a purpose-built industrial warehouse with concrete docking which after five years had become functionally obsolete. Inability of conversion to general warehousing saw a decrease in rental and a large reduction in the property's value.

Type of construction and heritage restrictions also have a major influence on value. If a building has major structural problems such as movement, sandstone degradation and serious rising damp, remedial restoration may be cost prohibitive. The Macau government has spent

over \$1 million restoring the sandstone facade of the St Paul's ruins in main Street. The building is still uninhabitable and will need extensive internal refurbishment. Other examples include the heritage Building and the ongoing restoration program of the old Buildings. Such cost is outside the ability of the average investor, but to the institutional organization, whether public or private, this expense is acceptable as the investment is very long-term and meets the social conscience existing in today's economic climate. Initial income streams during the boom period were considered less important than location and quality. The assumption was that the first two elements would attract good tenants at prime rentals during the life cycle period. Government focuses on large floor ratio, improving efficiency and infrastructure effectiveness in its operation. Heritage buildings are unable to provide such extensive floor space requirements.¹⁵

It should be realised that the purchase and renovation of heritage buildings is more an act of love and devotion than sane economic rationalism in the short term. It should also be noted that the Government intends producing a Heritage policy by the end of 1999 which will protect old buildings and encourage their preservation through a number of initiatives. Such legislation will ensure the continuing program of refurbishment of existing building stock, against new multi-level buildings. All other office accommodation has been through the refurbishment recycling of existing building stock. For illustration I have taken an example of various refurbished and recycled buildings in the CBD that have been upgraded and tenanted and compared them to a new and refurbished modern office blocks.

4. Macau Heritage Buildings

The building is equivalent to any new modern standard office accommodation. There is no lift system. Architect designed, modern, standard office accommodation, prominent site, air conditioned with a lift to the first floor. The building was built and on-sold. If built for the

¹⁵ Boxer, C. R., "Japanese Christians Buried in the Jesuit College Church of São Paulo at Macau", *Monumenta Nipponica*, Vol. 1, 1938, pp. 265-69.

owner it is believed this cost would be marginally reduced. It should be noted that these values are based on cost, not necessary value. In the present market initial returns on value would show 20 per cent for recycled buildings and 10.5-11.5 per cent for modern offices. At the end of the 10 to 15 year period the modern office would require more upgrading than recycled premises to maintain market competitiveness. Internal rates of return face diminishing returns over a period of time as the buildings age and rental escalation slows close to the end of the life cycle of the refurbishment. New and recycled buildings are sound investments over a 10 year holding period. However, once refurbishment is required towards the end of 15 years owners could be faced with high costs to bring their buildings up to modern standard. Cosmetically renovated buildings do not last more than 10 years before the finishes become tired and require refreshing. The cost is not huge, yet rental escalation is slower and refurbishment cycles become shorter.

In summary, both modern and heritage buildings suffer various disadvantages in their own unique way. Older properties suffer from architectural deficiencies, whereas modern buildings are susceptible to market fads and technological change. Investment in older premises relies on location, structural flexibility, tenancy mix, market cycles and affordability. It is the needs of the owner or occupier that will eventually determine which type of building is refurbished. Market evidence and cost analysis suggest that there is a marginal advantage in building a modern office block compared to recycling a heritage building in the short term, but as property generally is viewed as a long term investment, recycling heritage buildings can be advantageous. These buildings tend not to age quickly or require ongoing general maintenance compared to their modern counterpart that requires expensive up front refurbishment every 15 years or so to compete in a competitive modern office accommodation market. Cosmetic refurbishment of buildings, whether modern or heritage, compounds problems in the future in regard to structural fabric and diminishing returns. It is proven that quality refurbishment makes economic sense in the long-term and any cost evaluation should consider the long term

cash flows and investment returns that the property will generate.

In relation to these somewhat overwhelming projections it may seem trivial to discuss the role recycling so-called redundant buildings can have in reducing the consumption of energy. However, there are two responses to this. First, I would argue that it is normally reprehensible not to do all we can to assist in the resolution of the problems. Second, per head of population we are significant consumers of energy and resources, and despite our location and apparent modest lifestyles we remain part of the larger world and arguably are in a unique position to play a role in providing leadership and expertise to others less fortunate. In the words of the 1960s hippy culture: 'If you're not Part of the solution, you're part of the problem! There are, and should be, no in between, no abstentions, no sitting on the fence. Responses to the problem the concept of sustainability.

In its broadest terms the concept of sustainable development has been widely accepted and endorsed. However, differences still surface as to its exact meaning and consequent implications. This is partly due to the varying circumstances that nations find themselves in, and in no small part the response from traditional economists who interpret development and growth as synonymous. There is, however, an increasing questioning of that interpretation. Many commentators since the late 1980s have suggested that economic development does not necessarily mean economic growth, but the real issue is that economic activity can change without increasing the quantity of goods and services produced - and thereby not necessarily increasing the consumption of energy and resources. The issue is the quality of that activity and how its benefits are distributed.¹⁶

I make this point not simply for academic interest; the concept of quality rather than quantity is stone of a 'green' philosophy of architecture. Questions of interpretation aside, one of the more pleasing aspects of the international talk fests has been the willingness to address the world environmental problems at

¹⁶ Clayton, Cathryn H. *Sovereignty at the Edge: Macau and the Question of Chineseness*. London: The Harvard University Asia Center, 2009.

a local level. There appears to be substantial activity at local, state and national levels to find ways of implementing the outcomes of the heritage. Many of these are focusing on urban development and planning issues. They have emerged by way of concern for the impact of human settlement on the biosphere, on energy consumption and pollution. They are identifiably 'green' in the sense of being ecologically considered. Many of these initiatives involve heritage management, recycling, protection of water catchments and wildlife habitats, and energy conservation measures in the siting, occupation and design of domestic, commercial and industrial buildings.

Some estimates suggest that over 50 per cent of energy consumed is used in buildings. This last point is particularly significant because buildings are such substantial users of energy. In China about half the total carbon dioxide emissions are in some way building related, with air conditioned accommodation accounting for a disproportionate amount of that. In recent years there has been a recognition that significant energy savings can be achieved by considering a number of issues in the design and construction of new buildings. Some building materials are inherently high energy consumers, and it is becoming recognised that industry must look at ways in which the production of materials can be reduced; equally architects must be aware of the bigger picture when designing. If buildings are to be truly efficient we also need to energy consumption in the production of building materials. These need into the equation to produce a full audit of a building's life-cycle of energy. This is brought into sharper relief when we consider the contemporary commercial buildings. Twenty years would seem the most, and that includes substantial refits every few years and many buildings in-between.

5. Tourism and Conservation

In recent years, Macau has been selling its history as part of its tourist product. Much of this history is related to particular buildings and conservation sites. While such approaches certainly result in the retention important elements of the built fabric. In the case of Macau, for example, we now sell a sanitized and version of history to tourists and slowly but surely the

built fabric is being aged in subtle ways to suit the demands of this form of tourism. The prospects conservation of our built fabric are not great unless it can be incorporated into the team ways in which growth and development occur and capital circulates within economy. Even then, as has been the case with tourism, subtle changes occur can lead to a distortion of the real historical links between those buildings and historical period in which they evolved.¹⁷

Particularly, but not exclusively, in the public sector, historic properties are being abandoned by users. Most are either sold by their owners or, in many cases, left to be sold or developed when the real estate market improves. Where it can be identified, mothballing is usually accidental or occurs by default with very little deliberate mothballing; although actions required can be readily identified. No minimum standards exist for the existing of historic buildings and the solutions may vary with financial resources available, returns expected, and the desire of the owners for the properties to survive the heritage! Monument is equivalent to 'preservation' as defined by the heritage policy and is a legitimate conservation process; although by comparison attracts little active interest, other than from archaeologists.

The inter-governmental Agreement on the monument was signed between all Lusophone countries, State and territory governments and the Macau Local Government Association, on behalf of all local governments. The agreement provides that sustainable development should form the basis of future policy approaches to environmental management. In accordance with the agreement, the principle of sustainable development has been embodied in the objectives of the Macau Heritage 1992 and will no doubt be incorporated in heritage legislation in other states as it is reviewed. Sustainable development is defined in the agreement as development which meets the needs of the current generation, without compromising the ability of future generations to meet their own needs. The principle of sustainable development requires that heritage places continue to be used

¹⁷ Braga, J. M., *With the Flowery Banner: Some Comments on the Americans in Macao and South China*, Macau: N. T. Fernandes & Filhos, 1940.

in order to conserve their heritage value. The redundancy of a heritage place will inhibit the conservation of its heritage value and is therefore contrary to the principle of sustainable development.

Since all levels of government have committed themselves to the principle of sustainable development in the Inter-Governmental Agreement on the Environment, it is incumbent on all governments to ensure that heritage places are not left redundant. There are a number of broad strategies available to governments to address the problem of redundancy. Generally speaking, these focus on the protection of heritage places from damage, the reform of development and the conservation approvals processes, integrated planning of heritage places, and financial assistance. These strategies are intended to avoid redundancy and to facilitate the re-use of redundant heritage places. This paper examines the various policy options that are available to governments to implement these strategies and where necessary, recommends appropriate legislative and administrative changes.¹⁸

6. Assessment of Economic Values

The process of determining whether a place should be included within a heritage register requires an examination of both the conservation and development values of the place. Not only will this potentially reduce the conflict between owners and the heritage authority, but it is also mandated by the concept of sustainable development. In China, however, owners are only entitled to object under the Chinese Heritage policy to the inclusion of a place on the heritage register on the grounds that the place is not of the requisite conservation value. This right of objection is expanded by a further provision of the policy which provides that a place is not of the requisite conservation value if there is no prospect of the conservation value of the place being conserved. The meaning and rationale of this provision is not clear from the policy and was not properly articulated in the second and third reading speeches of the minister.

It is uncertain whether such an argument would succeed before a court. What is certain is that if economic matters are to be considered in the process of determining whether a place should be included in the heritage register then they should be expressly articulated. However, if it is the case, as I suspect it is, that economic matters are not intended to be considered in the registration process, at least in Chinese, then it would appear that the Chinese Heritage policy is inconsistent with the principle of sustainable development and will promote conflict between owners and the heritage authority.

Heritage legislation should also ensure that the conservation of a place is properly assessed before its inclusion on a heritage register. This should include an assessment of the cultural significance of the place in terms of both the nature of the significance and the degree of significance. This is the case under the Chinese Heritage policy where a place is required to be of cultural heritage significance and to satisfy one of eight criteria, before it is entered on the heritage register. Legislation in most other states focuses only on the nature of the significance of the place. Accordingly, in these jurisdictions the only requirement for inclusion in the register is if the place is of cultural significance. It is recommended that heritage legislation require an assessment of both the nature of the significance and the degree of significance of a place before its inclusion on the heritage register.

Heritage legislation should also define more particularly the nature of the significance and the degree of significance that is required for a place to be included on the heritage register. In most jurisdictions the nature of the cultural significance required for registration is defined in accordance with the heritage policy to mean a place of aesthetic, historic, scientific or social value for past, present or future generations. This definition is very wide; as are the criteria which are adopted in Chinese and Macau to define the degree of significance required for registration of a place. Not only has this resulted in uncertainty for owners, but the courts, recognizing the significant constraints imposed on the property rights of owners by heritage legislation, have

¹⁸ PORTER, Jonathan. 'A Question of Sovereignty', in *China Perspectives* 26, December 1999, pp. 8-17.

interpreted these provisions strictly.¹⁹ In that case the Chinese authority held that the reference in the definition of cultural heritage significance. The present community and future generations' means the whole of Chinese and not a limited area of Chinese.

Aesthetic' means pertaining to the sense of the beautiful or having a sense of beauty and does not include architectural values such as style or utility. 'Social' means a relationship to people or human society being the people of Chinese and not the residents of a particular- part of Chinese. On the basis of this interpretation the court held that the place in question was not of heritage significance and should not be entered on the register. The decision calls into question the legality of other places included on the register on the basis of a more expansive interpretation of the concept of cultural heritage significance. The decision is also of significance to other jurisdictions which have adopted the definition of cultural significance contained in the heritage Policy.

7. Conclusive Remarks

This is an issue that I would like to explore further, because arguments about energy consumption alone do not, I contend, provide an adequate basis for assessing architecture as 'green'. There are far more compelling 'green' reasons for considering the fate of redundant buildings. Such an assertion requires an analysis of what is meant by 'green' architecture. The first obviously discernible examples of ecologically concerned building took place during the 'back to nature' push of the 1960s and 1970s where individual houses were considered in terms of their energy consumption and self-sufficiency. These involved design for passive solar gain, low energy things, alternative power generation and natural materials. This manifestation of environmentally sound living was thus limited to energy consumption and natural setting. It is still the predominant idea of what constitutes 'green'. In more recent years there has emerged a concern based on the environmental and economic sustainability of exactly those

sprawling settlement patterns advocated by the government. Hence the move toward urban consolidation. The prime concern here though is, I believe, economic rather than based on a broader philosophical environmentalism. Urban consolidation attempts to introduce European models and densities into a culture still dominated by an essentially American aesthetic of suburban and rural living, resulting in somewhat controversial hybrid program such as the 'green streets' guidelines.²⁰ During the last few years a more comprehensive approach to environmental problems of urban settlement has become apparent in the eco-city concepts. Here I am reluctant to generalize; suffice to say that they appear to be based on solar architectural ideas and ecological principles and in that sense typify the 'nature-based incarnation of 'green' thinking which we are more acquainted with in the activities of the Wilderness Society or Greenpeace. Developing historically has been a strand of urban environmentalism more interested in the preservation of heritage buildings.

The second, stemming from basic human needs and conditions, intensely urban, dealing with built fabric, removed from nature, concentrating on places in many ways related to industry and, by extension, consumption and even pollution. Over the last few years these apparently antithetical strands have undergone a process of what I might term 'serendipitous confluence, an interweaving of activity and ideas resulting in mutually informing and enriching relationship. These confluences are in two areas. First, in a spiritual sense, both strands are focused on a reverence for things established, they value continuity and preservation and have an interest in future generations. Second, politically and socially, their struggles have been against common enemies of industry and development, against a creed of unhindered or free market growth. So despite somewhat antithetical ideological beginnings, different areas of operation and, might I say, an often inept grasp of the others point of view, the two strands are now being formed into a more comprehensive

¹⁹ Cheng I Man, Wan Yim King, "Enhancing quality tourist experience in Macau world heritage site, *Journal of Macau Studies*, (45). 2008, p.83-93c

²⁰ Arthur H. Chen, "heritage and preservation towards the future" in *Macau: cultural dialogue towards a new millenium proceedings of a symposium / edited by Ieda Siqueira Wiarda and Lucy M. Cohen. - United States of America: Xlibris Corporation, cop. 2004. -pp. 123-132*

movement which encapsulates what we know broadly as a 'green' philosophy.

However, when it comes to architecture and planning there remain problems of resolving some of those differences. A few years ago the retention of an old factory may have elicited varying responses. A nature based 'green' analysis of the building may have determined that it was inefficient in energy consumption, poorly designed for solar gain, devoid of vegetation and representative of a process which polluted and destroyed the natural environment. They most likely would have concluded that a modern, well-designed building should replace it. On the other hand, the urban conservation movement would see a whole host of social, cultural and aesthetic reasons for recycling or restoring such a building.²¹ The serendipitous confluence occurs because the holistic assessment of the building's energy consumption by life-cycle energy auditing, the increasing preference for natural ventilation over air-conditioning, natural materials over synthetics, and the perception that many modern buildings are clinical to work in, all combine to re-balance the ledger on environmental acceptability.

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²¹ Cesar Guillen-Nunez, "Macau's rich heritage and cultural diversity", "Macau Focus", Macau, 1 (3) Dec. 2001, p. 7-18.

Examining Secondary Student Teachers' Perceptions of Technological Pedagogical Content Knowledge in Taiwan

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Abstract

This paper examined the profile of Taiwanese secondary student teachers in terms of their technological pedagogical content knowledge (TPACK). A TPACK survey on a 7-point Likert scale was employed for this study. The survey had a total of 38 items consisting of seven constructs: technological knowledge (TK), content knowledge (CK), pedagogical knowledge (PK), pedagogical content knowledge (PCK), technological content knowledge (TCK), technological pedagogical knowledge (TPK), and technological pedagogical content knowledge (TPACK). A total of 586 responses were collected from 25 randomly selected teacher preparation programs in Taiwan during the beginning of 2012 fall semester. The results indicated that the respondents had moderately high perception for each construct, with CK being rated the highest and TK the lowest. In addition, their TPACK perceptions differed significantly due to their gender and hours of technology integration experience. Implications for development of pre-service teachers' technological pedagogical content knowledge were then discussed.

1. Introduction

In today's information society, it is necessary for future teachers to know how to use technology effectively to facilitate student learning. In Taiwan, the Ministry of Education has specified "Instructional Media and Operations" as one of the 5 courses among which, pre-service teachers are required to take 3 courses. In addition, many teacher preparation programs have offered an elective

course "Computers and Instruction" so as to enhance pre-service teachers' technology competencies. However, preparing future teachers to integrate effective use of information and communication technologies (ICT) in their curriculum remains a challenging goal for teacher preparation programs.

One major criticism is that ICT courses for teacher preparation are often skill-focused, and its technology applications seldom focus on specific content area [1][2][3]. That explains why many pre-service teachers feel inadequately prepared to use ICT in classrooms [4][5].

It is generally agreed that teaching with new and emerging ICT is a complex task. It is much more than simply using computers for instruction. Grounded in Schulman's idea of Pedagogical Content Knowledge [6], the Technological Pedagogical Content Knowledge (TPACK) framework addresses the problem arising from overemphasis on technological knowledge in many ICT courses, and emphasizes the dynamic and interconnected nature of the three primary components; technology knowledge, pedagogy knowledge, and content knowledge. Those are the 3 essential types of knowledge required by teachers for successful technology integration [7][8].

The TPACK framework has been widely employed to develop survey items on measuring pre-service teachers' capabilities of effective technology integration [9][10][11]. After a review of related papers, Chai, Koh and Tsai pointed out that TPACK is a burgeoning

area of research with more application in the North American region, and suggested that Asian students' TPACK perception could be an area worth exploring [12]. In addition, Koh, Chai and Tsai found that pre-service teachers who were just beginning their teacher training had difficulty distinguishing between pedagogical knowledge and pedagogical content knowledge due to lack of deep knowledge and experience of the teaching practice [9]. Therefore, this study examined the technological pedagogical content knowledge of Taiwanese student teachers, who were just beginning their internships after having completed required teacher preparation courses. The TPACK perceptions of these teachers will be discussed following which implications for development of pre-service teachers' technological pedagogical content knowledge will be suggested.

2. Literature review

2.1. The TPACK framework

Building on Schulman's idea of Pedagogical Content Knowledge [6], Mishra and Koehler proposed the TPACK framework which includes technology as an additional knowledge construct, and emphasizes that effective teaching with technology needs to focus on the connections and interactions among subject content, pedagogy, and technology [7]. The TPACK framework has been described as situated, complex, multifaceted, integrative and transformative in the knowledge domain [8][13][14]. As illustrated in Figure 1, the TPACK framework includes 3 primary types of knowledge: pedagogy knowledge (PK), content knowledge (CK), and technology knowledge (TK); with four intersected knowledge constructs: pedagogical content knowledge (PCK), technological content knowledge (TCK), technological pedagogical knowledge (TPK), and technological pedagogical content knowledge (TPACK).

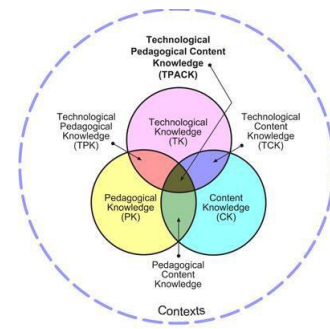


Figure 1. The TPACK framework

According to Mishra and Koehler [7], the seven constructs in the TPACK framework were described as follows.

Pedagogical knowledge (PK): Knowledge of nature of teaching and learning, including teaching methods, classroom management, instructional planning, assessment of student learning, etc.

Content knowledge (CK): Knowledge of the subject matter to be taught.

Technology knowledge (TK): Knowledge of technology for information processing, communications, and problem solving, and focuses on the productive applications of technology in both work and daily life.

Pedagogical content knowledge (PCK): Knowledge of the pedagogies, teaching practices, and planning processes that are applicable and appropriate to teaching a given subject matter.

Technological content knowledge (TCK): Knowledge of the relationship between subject matter and technology, including knowledge of technology that has influenced and is used in exploring a given content discipline.

Technological pedagogical knowledge (TPK): Knowledge of the influence of technology on teaching and learning as well as the affordances and constraints of technology with regard to pedagogical designs and strategies.

Technological pedagogical content knowledge (TPCK): Knowledge of the complex interaction among the principle knowledge domains (content, pedagogy, technology).

2.2. Survey of TPACK

The TPACK framework has been widely employed in the research and development of educational uses of technology [4][15][16]. Many teacher education programs were restructured with TPACK as an underlying conceptual framework [17][18]. Attempts have also been made to assess teachers' TPACK development. For example, Schmidt et al. developed a 58-item Survey of Pre-service Teachers' Knowledge of Teaching and Technology to measure teachers' generic perceptions of TPACK for content areas of mathematics, social studies, science and literacy [11]. TPACK surveys for specific areas were also developed. Graham et al. developed a 30-item TPACK in Science survey to measure teachers' TPACK for science teaching [15]. This survey focused on the four TPACK constructs that involved technology, i.e. TK, TCK, TPK and TPACK. Archambault and Crippen also developed a 24-item survey to assess K-12 teachers' TPACK for online teaching [19].

In Asia, Lee and Tsai developed a 30-item TPACK-Web Survey to measure Taiwanese teachers' TPACK with respect to educational use of the World Wide Web. However, exploratory factor analysis found that items for pedagogical knowledge and pedagogical content knowledge were merged into one factor. The authors commented that the teachers surveyed lacked expertise in Web-based tools so that they were unable to distinguish between these two constructs. The study conducted by Koh, Chai and Tsai had similar results [9]. They developed a 29-item Survey to measure Singaporean pre-service teachers' TPACK perceptions and found that the participants did not make conceptual distinctions between technological content knowledge and technological pedagogical knowledge. The authors also commented that the participants were just beginning their teacher training and therefore lacked deep knowledge and experience of the teaching practice. Both of the studies indicate that certain amount of professional knowledge might be needed for the respondents to successfully convey their TPACK perceptions with survey items.

Lee and Tsai also explored TPACK with respect to the teachers' demographic profile and found that it was significantly correlated with their age and teaching experience [20]. Koh, Chai and Tsai found some differences in their TPACK perceptions by gender [9]. However, the influence of age and teaching level were not strong. While investigating Australian pre-service teachers' TPACK Competence and Confidence, Jamieson-Proctor, Finger, and Albion included such demographic variables as gender, university attended, program type by university, and age of the pre-service teachers [5]. In other words, we need to take organizational factors (e.g. the teacher education university attended) and personal factors (e.g. gender) into consideration for better understanding and development of pre-service teachers' TPACK.

2.3 Purposes of study

This study aimed to examine Taiwanese student teachers' TPACK perceptions and its relationship with the organizational characteristics of their teacher education universities as well as with the demographic variables of student teachers. Accordingly, this study investigated the following research questions:

1. What were Taiwanese student teachers' TPACK perceptions in terms of 7 constructs?
2. Did student teachers' TPACK perceptions differ significantly by funding types and locations of their teacher education universities?
3. Did student teachers' TPACK perceptions differ significantly by their gender and subject specifications?
4. Did student teachers' TPACK perceptions differ significantly by hours of technology integration experience they had prior to their internships?

3. Method

3.1 Participants

According to Taiwan's regulations, the internship program for student teachers lasts 6 months either from August to January or from February to July. However, most students choose the fall semester because they can immediately take the national teacher qualification examination held in March once they complete their internships. Therefore, the researchers targeted at the fall semester so as to collect more data for this study. At the beginning of 2012 fall Semester, we sent the TPACK survey by mail to randomly selected secondary teacher preparation programs in Taiwan. According to the 2012 Yearbook of Teacher Education Statistics Taiwan [21], there were 2937 secondary student teachers and 41 universities offering secondary teacher preparation programs in the year of 2012. Among the 41 universities, 27 were public. As a result, we received 586 valid responses from 25 universities, constituting a response rate of 63.01%. Among the 25 universities, more than half (n=13) were public.

Table 1 shows that the universities the respondents attended were located at different regions of Taiwan, and they had diverse subject specializations, such as Chinese, foreign languages, mathematics, science, social studies, vocational subjects, and so on. To reduce complexity, several subject specifications were grouped together. As a result, six categories were created. The category of foreign languages included English, Japanese, French, and other foreign languages. The category of vocational subjects included such areas as agriculture, engineering, business, design, and information technology offered by vocational high schools. The other category consisted of such subjects as arts, physical education, home economics, and counseling.

Table 1. Demographic data of the study (n=586)

Factor	Category	No.	%
University funding	Public	282	48.12

type	Private	304	51.88
	Public	282	48.12
University location	North	338	57.68
	Center	137	23.38
	South	72	12.29
	East	39	6.65
Gender	Male	164	27.99
	Female	422	72.01
Subject specification	Chinese	124	21.16
	Foreign Languages	160	27.30
	Math and Science	80	13.65
	Social studies	34	5.80
	Vocational subjects	69	11.77
	Other	119	20.30
Hours of technology integration experience	None	100	17.07
	1-5 hours	282	48.12
	6-18 hours	113	19.28
	19-36 hours	40	6.83
	37 hours and more	51	8.70

Among the respondents, 51.9% were from private universities (n=304), and 72.0% were female (n=422). Table 1 also reveals that 48.12% of the respondents (n=282) had 1-5 hours of technology integration experience before their internships, and 19.28% had 6-18 hours. However, it should be noted that 17.07% of the respondents (n=100) did not even have any technology integration experience during their pre-service teacher preparation programs.

3.2 Survey instrument

A TPACK survey specially developed for Taiwanese secondary student teachers were used in this study [22]. Based on the TPACK model [7], the survey contained a total of 38

items with seven constructs. A 7-point Likert scale (1= strongly disagree; 2 = moderately disagree; 3 = slightly disagree; 4 = neutral; 5 = slightly agree; 6 = moderately agree; and 7 = strongly agree) was used to measure each item. Due to a variety of subject specifications that secondary student teachers have, Chang and Hsu did not design specific TAPCK questions for different content areas as Mishra and Koehler did [22][7]. One main reason was that Koh, Chai and Tsai found the TAPCK survey questions among different content areas were similar. Accordingly, we decided to use the same survey regardless of different content areas [7]. To measure student teachers' content knowledge, we adopted the common words such as in item 8 "I have sufficient subject knowledge," and in item 10 "I have various ways and strategies to increase my understanding of subject knowledge." Administration of the survey found its reliability of each construct to be high from 0.882 to 0.924 (TK 0.924, CK 0.891, PK 0.882, PCK 0.897, TCK 0.887, TPK 0.921, and TPACK 0.911). Besides questions for TPACK, we also collected demographic data about student teachers' gender and subject specification. Further, we asked student teachers to indicate how many hours of technology integration experience prior to their internships using a 5-point Likert scale (1 =none; 2 = 1-5 hours; 3 =6-18 hours; 4 =19-36 hours; and 5 =37 hours and above).

3.3 Data collection and analysis

According to the 2011 Yearbook of Teacher Education Statistics Taiwan [21], there were 41 universities offering secondary teacher preparation programs in Taiwan. However, we skipped the universities with an enrollment less than 30 pre-service teachers. As for the three normal universities with an enrollment more than 400 pre-service teachers, we selected only one department or subject specification for these universities. Moreover, we purposely included both public and private universities in our study, and deliberately confirmed that these universities were located in different parts of Taiwan.

As a result, 31 teacher preparation programs were randomly selected. Then we telephoned

every program to get the total number of their secondary student teachers enrolled at the fall semester of 2012 so as to mail enough copies of survey. All together, we sent 930 copies in September and October 2012, and we asked the program staff to distribute the survey to their secondary student teachers when these students returned to their university campus. After their student teachers completed the survey, the staff then mailed it back to the researchers. As a result, we received 586 valid responses from 25 teacher preparation programs, constituting a response rate of 63.01%.

For the first research question, descriptive statistics were used to examine student teachers' ratings for each TPACK construct. Accordingly, Taiwanese student teachers' perceptions of TPACK were analyzed. For the first part of the second and third research questions, *t*-tests were used to examine if student teachers' TPACK ratings differed significantly by the university funding type and the respondents' gender. As for the remaining research questions, the one-way analysis of variance (ANOVA) was used to examine if student teachers' TPACK ratings differed significantly by the university's location, as well as the respondents' subject specification, and hours of technology integration experience. After a significant test result occurred, the Bonferroni method was used for multiple comparison procedures; i.e. to determine which means differed.

4. Results

4.1 TPACK perceptions of student teachers

Table 2 shows the mean score and standard deviation for each TPACK construct. It was found that the construct of TK received the lowest rating ($M=4.61$) with the highest standard deviation ($SD=1.09$), and TPACK received the second lowest rating ($M=4.77$); whereas the construct of CK received the highest rating ($M=5.24$), and PK received the second highest rating ($M=5.15$). The data indicated that student teachers generally rated themselves as slightly above average for each construct. However, they were slightly more confident about CK, PK, and PCK as these

constructs were rated above "5". In contrast, student teachers had relatively low confidence in the remaining constructs that all related to technology since these mean scores were all below "5".

Table 2. Summary statistics for the TPACK constructs of secondary student teachers (n=586)

Constructs	No of items	Mean	SD
TK	7	4.61	1.09
CK	5	5.24	0.87
PK	6	5.15	0.86
PCK	5	5.04	0.87
TCK	4	4.91	1.00
TPK	6	4.79	0.97
TPACK	5	4.77	0.95

4.2 Differences by universities

Table 3 shows the mean score and standard deviation for each TPACK construct by university funding type. For the constructs of TK and CK, the respondents from public universities exhibited slightly higher mean scores than those from private universities; whereas, for the remaining constructs, the respondents from private universities exhibited slightly higher mean scores than those from public universities. However, no significant difference was found between the means of public and private universities using *t*-tests. Similarly, no significant difference was found using *F*-tests among the means of universities located at north, center, south, and east regions of Taiwan. However, Table 4 reveals that the respondents from the east region exhibited slightly lower means for almost all the constructs compared to those from the other three regions.

Table 3. Differences of the TPACK ratings by university funding type

Construct	type	No	Mean	SD	<i>t</i>
TK	Public	28	4.66	1.04	1.59
	Private	30	4.55	1.0	

Construct	Location	No	Mean	SD	<i>F</i>
CK	Public	28	5.24	0.83	0.0
	Private	30	5.24	0.8	
PK	Public	28	5.13	0.8	0.3
	Private	30	5.16	0.7	
PCK	Public	28	4.98	0.9	2.9
	Private	30	4.98	0.8	
TCK	Public	28	4.87	0.9	0.9
	Private	30	4.95	0.9	
TPK	Public	28	4.77	0.9	0.1
	Private	30	4.80	0.9	
TPACK	Public	28	4.72	0.9	1.8
	Private	30	4.72	0.8	

Table 4. Differences of the TPACK ratings by university location

Construct	Location	No	Mean	SD	<i>F</i>
TK	North	338	4.64	1.02	0.39
	Center	137	4.52	1.07	
	South	72	4.61	1.11	
	East	39	4.61	1.03	
CK	North	338	5.28	0.81	1.34
	Center	137	5.20	0.88	
	South	72	5.26	0.81	
	East	39	5.01	0.92	
PK	North	338	5.18	0.78	0.41
	Center	137	5.12	0.83	
	South	72	5.11	0.76	
	East	39	5.06	0.86	
PCK	North	338	5.04	0.81	1.49
	Center	137	5.00	0.83	
	South	72	5.18	0.70	
	East	39	4.87	0.85	
TCK	North	338	4.94	0.91	0.51
	Center	137	4.85	1.00	
	South	72	4.98	1.00	
TPK	North	338	4.81	0.89	0.58

	Center	137	4.73	0.96	
	South	72	4.86	0.82	
	East	39	4.67	1.02	
	North	338	4.79	0.89	
TPCK	Center	137	4.70	0.93	0.10
	South	72	4.91	0.84	
	East	39	4.65	1.04	

4.3 Differences by gender and subject specification

Table 5 shows the mean score and standard deviation for each TPACK construct by gender. It was found that for all the constructs, the male student teachers generally rated themselves higher than the females, and significant differences were found for the constructs of TK, CK and PCK using t-tests.

In terms of the respondents' subject specifications, Table 6 indicates that the respondents teaching vocational subjects exhibited higher means for all the constructs related to technology, and significant differences were found for the constructs of TK, TPK and TPCK using F-tests. Further analysis based on multiple comparison tests revealed that the vocational subjects group rated their TK significantly higher than the foreign languages group and the other subjects group. Furthermore, the vocational subjects group rated their TPK and TPCK significantly higher than the math and science group.

Table 5. Differences of the TPACK ratings by gender

Construct	Gender	No	Mean	SD	t
TK	Male	164	4.89	1.10	17.96**
	Female	422	4.50	1.00	
CK	Male	164	5.43	0.85	12.18**
	Female	422	5.67	0.82	
PK	Male	164	5.67	0.89	0.14
	Female	422	5.14	0.76	
PCK	Male	164	5.15	0.84	4.98*
	Female	422	4.99	0.79	
TCK	Male	164	4.98	1.03	1.26
	Female	422	4.89	0.917	
TPK	Male	164	4.88	0.97	2.37
	Female	422	4.75	0.88	
TPACK	Male	164	4.83	0.96	0.91

	Female	422	4.75	0.88
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* $p < 0.05$ ** $p < 0.01$

Table 6. Differences of the TPACK ratings by subject specification

Construct	Group ^a	No	Mean	SD	F
TK	A	124	4.58	1.05	32.04*
	B	160	4.48	1.06	
	C	80	4.73	0.94	
	D	34	4.75	1.00	
	E	69	4.98	1.04	
	F	119	4.47	1.04	
CK	A	124	5.23	0.79	0.53
	B	160	5.24	0.90	
	C	80	5.34	0.85	
	D	34	5.29	0.79	
	E	69	5.24	0.70	
	F	119	5.18	0.87	
PK	A	124	5.20	0.78	1.48
	B	160	5.12	0.83	
	C	80	4.98	0.90	
	D	34	4.98	0.73	
	E	69	5.17	0.73	
	F	119	5.28	0.73	
PCK	A	124	4.99	0.83	0.56
	B	160	5.08	0.84	
	C	80	4.99	0.80	
	D	34	4.89	0.72	
	E	69	5.12	0.78	
	F	119	5.05	0.77	
TCK	A	124	4.92	0.98	1.42
	B	160	4.87	0.99	
	C	80	4.71	0.90	
	D	34	4.81	0.89	
	E	69	5.07	0.89	
	F	119	5.03	0.92	
TPK	A	124	4.77	0.97	2.58*
	B	160	4.74	0.93	
	C	80	4.60	0.80	
	D	34	4.60	0.87	
	E	69	5.09	0.79	
	F	119	4.86	0.90	
TPCK	A	124	4.73	0.91	2.78*
	B	160	4.73	0.96	
	C	80	4.57	0.80	
	D	34	4.60	0.76	
	E	69	5.07	0.79	
	F	119	4.88	0.93	

* $p < 0.05$

^a A: Chinese; B: Foreign Languages; C: Math and Science
 D: Social studies; E: Vocational subjects; F: Other

4.4 Differences by hours of technology integration experience

To balance the number of responses for five categories of technology integration experience, we reorganized them into three groups, where “6 hours and above” was the first group, “1-5 hours” was the second, and “no experience” was the third.

Table 7 shows the mean score and standard deviation for each TPACK construct by the respondents’ hours of technology integration experience. It was found that the 6 hours and above group generally rated themselves higher than the 1-5 hours group, and the 1-5 hours group generally rated themselves higher than the no experience group. Significant difference was found for all the constructs among the means of the three groups using F-tests. Further analysis based on multiple comparison tests indicated that for TCK, TPK, and TPACK, the means of the 6 hours and above group were significantly higher than those of the 1-5 hours group as well as those of the no experience group. Furthermore, the means of the 1-5 hours group were significantly higher than those of the no experience group. For the remaining constructs, the means of the 6 hours and above group were found significantly higher than those of the 1-5 hours group as well as those of the no experience group.

Table 7. Differences of the TPACK ratings by hours of technology integration experience

Constr uct	Grou p ^a	Mea n		SD	F
		No 20	n 4		
TK	A	4.85	2	1.0	9.52*
	B	4.52	2	1.0	
	C	4.36	5	0.7	
CK	A	5.47	4	0.8	27.39*
	B	5.17	0.8		

PK	A	20	4.97	7	23.32
	B	28	5.36	0.8	
	C	10	5.08	0	
PCK	A	20	4.90	9	14.96
	B	28	5.26	1	
	C	10	4.96	1	
TCK	A	20	4.78	5	32.82
	B	28	5.26	0.8	
	C	10	4.84	7	
TPK	A	20	5.14	0	34.39
	B	28	4.69	0.8	
	C	10	4.32	0.9	
TPACK	A	20	5.08	8	25.74
	B	28	4.70	0.8	
	C	10	4.35	0.9	

* $p < 0.001$

^a A: 6 hours and above ; B: 1-5 hours; C: no experience

5. Discussion

In general, we found that student teachers had moderately high confidence about their TPACK constructs. The results might be due to the teacher preparation courses they took before entering the internship programs. Nevertheless, student teachers indicated that they had lower confidence about TK. This was consistent with the research findings of earlier studies [5][9]. One reason might be that technologies continuously change so rapidly that they could hardly get well prepared, and lack of confidence in TK might further result in relatively low confidence about TCK, TPC, and

TPACK since these constructs were all technology related. As Jamieson-Proctor et al. argued that teacher preparation programs designed using Pedagogical Content Knowledge (PCK) where students undertook studies in a range of content courses, pedagogy courses, and professional studies (practicum, Internship) courses, was now insufficient to meet TPACK's capabilities [5]. These results suggest that improvements on our current teacher preparation programs are crucial to enhance their students' TPACK.

Student teachers' TPACK perceptions appeared to be similar in this study regardless of different funding types and locations of their universities. The results were understandable since the operations of Taiwan's teacher preparation programs mostly followed the regulations of the Ministry of Education including selection of high performance students, curriculum design and requirements, evaluation process, and so on. Moreover, every teacher preparation program regularly received a nationwide evaluation every four years to assure its quality. Consequently, student teachers from different universities exhibited the same professional knowledge to some extent. These results also implied that there was no digital divide between public and private universities as well as among different regions of Taiwan.

In terms of student teachers' demographic variables, we found that males rated their TK higher than females. This was consistent with research findings of earlier studies [9][23]. Many studies found that male teachers had more positive attitudes, higher confidence and higher competency perceptions with respect to computer use [24][25]. Our study also found that higher percentage of male student teachers had more than 18 hours of technology integration experience before internships than that of females as shown in Table 8. Having more experience in computer use might contribute to their confidence about technology knowledge. These results suggest that the female student teachers need more support and experience regarding computer technology.

As mentioned earlier, the teacher preparation programs in Taiwan were quite similar.

However, the student teachers teaching vocational subjects exhibited higher perceptions about the TPACK constructs related to technology. One reason might be that the vocational subjects in our study included the subject of information technology. Those who were teaching information technology certainly had more confidence about TK, and thus increased the total scores of the vocational subjects group. Besides TK, high perceptions of other technology related constructs indicated that TK, and TCK, TPK, and TPCK were all highly related [16]. TK seemed to play an important role in predicting the confidence level of other technology related constructs. In other words, educational technology courses for increasing TK should not be ignored in teacher preparation programs for pre-service teachers' TPACK development [11][26].

We also found another important factor highly related to student teachers' TPACK perceptions. The factor was student teachers' experience in integrating technology into instruction prior to their internships. These results were consistent with the research findings of earlier studies [5][27]. Jamieson-Proctor, Finger, and Albion pointed out that pre-service teachers' lower confidence about TK and TPACK was due to limited opportunities for them to engage with ICT during their study at the teacher preparation program [5]. Dexter and Riedel stressed that field experience is very crucial in teacher preparation as means of establishing ICT practices that pre-service teachers will use in future settings [28].

It was quite surprising that more than 17% of student teachers in our study did not have any technology integration experience before their internships. However, lack of teaching experience should not occur in the future since our Ministry of Education announced that all pre-service teachers entering the 2014 fall semester program must complete 54-hour field experience before their internships. Our study further revealed that even having a little experience, that is, less than 5 hours could make a difference in increasing confidence about TCK, TPK, and TPACK. Having more than 5 hours' experience resulted in higher

perceptions for all the constructs. These results suggested that more than 5 hours' experience was a minimum requirement to create optimal results.

Based on our research findings, we provide the following recommendations regarding TPACK development for pre-service teachers. First of all, the current teacher preparation program apparently is not adequate for pre-service teachers' TPACK development. To ensure they have sufficient technological knowledge that can be applied successfully to their content areas, at least one ICT course should be required for pre-service teachers. Furthermore, such technology courses should include emerging technologies in teaching and learning, such as cloud computing, mobile learning, open content, MOOCs, virtual and remote laboratories, tablet computing, and wearable technology. In addition, field experiences prior to internships are quite important. Pre-service teachers should have sufficient opportunities to practice technology integration into their content areas in an authentic school setting which would help to develop their TPACK. At the same time, more support and assistance should be provided to female students and non-majors in information technology to build their confidence in using ICT for teaching and learning with students. In short, ICT courses and field experiences are two key factors in pre-service teachers' TPACK development.

6. Conclusion

In this study, analysis of Taiwanese secondary student teachers' TPACK perceptions has found that our current teacher preparation programs have room for improvement regarding pre-service teachers' TPACK development. For example, emerging technological knowledge should be emphasized in curriculum design, field experiences should be provided to pre-service teachers, and female students need more support and assistance regarding computer technology. In summary, examining student teachers' TPACK perceptions at the beginning of their internships is a good way to find out possible limitations of our teacher preparation programs. Further research could use the TPACK framework as a basis to explore

ways in redesigning ICT courses or field experiences in order to successfully develop pre-service teachers' TPACK. Moreover, demographical, personal, and organizational factors which might affect pre-service teachers' intention to use ICT for instruction could be investigated and identified to give an overview and better understanding on pre-service teachers' TPACK development.

7. References

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The influence of student status on the academic performance of undergraduates

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Abstract

The main goal of this study is to identify the correlation between student status and the academic performance of undergraduate students. The first research question will verify if there is an existing difference between the academic performance and the level of satisfaction with personal academic achievements among regular and correspondence students. Meanwhile, the second research question will identify if there is a difference between students' academic performance, according to their student statute within different sized departments. To identify the scope of this study, the quantitative research method has been used. The research was conducted with 1006 students, who are currently pursuing their undergraduate studies in Hasan Prishtina, University of Prishtina. The total number of participants represents students from the department of Philosophy, Education, Mechanical, Law, Economy, Construction and Architecture, Medicine Sport Sciences. Student participation in the research was voluntary, and completion of the research survey was anonymous. Data collections were gathered in various forms: by visiting the respective faculties; by contacting students directly after their lectures or exams; by staying in the library of the student center, cafeteria and student gatherings. According to the results of this study, a clear correlation between students' satisfaction level and their according status is evident. The study results reveal that regular students are far more satisfied with their academic performances compared to students with correspondence. Furthermore, the academic performance according to the study results is influenced by other engagements of correspondence students, such as employment.

Key words: undergraduate students, academic performance, satisfaction level, students' status

1. Introduction

The main goal of this study is to identify the correlation between student status and the academic performance of undergraduate students. The first research question will verify if there is an existing difference between the level of satisfaction with personal academic achievements among regular and correspondence students, while the second research question will identify if there is a difference between students' academic performance, according to their student statute and other engagements, such as employment.

2. Methodology

To identify the scope of this study, the quantitative research method has been used. Interaction between the tested variables is presented through interactive analysis (cross-tabulation analysis), while the results for the standard deviation (SD) of the tested variables are tested and released through Pearson's chi-squared test (χ^2). The research was conducted with 1006 students, who are currently pursuing their undergraduate studies in Hasan Prishtina, University of Prishtina. The total number of participants represents students from the department of Philosophy, Education, Mechanical, Law, Economy, Construction and Architecture, Medicine Sport Sciences. Student participation in the research was voluntary, and completion of the research survey was anonymous. Data collections were gathered in various forms: by visiting the respective faculties; by contacting students directly after their lectures or exams; by staying in the library

of the student center, cafeteria and student gatherings.

3. Literature Review

The level of students' achievements, according to different studies and theoretical perspectives, is considered to correlate and depend on a group of varying factors. In the group of characteristics relevant to the situations, the type of engagement in the education system, place of residence, daily agendas, and other personal characteristics like method of learning and time management, play a significant role in the student academic performance²².

In the University of Prishtina, there are two existing student statutes: the statute of the regular student, and that of a student with correspondence. Both groups of students, regardless of their student statute (regular or with correspondence) must undergo exams to successfully complete their courses throughout their bachelor studies. However, according to the statute of the University of Prishtina the level of class participation, the evaluation method throughout the semester and other extracurricular engagements differ for regular students and those with correspondence²³. Therefore, while students with correspondence are not obliged to partake in class exercises and lectures throughout the semester, the impact of academic factors, including here teaching methods²⁴ and learning environment²⁵ are not considered influential factors for this group of students. Moreover, it is considered that this

group of students does not feel the impacts of other academic factors either.

However, it is stressed that many students respond more positively to more organized courses and lead by enthusiastic instructors, who stimulate students' interest in the course and manage to impact the learning process²⁶. Correspondence students then are left with other personal or external motivational factors to impact their learning. In this group of students, it can be assumed that the student's self-concept²⁷, self-efficacy²⁸ self-discipline²⁹ aspirations towards success or failure³⁰, goal-orientation³¹ and result expectations³² are more important in his academic performance and at a higher level compared to other students. On the other hand, of the group of academic factors, a factor of influence could be the quality and form of evaluation, along with the constructive method of learning that could aid students in claiming responsibility over learning and enable them to gain independence and develop

²² Cross, (1991). In Beverly J., V., Cross, W. & Worrell, F. (2002). Validating the Cross Racial Identity Scale. *Journal of Counseling Psychology*. ol. 49, No. 1, 71–85

²³ SU. (2012). Statuti i Universitetit të Prishtinës. Retrived from,

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²⁴ Davis, A.J., (2003). *The Measurement of Learning*. In *The Companion to the Philosophy of Education*. Curren, R. Oxford: Blackwell Publishers. 272-283

²⁵ Helme, S., & Clarke, D. (2001). Identifying cognitive engagement in mathematics classroom. *Mathematics Education Research Journal*, 13, 133-153.

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²⁷ Carr, Borkowski, & Maxwell, (1991). In Lee, J & Shute, J.V (2010). Personal and Social-Contextual Factors in K-12 Academic Performance: An Integrative Perspective on Student Learning. *EDUCATIONAL PSYCHOLOGIST*, 45(3), 185–202, 2010

²⁸ Bandura, (1997) & Chen & Zimmerman, (2007). In, Champion, J. (2008). (Self-Efficacy, Calibration, and Exam Performance in College Algebra and Calculus I. *University of Northern Colorado*. 63(3), 858A. (AAT No. 3047203

²⁹ Duckworth, L.A, & Seligman, E.P (2005). Self-Discipline Outdoes IQ in Predicting Academic Performance of Adolescents. *Psychological Science*. Volume 16. Nr. 12

³⁰ Borkowski, Weyhing, & Carr, 1988; Carr et al., 1991; Weiner, 2004). In, Lee, J & Shute, J.V (2010). Personal and Social-Contextual Factors in K-12 Academic Performance: An Integrative Perspective on Student Learning. *EDUCATIONAL PSYCHOLOGIST*, 45(3), 185–202, 2010

³¹ Walls, A. T., & Little, T, D(2005). Relations Among Personal Agency, Motivation, and School Adjustment in Early Adolescence. *Journal of Educational Psychology*. American Psychological Association 2005, Vol. 97, No. 1, 23–31

³² Wigfield & Eccles, (2002). Ne, Walls, A. T., & Little, T, D(2005). Relations Among Personal Agency, Motivation, and School Adjustment in Early Adolescence. *Journal of Educational Psychology*. American Psychological Association 2005, Vol. 97, No., 23–31

concepts over what they learn³³.

A considerable number of students choose the correspondence student statute for socio-economic and employment reasons. However, though other commitments may appear to have a negative impact on a student's academic performance, according to moderate student employment is considered to have affect on academic and/or cognitive development of the students positively or adversely, since is considered to be helpful to academic achievement when compared to heavy or no employment³⁴.

Furthermore, the types of engagements in the university have shown to influence students' level of satisfaction with their academic achievements and undergraduate experience, a level which, is enhanced by frequent interaction with faculty and other students, which ties into one of the benchmarks of effective educational practice: student-faculty interaction.

4. Results

Of a total (N=1006) participating students in the research, (N= 902, or 89.7%) were regular students, while (N=104, or 10.3%) were students with correspondence. From a total of 1006 students, (N=476 or 47.3%) have declared to be moderately satisfied with their studies, (N=249, or 24.8%) have claimed to be fairly satisfied with their academic performance, while (N=154, or 15.3%) are satisfied, (N=92, or 9.1%) are very satisfied, and (N=35, or 3.5%) are not at all satisfied with their academic performance throughout their studies at University of Prishtina.

However, during the data comparison, or interaction between academic performance with student statute, it has become evident that

³³ Brooks, J. G., & Brooks, M. G. (1993). In search of understanding: The case for constructivist classrooms. Alexandria, VA:Association for Supervision and Curriculum Development (pg.13).

³⁴ Hood, Craig, & Ferguson (1992). *To work or not to work: The impact of work on student's college experience*. Columbia University, 407 Alfred Lerner Hall, 2920 Broadway, MC 2611, New York, NY 10027.

regular students are noticeably more satisfied with their performance in comparison to students with correspondence. From a total of 1006 students, (N=225, or 24.9%) regular students have admitted to be fairly satisfied with their academic performance, while of students with correspondence, only (N=24, or 23.1%) have declared to be fairly satisfied with their academic performance (table 1).

Table 1: Comparison between academic performance satisfaction level and student statute

Students' level of satisfaction with shown results, within their studies	Regular	With correspondence
	N (%)	N (%)
Not at all satisfied	30(3.3%)	5(4.8%)
Satisfied	135(15%)	19(18.3%)
Moderately satisfied	426(47.2%)	50(48.1%)
Fairly satisfied	225(24.9%)	24(23.1%)
Very satisfied	86(9.5%)	6(5.8%)

Note: Based on results of this analysis, standard deviation in this case is (SD=.004)

Another correlation has been marked between academic performance and student employment. Unemployed regular students have presented higher results in their exams, compared to students who also work during their studies. (N=136) of students who are unemployed, have declared to have been evaluated with a grade 10 (ten) in more than three courses. This number is significantly greater in comparison to the number of employed students who have been evaluated with a grade 10 (ten) in more than three courses (N=56) (Table.2).

Table 2: Comparison between student employemnt and being evaluated with grade ten

Grade 10 (ten) evaluations	employed	unemployed
	N(%)	N(%)

Never	98(35.8%)	312(42.6%)
In 1 course	65(23.7%)	143(19.5%)
In 2 courses	28(10.2%)	92(12.6%)
In 3 courses	27(9.9%)	49(6.7%)
In +3 courses	56(20.4%)	136(18.6%)

Note: Based on results of this analysis, standard deviation in this case is (SD=.095)

5. Conclusion

According to the results of this study, a clear correlation between students' satisfaction level and their according status is evident. Furthermore, the results reveal that regular students are far more satisfied and attain better academic performances compared to students with correspondence and the group of students, which beside that art students with correspondence are currently working as well.

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V PLENARY SESSION

Education, Psychology & History

Session Chair: David Makofsky - Queens University, Belfast, UK

Cultural Crisis and Cultural Change in the Central Asian Muslim World: Looking at Social Change through the Lens of Art

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Abstract

The dynamics of change in the Muslim world continue to be felt throughout Asia. This study presents the choices and challenges of the Uyghur community, the Turkic Muslim area of Western China. There is enormous interest exhibited by contemporary social theorists and anthropologists (Shiner, Bourdieu) in the dramatic impact of the aesthetic role of the artist in shaping and being shaped (Gell) by the "culture" of the viewer. This discussion deals with "modernity and cultural change" as it is now occurring in Uyghur and Muslim society. A sample of Uyghur students discusses paintings by well-known contemporary Uyghur artists, Zoram Yasem and Turdi Amin. This discussion illustrates some of the critical issues facing Muslims in Central Asia. The period of "social realism" in art is part of the past, and Uyghurs, including the young people themselves are looking to the future. Typically, Uyghur cultural leadership in the post-liberation period in China (1949-2010) was secularist. The 'awakening' in Muslim Asia has challenged assumptions in contemporary cultural life, and produced some new explorations in both art and culture. Muslim identity and developing new cultural expression.

Keywords: Muslim culture, Uyghurs, Art

1. Contemporary Art Seen Through an Anthropological Lens

There are excellent historical works that trace the development of painting in Islamic cultural areas according to Western aesthetic guidelines; Wijdan Ali's work [1] is an example. Although historical review offers many insights, this approach has many limitations. Lowry [6: p.154], for instance, points out that the definition of Islamic heritage in Ali's work draws primarily from the Ottoman (Turkey) Empire and Safavid (Iran) Empire, not covering regions with such major Muslim populations such as India, Indonesia, and the Central Asian countries. In an investigation of Xinjiang Chinese Central Asia this represents a serious limitation.

The aim of the discussion is to look outside the Middle East and search for a framework that illustrates the cultural change in other Islamic-identifying regions. Some of the same processes of cultural change in the Middle East are at work in other Muslim societies in Asia, for example, Uyghur art of the Xinjiang Autonomous Region of China.

In contrast to the historical approach to art, an anthropologist who has focused on

Egyptian art, Jessica Winegar [12], begins with the premise that an artistic work is more than a painting to be hung on the wall of a museum or a private home. For a work of art, the possibilities for “agency” exist and are informed by the way in which different players involved in artistic production understand and relate to the social and political events in the world around them. If the artist and his/her product have relevance to the viewer, the artistic production is far more than the diffusion and implementation of Western standards. Specifically, the artistic product cannot be considered in itself, because the artist is a participant in the cultural arena that is shared with the viewer. In the attempt to communicate something of the surroundings, the artist is an actor. The work that is produced, if it is meaningful, carries both cultural message and cultural contradictions as we will see in the discussion of Central Asian paintings. The observer and the artist are always somewhat aware of their contemporary landscape, and if the work of art has made an authentic connection to the parties involved, then the painting is a statement about the state of the culture.

Uyghur students and faculty at the Minorities University of China in Beijing were interviewed, supplemented by Uyghur art students, artists and writers in Urumqi, the capitol of Xinjiang province. The interviews were given individually, and began with the individual being shown copies of well-known Uyghur paintings. The respondents were asked to comment on what made a painting “Uyghur”. Additionally, there are discussions that appeared in *Xinjiang Art* [14], especially in the 2010 issue, pages 60-65. Some of the artists whose paintings were shown participated in a panel entitled “What Do Our Artists Say”. The topic deals with the meaning of paintings to the artist and viewer.

2. The Setting of the Investigation

The discussion on paintings and art is centered on Chinese Muslim Central Asia, the Xinjiang Uyghur Autonomous Region. The Muslim group is the Uyghurs, a Turkic people of North West China primarily related in language and ethnicity to their Kazakh, Uzbek,

and Turkmen neighbors. They are a small group in terms of China’s population of 1.3 billion, numbering 8.3 million. Although the region was formerly obscure, Xinjiang is a part of a wealthy and increasingly powerful modern China. Over the last few years there has been considerable urban development in Xinjiang, but in general most Uyghurs were raised in rural areas and are quite poor.

In Xinjiang, Uyghur and Chinese speakers typically live in separate neighborhoods, due to language difficulties and ethnic misunderstandings. In the nineteenth century, the largely nomadic and agrarian peoples of Central Asia who had urban centers near the oases were incorporated into Russia, China, and British India. After the establishment of the People’s Republic of China (PRC) in 1949 and the incorporation of Xinjiang into the PRC in the 1950’s, the PRC made a substantial investment in the region.

As a consequence of both economic development and armed conflict that has swept across Central Asia in the past decades, the lives and cultural identity of those who live there have been profoundly altered. There is an awareness of the fact that they are “Uyghur” but no clear understanding of what this might mean in the modern world. Uyghur identity is old, going back to the emergence of the Turkish people in Central Asia in the Sixth Century AD, but there is no single model for Uyghur identity. In the world that has followed the fall of the Soviet Union in 1989, many of the Turkic speaking neighbors of the Uyghurs have gained their national independence. For Uyghurs, there are many possible models of identity; the modern Republic of Turkey, the People’s Republic of China, neighboring Turkic language states such as Uzbekistan, and established Muslim countries in the Middle East and Central Asia such as Pakistan. There has been no historical state of the Uyghur people and no open discussion of the issues. There are no flags and anthems to reinforce identity. To some extent Uyghur cultural leaders such as artists serve as an agent for cultural identity. Many Uyghurs recognize and appreciate their presence.

The incorporation of an industrialized economy into the Xinjiang region of China did not occur rapidly. There was no rail connection to the province until 1970, which meant that any type of machinery could not be easily imported. In addition to the absence of rail transportation, roads were poor. It was not until the great development of the 1980's that Xinjiang was transformed from a low population density farming community with small-scale industry to a relatively low-income part of a global powerhouse. This benefited some, but at the same time it threatened every part of the community, including the skilled craftsmen. To many Uyghurs, it appeared as though the integration of the province into China and the widespread adoption of the Chinese language might mean that the Uyghur culture, including its language, would be lost. Uyghur is, however, an official language of the province, and Primary and Secondary education is offered in Uyghur schools as well as Chinese schools.

The focus here is on the, Uyghur population of Xinjiang. All the artists, all the students are ethnic Uyghur individuals born in Xinjiang speaking Uyghur, all Chinese citizens, all nominally Muslim. There is a large and active Uyghur diaspora community, but it is not incorporated in this discussion.

3. Xinjiang Encounters “ Cultural Modernity”

In “Western modernity” and its consequences in the sphere of culture and economy, two parallel processes have been observed. The first is the economic marginalization of the old producer classes, the craftsman and the small-scale farmer. The second is the rise of an educated class, the manager, the teacher, the technical expert and the artist. This separation of the artist and the artisan is the significant element in the cultural change associated with what is called Western “modernity” [11 esp. 249; 10].

Before the eighteenth century in the West, and before the late twentieth century in Xinjiang and Central Asia, an artist/artisan was a skilled practitioner and the work of art that was produced was an integral part of the

cultural life. An appreciation of the art was integrally connected with the artist/artisan's role in the life of the community. Artisans were able to express themselves individually and make profound statements through their work. They practiced a craft and self-expression only limited by the bounds set by their accountability to their audience. Thus the crafts, such as textile work, were more highly honored then than now, and the arts, such as painting and theater, were treated more like crafts than they are now.

In Western tradition, the modern system of the arts developed in connection with a market for art among the growing middle class. For the Western industrial middle class system, “Fine Arts” were divided from the crafts to become an appropriate object of refined taste. Usefulness became a negative rather than a positive feature for a work of art. New institutions devoted to the arts, such as galleries, museums, concert halls and libraries came to be a central part of the new system. The aesthetic of cultural development and the character of the artist as a critic of modern society are derived from this tradition.

This is occurring right now in Xinjiang. The People's Republic of China invested in arts and in arts education after its establishment in 1949. In 1952 Xinjiang College set up an art department and in 1958, on the foundations of this department, the Xinjiang School of Art was established. This became the Xinjiang College of Art. In the 1980s Xinjiang Normal University established a Department of Art, and these art schools continue to nurture many artists. At the same time Chinese schools of Art supported large numbers of ethnic minority artists in Xinjiang. Several dozen of these artists gradually became established, forming the backbone of Xinjiang's Fine Art scene. Specialist schools of drawing and painting were also founded, such as the Xinjiang School of Painting, which had a major influence on the development of Fine Art within the region. Popular arts developed, Uyghur television featured ethnic culture and folklore. Museums, the exhibition place of the new system, are slowly being built.

One way to bridge the old Uyghur culture and

the new Uyghur arts is in the discussion of the Uyghur *muqam*. *Muqam* is the general term for a variety of musical practices widespread among the communities in Xinjiang. Xinjiang's Uyghur *Muqam* is a composite of songs, dances, folk and classical music characterized by diversity of content, dance styles, musical morphology and instruments used. The full dimensions of this traditional performance has been described by Rachel Harris [5]. The *muqam* has been performed throughout the province regularly for centuries, although, during the Twentieth century the frequency of performances greatly diminished. Because the Xinjiang region has always been marked by a high degree of cultural exchange between East and West, and because of its location at the hub of the Silk Road, the *muqam* incorporates themes from all many of the peoples of Central Asia.

One of the first painted representations of Uyghur cultural life was the Uyghur *muqam*. Many of the oasis cities of Xinjiang had distinctive local traditions. One of the first of the "new paintings", Figure 1, illustrates this Uyghur past. It was actually painted in 1984 illustrating a Uyghur *muqam* community practice that was well in abeyance by the time it was painted. This was one of the first of the Uyghur paintings. The prohibition of the representation of the human body played a role in "limiting art to decoration", as one artist has said [14 p.63]. There were many paintings about Xinjiang, but all of them were painted by ethnic Han Chinese artists..

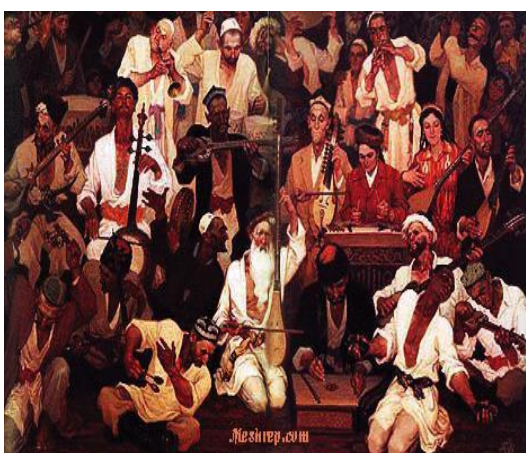


Figure 1 Ghazi Ahmet *Uyghur Muqam*

In *Uyghur Muqam* addition to featuring a subject well known to Uyghurs, there are many Uyghur objects to be seen. There are a variety of instruments, the *rewap* and the *dutar*; also the subjects wear regional clothing. Every man wears a *doppa*, a Uyghur hat. The men have similar shirts and the old men have beards. Nearly every Uyghur college students can recognize this painting. This painting can be found in classroom textbooks, and duplicated on the walls of buildings.

The painter, Ghazi Ahmad was born in March 1935 in Kashgar, and is only a decade older than the group of painters that produced the art of the current generation. He is vice chairman of the Regional Literature and Arts Union, standing committee member of Uighur History and Culture Research Academy. In 1992 Prof. Ghazi was chief designer of building decorations for the Xinjiang Hall of the Beijing Great Hall of the People. He designed the large-scale wall carpet "Ode to Tengri Tagh" presented to the Beijing Great Hall of the People in 1988.

4. The Distinctive Aspects of the Uyghur Artist and the Uyghur Cultural Aesthetic

The Uyghur artist has a critical obstacle to face: there are far more artists and art practitioners than there are customers. The Uyghur demand for art is small. As one travels through Xinjiang and Beijing it is immediately apparent that there are many Uyghurs involved in the visual and performing arts. A retired schoolteacher with a pension rents a space on a public street and paints and exhibits his paintings. A young student from the university has a friend who is pursuing a degree in music and dance, and this friend is able to get employment in Uyghur clubs and even in Chinese clubs that dot Beijing.

A travel agent in Kashgar had some paintings for sale on his walls, those of a local artist with a degree from the art school in Urumqi. Obulqassim, the artist, set up a little storefront gallery to exhibit his paintings while he pursues other jobs nearby. He repairs autos and machines in his father's shop. Obulqassim's goal is to not have to work

at other jobs. His paintings, either through the travel agent or his gallery, are sold primarily to Western tourists not at all to Uyghurs. Obulqassim also teaches art in Kashgar [7p.33]

4(a) Women as the Object/Subject in Uyghur Art

Female modesty is often the first thing that strikes a visitor to any Muslim society. How and why the tradition of 'protected female' has come to play this important role in Muslim life has inspired some anthropological debate (Antoun, 1968; Abu-Zahra, 1970), but the issue has been critical to the eye of nearly every observer of Muslim life.



Figure 2 Ting Shaokuang, Silk Road

It is difficult to escape the fact that the portrayal of women in painting has been a critical point of issue as Uyghurs interact with non-Uyghurs. This was attested to in a well-reported incident dealing with the art world that occurred nearly thirty years ago, but is just as relevant today. This incident deals with Ting Shaokuang's *Silk Road* (Figure 2), which represents one of the first exhibits of paintings in which Uyghurs were subjects of art, Ting Shaokuang being a Han Chinese artist.

From James Millward's report [8:p.3] of the event (painting referred to is Figure 2): "In

1987, anthropologist Dru Gladney witnessed Uyghur artists protesting in Urumqi over an exhibition at the Overseas Chinese Hotel. The gallery had displayed Han Chinese paintings of Uyghurs singing, dancing, riding donkeys and balancing watermelons on their heads. Particularly offensive to many conservative Muslims was Ting Shaokuang's *Silk Road*, which depicted a woman bare-breasted with a desert caravan. He analyzes this in "Representing Nationality in China: Refiguring Majority/Minority Identities," from *The Journal of Asian Studies* (February 1994): The eroticization of minorities essentializes the imagined identity of the Han (ethnic Chinese) and reaffirms Han feelings of superiority. Public, state-sponsored minority representation as both more sensual and more primitive than the Han supports the state's agenda. With the proper educational and economic progress they will eventually attain the modernity that the Han have attained and enter into the same civilized restriction."

Seen twenty or thirty years later, that is to say, 2013-2014, paintings of women are not shocking to college educated Uyghurs. Paintings such as *Khariye Women* (Figure 3) by Zoram Yasem, a Uyghur artist wins wide approval.

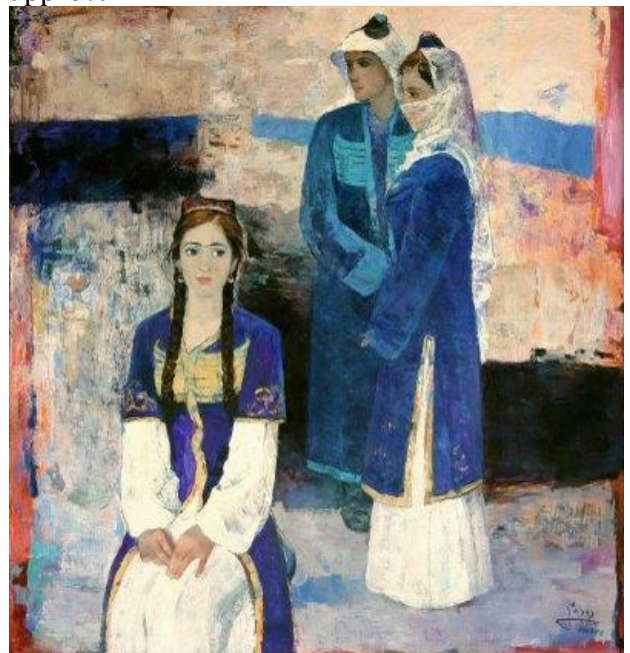


Figure 3 Zoram Yasem Khariye Women

Figures 3 and 4, both by the well-known female artist. Zoram Yasem, represent an

alternative portrayal of Uyghur women, but these paintings have also raised issues in the community. Zoram Yasem has a large series of paintings in which women appear in a variety of clothing and settings. Although it is difficult to see the *doppa* head covering in Figure 3, it is definitely there, but in Figure 4, *Uyghur Student* the woman appears in Western-style clothing with no head-covering at all. When a painting by the artist of a woman without any scarf, *doppa*, or dress characteristic of Uyghurs is shown to Uyghur respondents some, especially young men from a conservative background, will respond that the woman in the painting is “not Uyghur, perhaps Russian”.

On any visit to a Uyghur college campus or café or in cities such as Kashgar, Urumqi or Beijing one can see young Uyghur women dressed in a completely Western fashion, very similar to the woman in the painting. The same students identify the *Khariye Women* as “real Uyghurs” even though almost no woman can be seen in Uyghur urban areas dressed in this fashion. Despite the seemingly obvious contradiction to reality, both young men and women who identified a painting of the Western dressed woman, as “not Uyghur” wore no Uyghur clothes at all and dressed in an identical fashion to the woman in the painting.

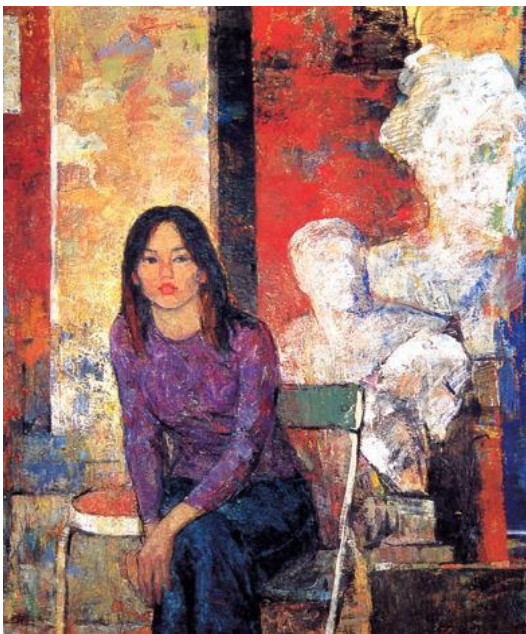


Figure 4 Zoram Yasem *Uyghur Student*

Zoram Yasem’s background is especially interesting. She did not begin to paint right away, and instead went to college and married. It was only after a divorce, rare at the time, that she went to Japan and studied oil painting, and then returned to Xinjiang to paint her series on women.[14, 2012, p.35].

Uyghur painting showed considerable development once the art school was established in Xinjiang, and the praise and criticism became much more public. The painter Ghazi Ahmet stands as an iconic figure in Uyghur art, but despite this he faced considerable criticism in a subsequent painting shown in Figure 5. Coming from a Uyghur tradition where the female body was not shown in a painting, Ahmet’s *Uyghur Meshrep* (Figure 5) is much more provocative. The year in which it was released, 1978, explains much of the criticism. The painting itself is very well known, and was exhibited in Europe, but it still evokes criticism from college students who see it on the grounds that it as “not Muslim”.



Figure 5 Ghazi Ahmet *Uyghur Meshrep*

One of the most controversial painters of Uyghur modernism is Abdulkirin Nasirdin, who has won European awards for his Uyghur paintings. Nasirdin born in 1947 in Urumqi. studied art at the Minorities University of China. In 1978 his painting *Dolan Meshrep* (*Dolan* is another oasis city in Xinjiang) was shown in France, at the International painting gallery. Nasirdin also

went to Japan after to study Japanese techniques and later worked with the Chinese painter Zhong Wei.

These days, Abdulkerim Naserdin has opened a gallery in Urumqi showing paintings of nude women. Although he is frequently called impolite names, he seems to be taking all this criticism with a good sense of humor. [14 p.63]

Criticism of Abdulkerim Naserdin's experimentalism is countered by some in Xinjiang who believe that paintings such as this are entirely appropriate. Speaking about ventures in contemporary art (in 2010 - *Meshrep* was painted thirty years before) Yelkin Ghazi, son of Ghazi Ahmet said, "We cannot say that our people's level of enjoyment is low. We have a tradition of painting and enjoyment. Now if you have a painting in your home, you have money. A painting used to fetch 4000-to- 5000 rmb (\$600-\$900) and now it fetches 40,000-to-50,000 rmb. (\$6500-\$8500)" [14 p. 64]

4 (b) Uyghur Social Realism, the World of Uyghur Object



Figure 6 Turdi Amin *Farmers Resting*

The painting shown in Figure 6, farmers resting, presents another characteristic of the

Uyghur cultural aesthetic. The painter Turdi Amin was born in Kashgar in 1951 and is one of the new generation of Uyghur artists. His specialty is the painting of Uyghur daily life, primarily the life of farmers in Xinjiang. The isolation of Central Asia and the difficult terrain meant that modern farm equipment was not available until recently. There was no rail transportation to Xinjiang until the 1970's and farming was done without machines. Simple tasks that now are handled by mechanization were carried out through collective work. One Uyghur interviewed described how, in his youth, neighbors gathered to help separate wheat kernel from chaff. They placed the stalks on large blankets, and tossed the wheat in the air. Everyone would then gather each piece on the ground, making different piles. The person being interviewed was less than forty years old, and he was describing a farming practice that took place in the late 1990's.

Farming was a labor intensive and collective, both in Xinjiang and in the neighboring areas. Rural paintings in Kirghizstan typically show workers at a gathering at their collective farm, the *kolkhoz*. Turdi Amin's painting, then, is not some isolated or idealized sample. It is social realism, Central Asian style.

What makes this a Uyghur painting are Uyghur objects. In figure 6 there are knives, sashes, farm implements, clothes and finally the faces, the beards on the men.

Uyghur everyday objects seen in paintings are part of Uyghur everyday life. Musical instruments include: the *daf*, a drum, made of hardwood, which also has cymbals; the *dutar* which is a long necked two stringed lute a pear shaped instrument; and the famous *rewap* which is 7 stringed and often decorated in snakeskin or hides and decorated by goat horn.

Uyghur food, which is tea, *naan* (a type of bread), hardened yoghurt, honey, raisins and fruit are seen in paintings. Also seen are *Sangzi* (baked buns and lamb pies), *lagmen* (noodles), *polo* (carrot and mutton fired with rice) *kepab* and *dapanji* (chicken stew with noodles). Tea is served with every meal. Spices are cumin seeds, red paper flakes, the

fat of meat used for flavoring. Look at Uyghur paintings, and you will see some of these.

When Uyghurs look at Figures 7 and 8, they see a familiar sight: a Uyghur bazaar. The bazaar is a place where Uyghurs meet their friends, shop for household goods and in general have a good time. It is the Uyghur public place. Even little residential areas have their own bazaars once a week. In Urumqi the Uyghur district of that largely ethnic Chinese city is centered at a area called *Er Du Qiao*, but Uyghurs simply call the area "Bazaar", as at is called in all uyghur journalism or fiction. Every city has one.

The animal bazaar (Figure 8) is a very distinctive institution. It is common to find livestock animals in the yard of Uyghur homes; generally people keep sheep or goats, and sometimes cows. A family member, primarily a male as we see in the painting, goes to the animal bazaar and may buy a calf or a young sheep, and the family will sell the animal when it is older.

The country bazaar scene (Figure 7) has other Uyghur objects, such as pots for tea and baskets of Uyghur bread, *naan*. All the Uyghur men have hats of one type or another, and all the Uyghur women have head coverings, and more.

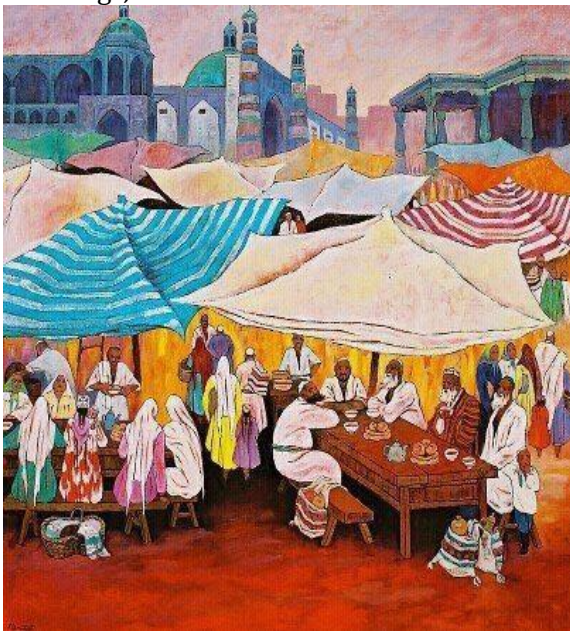


Figure 7 Mohammad (ay'it *Country Bazaar*)

Some of the students who saw *Country Bazaar* observed that all the men are sitting at one table and all the women are sitting at another. Several Uyghurs, aware of the fact that Westerners often say that there is discrimination in Muslim society against women, expressed an interesting qualification: perhaps these are groups of friends, all the men are friends and all the women are friends.

The point was then raised that if all the people were members of the same family, they would all sit at one table. It is true that in restaurants families sit together, the men do not sit at one table and the women at another.



Figure 8 Nijaz Haji *Animal Bazaar*

One respondent, a graduate PhD student in Uyghur Language and Literature, made the point with some emphasis that the separation in the picture absolutely did not represent discrimination. "It is simply more convenient," he said, "for women to sit together at one table and men at another. A woman might be nursing an infant, for instance." (e continued, "I went home to a wedding recently and all the men were in one room, and all the women were in another. Even that was not discrimination." Other students, usually young women, wee not so certain about that.

It is a fact that, when a Uyghur artist wants to paint a scene in a “public place” such as a bazaar, that scene is gender separated, at least at the current time.

5 “Culturally Modern” Islam in an Age of “Global Islam”

Fifteen years ago, a well known a well-known American sociologist with a Muslim background, Mansoor Moadded, made the following observation, differentiating between the Muslim experiences under various settings. Moadded contrasted two types of Islam [9, p.108-109]:

From the nineteenth century on, Europeans and their Westernized allies in the Islamic restrictions on women, criticized men's attitudes and behavior toward women, and rejected polygamy.

Uyghur painting has been closely associated with modernism. Right from the origins of art in the “new China”, in 1949, painters were depicting human form and depicting women as a part of ethnic culture; Uyghur artists have been running against the grain of fundamentalism since then.

Moadded [9, p.111] argued that liberalism in Egypt and India was made possible by the decline of the old Islamic elite. “As a result, the requisite social resources and space for new culture production were provided, a pluralistic discursive field emerged, and the growth of Islamic modernist discourse was made possible”.

Moadded makes an excellent point, but perhaps the future of “culturally modern” Islam is uncertain. Perhaps we are now in the age of “post modernity” in the Islamic world. In the new globalized Islamic culture, the world has seen a reawakening of conservatism or fundamentalism.

The artists studied here, and the impact of their art, are decidedly liberal and anti-fundamentalist. Even the choice of medium, oil painting, involves “Uyghur subject matter and Western and Chinese techniques”, as one professor called it. It is not simply the social distance between urban and rural dwellers, or

countries have predominantly condemned Islam for its mistreatment of women. The responses of the Islamic scholars have been diverse. In Islamic fundamentalism, there is an outright attack on the West for its cultural 'decadence' and sexual promiscuity. Women are instructed to cover their bodies from head to toe with the exception of the face.

Alongside fundamentalism, Moadded argued: In contrast, a group of modernist Muslim theologians, notably in India and Egypt around the turn of the century (1900) , advanced a modernist exegesis of the Quran, arriving at an Islamic feminist conception of gender relations. These scholars championed women's rights to education and involvement in social affairs, questioned the existing between middle class and poorer Uyghurs. Those that were interviewed were all college educated or in the process of gaining a college education, and in that sense, all were potential members of a Uyghur educated elite.

The artists, too, understand there is a danger that the new Uyghur art may be too far away from contemporary Uyghur culture. In the discussion concerning Uyghur art [14:640] Turdi Imin maintained that there is no Uyghur “painting style” now, only Uyghur painters. Yelkin Ghazi pointed out that there are no Uyghur museums; there are some galleries, people rent a space, but otherwise there are almost no means of exhibiting one's work. Yelkin Ghazi also pointed out that there are no copy write laws. Restaurants will hang copies of paintings on walls, but no one ever asks permission from the painter. On the positive side, Zoram Yasem said that “previously people would decorate their home by buying carpets, but now people purchase paintings; people have some extra money, but most in Xinjiang have no money, and most cannot understand a painting. There is a real problem.

So it is that, as a practical matter, the cultural elites, though some are personally successful, are challenged by their own culture. The initial victory, the establishment of a contemporary Uyghur art, has been won. The age of post modernization, the age of globalized Islam does not look quite friendly to contemporary art or liberal Islamic culture.

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Certainty among adolescents of Prishtina: gender differences

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Abstract

The present study was designed to:

(1) Describe, for pupils who completed the last year of high school, demographic data and level of career certainty, and

(2) Examine gender differences for career certainty.

Based on the study's objectives, research questions and a hypothesis were drawn:

What is the career certainty level for adolescents from Prishtina?

Are there gender differences in career certainty among Prishtina adolescents?

The study's hypothesis: There are gender differences in the level of career certainty among Prishtina adolescents.

The sample consisted of 200 high school pupils; 50% were female and 50% were male. Participants in the study were selected through random stratified sampling. The Career Decision Scale was used to measure career certainty; demographic variables were also included in the instrument. The level of career certainty was determined by descriptive statistics, while results from independent sample t-tests showed no gender differences in career decision-making.

Key words: *career certainty, adolescents, gender differences*

1. Introduction

Literature review

Choice, which consists of considering one alternative over many others, is one of the most challenging processes for adolescents [1] (Harris, 2009). Choosing one alternative among others is not easy. Choice of career is one of life's most important decisions. Aspects of career are explained by several theories; status of career choice is one important aspect of career development. This

factor is defined as "the scale of career choice" by Osipow, Carney, Winer, Yanicop & Koschier (1976) [2], consisting of two factors: certainty and indecision in career choice.

According to Shulenberg, Vondracek & Kim (1993) [3] career certainty represents a scale on which individuals feel certain in their career selection, while career indecision represents specific issues that can prevent the individual from making a decision for his or her future career.

The interest in studying certainty and indecision was seen even by Parson (1909) [4]. In his study, Parson classified individuals into two groups: certain and uncertain about their career [4]. Williamson (1973) was also interested in the certainty of adolescents on career selection. According to him [5], academic achievements could be predicted from the certainty of a career decision.

Based on many studies, the status of making a career decision was seen to correlate with many other constructs. Kelly and Cobb [6] were interested in finding, through their study, the influence that gender could have on the status of career choice. Besides their assumptions on gender differences, the points regarding status of career choice were equal between boys and girls [6]. Similar findings were seen from the study of Neice & Bradley (1979) [7], Stead (1989) [8], and Taylor & Popma (1990) [9]. In some other studies, boys reported higher certainty than girls in career choice [10],[11], while some studies showed the opposite [12], [13].

There is much evidence from many countries of the world regarding studies in this field, but in our country such a study has not yet been conducted. There are no data on gender differences in the career decision status of Kosovo's adolescents. The current study aims

to offer some data regarding this aspect; its goal is to understand the status of Kosovo adolescents regarding career choice, and their certainty in the decision. The study also aims to understand the certainty of making a decision among male and female pupils. Based on these objectives, research questions and a hypothesis were drawn:

a. What is the level of career certainty for adolescents from Prishtina?

b. Are there gender differences in career certainty among Prishtina adolescents?

Hypothesis: There are gender differences in level of career certainty among Prishtina adolescents.

2. Methodology

2.1 Participants

This study involved 200 pupils after their last year of high school, the High School Gymnasium "Sami Frashëri" in Prishtina. Participants in the study were selected through random stratified sampling; the list of all last-year pupils was first divided into two parts, based on gender, and from each list 100 pupils were randomly selected. Thus, 50% of participants were female and the other 50% male. All pupils were Kosovars.

2.3. Instruments/measurements

2.2.1 The part on demographic data

The first part of the questionnaire involved questions on demographic data, such as age, gender, and residence.

2.2.2 Career Decision Scale (Osipow & Gati, 1987) [13].

To assess career certainty, we used the 'Career Decision Scale,' designed by Osipow and Gati [13]. This scale consists of two factors in career choice: certainty and indecision. The questionnaire contains nineteen questions in total. The first two questions measure career choice certainty; questions 3-18 measure indecision, and the last question, 19 in this questionnaire, offers an option for participants to express additional information. The questionnaire was initially tested for

reliability in a sample of 40 high school students, and showed an internal consistency coefficient of .926. Besides the Cronbach Alpha analysis as a whole, the same analysis was conducted for each scale. The internal consistency coefficient of Cronbach's Alpha for career certainty resulted in .949, while the internal consistency for career indecision resulted in .946.

2.4. Study design

The study design is descriptive. Differences between two independent groups are analyzed, without any intervention. From variable control, the study is ex post facto. From the time dimension, involving a single group of last-year high school participants, the study is single cross-sectional.

2.5. Procedures

Permission for administering the questionnaire in school was obtained from the school director and the Ministry of Education, Science and Technology. After procuring written consent of both institutions, and agreement with the school director, a schedule was set for questionnaire administration. The school provided lists of all pupils, divided by gender, for random selection of 100 girls and 100 boys. After selection of the sample, the pupils were invited to a meeting where they were thanked for participating and given explanations for the study. The pupils were given an administration date and time for filling in the questionnaire. The students were assured their responses would remain anonymous and used only for research purposes. At the designated time, the questionnaire was implemented. All the selected pupils participated. Before filling in the questionnaire, they signed a written consent to participate. The completed questionnaires were coded and typed in as data on SPSS 20. The descriptive analysis was conducted first; frequencies and comparison of averages was done through a t-test.

3. Results

3.1 Descriptive analysis/ statistics

In the present study 200 respondents participated, 100 of which were female (50%) and 100 male (50%). Regarding age, 93% were 18-year-old last-year pupils; 7% were 19-year-olds. With regard to geographical data, 88.5% were pupils from Prishtina and 11.5% came from villages in the Prishtina Region.

Descriptive analysis of the data shows that 162 (81%) out of 200 participants in the study had decided on their career, while 38 (19%) did not, even two weeks before completing high school. In the question regarding choice of career, 18.5% of participants reported Economics, 7.5% Architecture, 7.5% Law, 5% Psychology, 2.5% Medicine, and lower percentages for other fields.

Pupils also reported on the scale of certainty in their decision. Fifty-six percent of participants who made their career choice reported a high level of certainty for their decision; 18.1% reported an average level, and 25.9% reported a low certainty on their decision.

3.2 Inferential analysis/ statistics

The study's second objective was to analyse gender differences in career choice certainty among adolescents of Prishtina. In order to research this, the independent samples t-test was used. Data drawn from the t-test are presented in Table 1.

Table 1.

Independent samples t-test for differences in score based on gender

Scale	Gender	<i>n</i>	<i>M</i>	<i>SD</i>	<i>t</i>
Career certainty	Female	100	6.4200	1.81007	1.348 .179
	Male	100	6.0800	1.75626	

Note: Descriptive statistics and t-test values for gender differences on career certainty.

From the analysis conducted with independent samples t-test, the column called 'Levene's Test for equality of Variances' was initially

analysed, which resulted in a value of .322 and *p* .571. Since the level of *a* is higher than .05, it is clear that we have equality of variances and can proceed to analysis of the second column of t-test values, which result in *t*=1.348 and sig.179. As we can see, the significance level is higher than .05 for the t-test values also.

4. Discussion

The results of this study give answers to both research questions. Regarding the level of certainty in making a decision among participants who decided on their career, the majority of last-year pupils reported a high level of certainty in their decision, while the others reported an average level of certainty and low level of career choice.

Results from the t-test answer the second research question. Based on 'Levene's Test for equality of Variances,' and the t-test values, we can conclude that variances within the group are equal and there are no gender differences in career certainty. Based on these data the research hypothesis is denied, while the null hypothesis is supported. Data from this study are in line with findings from other studies, which showed no significant differences between male and female in career choice certainty [7], [8] and are not consistent with other studies that recorded significant differences for career certainty among girls and boys [10], [11], [12], [14].

Limitations of this study include the aspect of sample scope. Prospective research should consider replication of the present study, and include student samples from all seven regions of Kosovo. Future research should also take into account the analysis of factors that influence low career certainty among adolescents of Kosovo.

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An Ethnographic Study of the Marriage Matchmaking Corner in a South China City

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Abstract

The “Marriage Matchmaking Corner”, located in public parks, is a site for the parents to seek potential marital partners for their grown sons and daughters. Ever since 2005, when the first “Corner” was established in Beijing, it has been an increasingly popular phenomenon across China.. Nevertheless, it is interesting to ask why these parents are still so eager to influence their children’s marriage decision, when China is more urbanized and industrialized today. In this paper, I review the institutional changes of matchmaking services in contemporary China. It illustrates that the state and the market in turn configure the institutional settings of matchmaking services in China. More than just a matchmaking place, the Marriage Matchmaking Corner reflects the parents’ active response to the dramatic political movements and economic reforms. It also hopes to contribute to the discussion of the active agency of the individuals against the institutional transformation of family.

Keywords: Family, marriage, matchmaking, China

Introduction

On every Saturday and Sunday, hundreds, sometimes even thousands of people gather at a corner in a public park, stating their information and criteria on sheets of personal advertisement, seeking ideal wives or husbands. This is an emerging activity in Guangzhou. In fact, since the first one established in Beijing in 2005, the similar “Marriage Matchmaking Corner (*xiangqinjiao*/相親角)” has spread all over the cities in the

People’s Republic of China. The criteria, such as height, personalities, education, occupation, income and even citizenship status (*hukou*), are always the key bargains in the negotiation between men and women. Interestingly though, the parties involved in the negotiation are usually the parents there. As a matter of fact, the parental influence on marriage mate selection is not uncommon in the PRC. According to an online survey, nearly one-fourth of the respondents reported that their parents still involved in introduction of dating mates for them. Therefore, regarding the activities at the Corner, the commentaries are often linked to the discussion of parental influence on children’s mate choice. As “left-over men (*shengnan*/剩男)” and “left-over women (*shengnv*/剩女)” have been described as a social problem, the media often shows empathy to the participating parents, calling it as “the great devotion of parents (*keliantianxiafumuxin*/可憐天下父母)”. On the other hand, the parents are also criticized of being too calculative and materialistic over the marriage of their children. Very often, the roles of parents are stressed in describing their behavior at the Corner. However, their genuine motive and emotion, as individuals, are seldom mentioned. We may wonder, while there are similar matchmaking activities organized by other agencies or associations, why these parents still want to make one by, and for their owns. Apart from the discourse of family obligation, how do they make sense of it?

In the very first systematic study of the Marriage Matchmaking Corner, Sun, with her example of the Shanghai case, keenly describes the Corner as a marketplace of marriage seekers employing market rationality in calculation and competition (Sun, 2013). She

argues that the phenomenon of the Marriage Matchmaking Corner is literally characterized by its complex interplay of socialist legacy and values of market economy. Its widespread popularity reveals more general anxieties of the transformed society besides their concerns over their children's mate choice. On the one hand, the participating parents complain that working hours nowadays are too long for their children to have a normal social life. Moreover, there is no organization, not even the companies, neighborhood or government to take care of this problem. Therefore as parents, they feel obliged to help their children to find marital partners, or just to expand their social circle. On the other hand, she brilliantly unravels another function of the Corner. That is, despite the low success rate, there is a mutually helping community established to sooth their parents' general anxieties of alienation and ill-adaptation to the diminishing community life in the market economy. Thus she calls this type of marriage matchmaking place as the "Silver-hair (parental) Matchmaking Corner (*baifaxiangqinjiao/ 白髮相親角*) in particular to distinguish this parents-led matchmaking site from the others. Following this analysis, we can pay attention to the parents as individual agents, who are creating collective action, besides their effort in exercising their familial obligation, in response to the rapid changing society after market reforms.

As Sun emphasizes, parents are the main actors of this self-helping organization, although they always speak of their children. In addition, her analysis insightfully contextualizes such phenomenon in the fast-changing Chinese society in the post-reform era. In this framework, I believe, my case of the Corner in Guangzhou will contribute a valid example in expanding our understanding of the individual agency in response to the transformation of family in the context of post-reform China. Guangzhou, as a frontier city in the early experiment of market reforms, has always led the innovation of economic policies. For example, in the PRC, the first corporatized marriage agency was founded by the Guangzhou Committee of the Communist Youth League in 1982, which symbolizes the

demarcation of the state's direct planning in marriage issues. In addition, as a rapidly urbanizing city, there are signs that family pattern in Guangzhou is further deinstitutionalized (Cherlin, 2004) than the national trend. For example, according to the 2000 China census, for the population of age 15 and above in Guangdong (Guangzhou data was not available), the unmarried rate was 31.9%, much higher than the national standard of 20.2%, while the rate of Shanghai was 19.9% (National Bureau of Statistics of the PRC, 2001). Hence, the experiences of the Guangzhou citizens may have theoretic implication for our discussion of the relationship between individuals, family and the state in post-socialist China.

Another thing that really draws my attention is the gender relation at the Marriage Matchmaking Corner. It is well-known that the gender ratio of the Corner is highly imbalance. Due to Sun's observation, there were over of the registered marriage seekers were female (Sun, 2013). I expect similar pattern in my Guangzhou case. However, if we take a look at the census data again, we can find that the gender ratio of unmarried population was 1.12 male to one female, which meant there were 106479 more single men than their female counterparts in Guangdong in 2000 (National Bureau of Statistics of the PRC, 2001). There is certainly an unequal gender relationship at the Corner. However, instead of simply accusing the discrimination against women, I would like to investigate the complex dynamics and hierarchies between and within genders, as presented by the participant. To analyze the participants' sense-making action, I will borrow Bourdieu's concept of *field*, *practice*, and *habitus* (Bourdieu, 1984). In this framework, the Corner is a particular field, where the individuals exercise their inscribed habitus into immediate practice, which highlights the dynamic relationship between structure and individual actions. In the framework, I will try to illustrate how the participants do family at the Corner in the context of post-socialist China.

Literature Review

The culture of marriage matchmaking has long been recognized in Chinese history. In traditional practice, parental decision and professional matchmakers' words (*fumuzhiming meishuozhiyan/ 父母之命 媒妁之言*) were decisive to a marriage, which was radically attacked as feudalism by the Chinese intellectuals in the New Culture Movement in the 1920s. However, the nation-wide "family revolution" was finally thoroughly achieved by Chinese Communist Party after the founding of the PRC in the 1950s (Yan, 2003). In the history of the People's Republic of China, family has been a contested domain through series of reforms and revolutions. In 1950, one year after its establishment, the party-state promulgated the New Marriage Law, stating that "a marriage system based on the free choice of partners, on monogamy and on equality between man and woman shall be applied" (Article 2, the Marriage Law 1950), which manifested the state's decisive prohibition of the parental arranged marriage. Free-choice marriage was regarded as a crucial agenda to liberate youth, especially women from the trap of traditional family (Evans, 1997). In fact, the Chinese Communist Party regarded the "family revolution" and women emancipation as the crucial steps to the communist revolution. One of their major agenda was to weaken the authority of feudal patriarchal family. Since then traditional matchmakers were condemned. The party-state launched series of campaigns to promote the ideology of "modern family", through political propaganda, educational materials and local education teams.

Goode's classic thesis of family modernization predicts that as industrialization and urbanization develop, conjugal family, as the most efficient unit in market economy, will eventually replace the traditional extended family. And thus, the power to make a marriage decision will shift from parents to children (Goode, 1963). In general, the more economic activities organized by institutions outside family domain, the more autonomy of individuals will gain, including the choice of marriage (Thornton & Fricke, 1987). While

Goode's thesis identifies economic development and cultural diffusion as the major factors of family modernization, Whyte emphasizes the role of state engineering from his study of transformation of marriage and family in China (Whyte, 2005). The institutional transformation of family in the contemporary China is characterized by the extensive state intervention. Although free-choice marriage was guaranteed by the Marriage Law, the definition of free choice was subject to the state's supervision. For instance, in the highly politicized context, choosing a marriage partner from the "bad class" was condemned. Because the party-state upheld socialist ideology that regarded family behavior as contributing force to the collective revolution, pursuit of love and passion was stigmatized as bourgeois individualism (Evans, 1997). At the end, the state's supervision was successfully achieved by the establishment of work unit system (*danwei/ 單位*). The urban and rural areas were divided into cellular units and each unit was a self-sufficient community where public facilities to meet daily needs were provided. In addition, work unit system had considerable influence on people's personal life, due to the occupation of personal time by political activities (Croll, 1981; Wang, 1995), the bureaucratic allocation of jobs and welfare, such as goods vouchers and housing apartment (Davis & Harrell, 1993) and the shortage of commodity market (Walder, 1986). However, the state's family campaigns were not without resistance at the beginning. Especially on the community level, the bureaucrats sometimes were reluctant to confront with the domestic authority as their interest would be threatened (Andros, 1983). Nevertheless, such campaigns, and the freedom of marriage choice in particular, were widely received by the younger generation. When disputes occurred upon the marriage decision between parents and children, some women came to consult the local cadres or work unit heads for their support in opposition to their parents' arrangement (Croll, 1981). In addition, after the legalization of divorce right in the revision of Marriage Law in 1981, divorce increasingly became a bargain chip for women to stop their husbands' abuse, because this type of women-initiated divorce could cause unbearable cost

and stigma for men (Yan, 2003). The reception from the perspective of individuals may supplement to our knowledge of the success of socialist revolution in addition to the angle of state power.

The socialist family revolution, to a certain extent, was successfully carried out. Despite the political upheavals, people actually led a relatively stable family life during the collective period (Davis & Harrell, 1993). While the majority of Chinese people lived in nuclear or stem family, it did not indicate the importance of family was weakened along with the decline of the traditional family. On the contrary, certain policies of the party-state in fact strengthened the family cohesion. For example, family-kin members were usually assigned with apartments within the same community. On the other hand, kinship network was often relied on for recruiting workers, even in the state-owned enterprises (Walder, 1986). In case of urban cities, policies such as strict mobility control, large-scale construction of housing blocks, which both encouraged family members to accommodate nearby, and the job allocation system, which heightened the children's reliance of their parents, though might be an unintentional consequence, all contributed to the "ultra-stable" family life that was distinct from urbanization experience in the Western societies (Whyte & Parish, 1984). Meanwhile, Davis & Harrell mentioned that the relatively stable post-war period, when the party-state accomplished large-scale urban infrastructure construction, enabled the people to achieve their family ideal they were unable to make it during the wartime before then (Davis & Harrell, 1993). In consequence, family life was closely dependent on work units in the Maoist era and thus, the border between private and public sphere was blurred. In other words, family life was highly politicized and collectivized.

However, even though the so-called "family modernization" was accelerated by the state power, a modern sense of marriage choice freedom was not yet accomplished before 1980s. By advocating the "modern family" model, the party-state eventually replaced the patriarchal heads of the traditional family in governing family behavior. In the new model,

local cadres and leaders of work units deeply involved in people's family life, especially serving as negotiators in solving family problems, ranging from quarrels, divorce to mate selection (Whyte & Parish, 1984). The approval of work unit heads was necessary in order to gain marriage registration, although in most cases, parents' consent still remained significant (Croll, 1981). On the other hand, the ideological movements of the party-state began to shape the individuals' rationality of marriage expectations and criteria. Class background, party membership, occupation in the bureaucratic structure or the large state-owned enterprise became preferred qualities of mate selection in the 1970s (Whyte & Parish, 1984). Of course, instead of the political ideals described by the party-state, such mating criteria also implicated secure material life in the layman sense, especially for women (Croll, 1981). Regardless of political model of mate choice, a major problem for the youngsters was that they found it difficult to a stage of casual mate selection. Due to legacy of the traditional Confucian value, and more importantly, an undeveloped market society to provide facilities outside work units' surveillance, there was a lack of dating culture for the young men and women to have casual contact (Walder, 1986; Whyte & Parish, 1984). According to a survey of 586 women who married before 1987, the majority of them did not have premarital courtship with other men except their husbands (Xu & Whyte, 1990). To be clear, dating in the public was recognized as a serious engagement to marriage and breakup would leave notorious fame to each party (Xia & Zhou, 2003). It was not surprising that the party-state bureaucrats, in as early as the late 1950s, began to organize mix-sexes activities in work units, and sometimes there were inter-unit ones (Bullough & Ruan, 1994; Whyte & Parish, 1984). The state-run mix-sexes activities were particularly welcomed by the younger generation. However, originally as a welfare provided by the work units, not until 1980s, when over ten millions of "sent-down youth (*zhiqin/ 知青*)" returned to their home cities from the "up to the mountains and down to the countryside" movement, such mix-sexes activities were expanded to a large scale to meet the public demands (Sun, 2013). In order

to response to the large demands of marriage seeking from the younger generation, the central government coordinate series of working meetings for policy-making discussion. Finally, the Trade Unions, the Communist Youth League and the Women's Federation were ordered to be in charge of organizing activities for young men and women, for particularly the purpose of matchmaking. With relatively low service charge, going to dance hall, parties and outdoor tours, organized by the above official bodies became trendy leisure during the 1980s. In fact, while the party-state, on the one hand regarded marriage matchmaking as a political task, and was pushed by the public demands on the other, a transformation of marriage matchmaking was witnessed. It was indeed embedded in the negotiation between the state and the public. It became a public and political issue.

Impacts of the Market Reforms

Collectivized structure of family, which the party-state maintained via the system of work unit, has been rapidly disintegrated since the market reforms in the 1980s. To save the PRC from bankruptcy, the then president Deng Xiaoping decided to promote series of reform policies to allow the development of commodity market. As the party-state's role has been redefined, its intervention has sharply retreated from the individual life (Davis & Arrell, 1993). With the state's budget cut for all-encompassing welfare, the work units were no long able to organize social activities. In addition, the SOEs were corporatized. More than 20 million workers were laid off and were asked to face the competition in the labor market (Lee, 2000). Furthermore, family and marriage has been increasingly regarded as a private issue rather than a political task, except the implementation of the One-child policy. As a result, private companies and SOEs no longer intervened in the marriage and family life of the employees along with the declining authority of the work unit. The market reforms, by embedding the economic rationality in the social activities, cause no less revolutionary impacts on the family institution. However, not to mention the legacy of state planning, the changes brought by

the market reforms are simply not unidirectional. On the one hand, as documented by many scholars, traditional rituals, such as dowry, bride price and lavish wedding, once oppressed by the party-state as feudal practices, have become to re-emerge since the 1980s. Nonetheless, rather not as a simple resurgence of traditional practices, it is influenced by the marketization (Siu, 1993). For example, a housing property, or at least a down payment, which now can be as much as several hundred thousand RMB s regarded as a symbolic, yet necessary bride price today. On the other hand, the development of market economy, by further weakening the family as a production unit, inevitably leads to deinstitutionalization of the family institution (Cherlin, 2004). There is a steady increase of divorce and remarriage rate after the market reforms. For example, the refined divorce rate (number of divorces per 1,000 population) rose from 0.85 in 1979 to 2.62 in 2007, while the remarriage rate (percentage of remarriages among the individuals who married each year) increased from 3.05% in 1985 to 10.24% in 2007 (Wang & Zhou, 2010).

In the post-reform era, the marriage matchmaking culture has inevitably been transformed. On the one hand, the party-state no long requires the work units to organize matchmaking activities. On the other hand, marriage matchmaking agencies emerge in the commodity market. The three semi-official organizations, namely the trade unions (*GONGhui/工會*), the Communist Youth League (*gongQINTuan/ 共青團*) and the Women's Federation (*FULian/ 婦聯*), which were the main providers of leisure activities during the collective period, are representative to reflect the diverse strategies of the local organizations and affiliations of the party-state to adapt to the transitional economy. Their significance is so rooted in people's mind that a compound word "GongQinFu" was created to refer to the three organizations in everyday language. After market reforms, there has been reconfiguration of the matchmaking services in these three organizations. While this was removed from the agenda of the trade unions, it was shifted to the other two. In fact, the first corporatized marriage agency, as mentioned,

was founded by the Guangzhou Committee of the Communist Youth League in 1982. As a self-financing body, the Guangzhou Youth Marriage Agency (Guangzhou Qingnianhunyunjieshaosuo/ 廣州青年婚姻介紹所) has sought to provide services in the professional and marketable package. Another similar agency was set up in Shenzhen two years later. On the other hand, the Guangzhou branch of the Women's Federation, for example, founded the affiliated family service center in 1984, which provides service ranging from baby-sitting, marriage matchmaking to family counseling. Such reconfiguration reveals important implications that marriage matchmaking activities have become more private, gendered and commoditized since the market reforms.

In post-reform China, the tremendous socio-economic changes create complicated and even contradictory impacts on people's marriage decision. On the other hand, despite the party-state no longer exert direct intervention, various policies still directly or indirectly influence people's family life. To name a few, since material subsidies and housing apartment was no longer assigned by the state, economic issues have been major individual concerns. Thus, economic prospects become more and more important criteria for mate selection throughout the decade (Chang et al., 2011). While Chinese people gain more opportunities to approach popular culture, such as music, TV shows and movies from the West, romantic love is valued as a core foundation of marriage (Farrer, 2002). In addition, although hukou policy is still enforced, it becomes ineffective to control the migration flow from rural to urban areas, which results in a trend of longer-distance marriage (Fan, 1998). Along with the cultural diffusion, a new set of gender roles, that define breadwinning father and homemaking mother prevail in the market society (Brownell & Waaserstrom, 2002). Nevertheless, while in urban area a pension system is still maintained by the state, it reduces the children's monetary obligation to their elder parents. On the contrary, by financial support, parents regain influence over their adult children (Whyte, 2003). Parental influence is maintained as also

their *guanxi*, or interpersonal network, still play in role for their children's educational and job opportunities in the market economy (Riley, 1994). However, as Riley emphasized, instead of absolute control, parents involve in the negotiation process of marriage decision with their children, as the latter always pursue autonomous choice. Another crucial change is the increasing inter-generational affection, that parents and children have a higher degree of emotional bond than before (Jankowiak, 2002). In sum, in the context of transitional society, complicated by the resurgence of traditional values, legacies of socialist policies and the development of market economy, Chinese people encounter increasingly difficult decision of marriage.

In such context, the phenomenon of Marriage Matchmaking Corner emerges and gains widespread popularity across the PRC. As mentioned, the Corner is not just a place to solve the difficulties of finding marriage partner, whereas it reflects a sense of anxiety and insecurity of the general public in the rapidly changing society in post-socialist China (Sun, 2013). In my study, I will investigate the reasons why the parents set up the Marriage Matchmaking Corner in Guangzhou, with particular attention to their individual agency and the interconnectedness of the structural changes. By adopting a decentralizing concept of doing family and gender (West & Zimmerman, 1987), I do not regard family and gender as process of individual sense-making instead static institutions.

Research Methods

My ethnographic fieldwork included observations, semi-structure interviews and group discussions. As a routine procedure, I estimated the number of participants and summarized by age group (roughly young and elderly participants) and sex. Then I tried to invited informants by presenting my name card and introducing my project. Later on, some sense of rapport was established with three volunteers, who turned out to be my key informants. They helped me to clarify some information of the "Corner" as well as to recruit more interviewees by their introduction. Sometimes) stayed on their "registration desk"

to observe their procedures and their conversation with the other participants. On average, the sex ratio was roughly the same, while sometimes female participants seemed to be more, as they were more likely to gather in circles and thus more visible. The young adults made up one-tenth of the population there. The young adults tended to walk with their friend(s). Although it was quite rare, there were a few cases that the parents brought along their sons or daughters. One of these kinds was included in my interviews. In sum, there were 16 field visits and 20 interviews successfully conducted, which included about 30 informants. Three out of the interviews were informal group discussions. Except two cases for sons, all informants joined the event for their daughters. In particular, three young men and women respectively were included to compare their views with the elderly parents. Among the informants, seven of them were the organizers, while three were the founders. Since all interviews were done on the site, sometimes during my interviews, some other participants were attracted to join and leave casually. Whereas they would distract my interview direction, it was quite useful for me to grasp the information more comprehensively at the beginning. Afterwards I tried to ensure the coherence by inviting the informants to sit down aside. The interview guide included three key sets of questions about their stories of participating in the “Corner”, the communication between parents and their children and their gender ideologies. The next section would present their stories of participation in detail. Except Auntie Li and Mr. Xing who agreed to show their real names, every informant would be assigned with a pseudonym to protect their confidentiality. In the analysis, I will introduce key information, including the (pseudo) name, age, (former) occupation and whether or not a Guangzhou local at the first time the informants appear. All informants in the individual interviews signed the informed consent forms. The ethics of the research procedure has been approved by the Faculty of Social Science of the Chinese University of Hong Kong.

The Establishment of the Marriage Matchmaking Corner at Guangzhou

I heard of the Marriage Matchmaking Corner on the Internet in February, 2013 when they announced to be established in the following March. Guangzhou is the capital city of Guangdong province, three hours' ride away from Hong Kong. I visited the field site during July to August, 2013 and December, 2013 to January, 2014 respectively. The Corner was held on every Saturday and Sunday afternoon, from 2pm to 4pm. At the first visit, I went to the Remin Park in the Guangzhou old downtown according to the Internet information but found nothing there. It was later found that location had been moved several times from the Remin Park to the Yuexiu Park and finally the H Park (pseudonym is used to protect the participants). The organizers did not gain official permit for gathering for the marriage matchmaking event and thus were repeatedly expelled. Eventually after widespread and positive news report, the district government turned a blind eye to their settlement in the H Park. The H Park is a major municipal park in H district, which is a newly developed urban center. The organizers found it easily accessible by public transport so they moved there. However, the Corner locates in the open air where there was no shelter to keep the participants from rain and storm. Thus sometimes there were complaints from the participants to ask for government's assistance. However the organizers wanted to enjoy more autonomy. They formed a voluntary team, called the “(Park Voluntary *Hongniang* (紅娘/ matchmaker, traditionally usually female) Team” to manage the activity. It is interesting that they specifically picked of the term *Hongniang*, which can be literally translated as “Red Ladies” instead of a more neutral term *Hunjie* (婚介/ Marriage Introduction) or the “(Parental) Marriage Matchmaking Association” that are used elsewhere. “As I suspects, it may imply several meanings. The first implication is a differentiation from the commercial marriage matchmakers, who often use the latter term. On the other hand, *Hongniang* also implies a more personal relationship than the second one. Moreover, it may imply a connotation to

the go-between in the traditional arranged marriage. Despite its feminine label, the voluntary team contains several male members. At least three of the male members are young men who look for mates for themselves. Two of them were interviewed and will be mentioned later. The voluntary team was a rather loose association. They did not register to the official bureau, nor did they have a full list of team members. A membership card marked with a number would be issued in person when someone asked to join the team. Auntie Li and Mr. Xing, the people in charge, generally permitted most application. According to their record, they had around 40 volunteers. However, on average no more than 20 showed up every time. The registration was solely handled by Li. On a routine basis, Li kept filling the personal advertisement forms for the parents all day long, while the other volunteers took turn to hang up the personal advertisements on strings hoisted upon tree branches. Some of them were just placed on the ground. There were more than 6000 registered mate seekers by the last January. However they could not display all of them on a single day. They roughly categorized the personal advertisements to different sections according to age and sex, such as “post-80s women/ men” and “post-70s women/ men”. In particular, there was a zone called “overseas youths”, which implied certain class differentiation other than age and sex. After several waves of media coverage, the number of participants boosted to over 1200. As my observation, on average there were 300 to 600 participants each time. As the area is not spacious, consisting of several paths separated by arrays of bushes, it was often crowded on the event days.

The Founders

The Marriage Matchmaking Corner was founded by Auntie Li and her husband Mr. Xing. While Li has presented on a number of media reports and thus was regarded as the founder, Mr. Xing also played a role of backup coordination. The couple came from Liaoning, a Northeast province 2800 km away from Guangzhou. They moved to Guangzhou after retiring from a state-owned enterprise to join

their 31 year-old daughter, who worked as a college teacher there. Such long-distance migration is not unusual in China after the market reforms. Although hukou, which is a household registration system with social securities attached to restrict mobility, is still enforced, their daughter had privilege to change her hukou to Guangzhou as she finished college there. Living their retirement life in Guangzhou, the primary concern of Li and Xing was their daughter’s marriage, since their daughter was their only child. The story sounded quite common that she had been busy on work and then it was a bit late for her to find a partner at her 30s. Being a matchmaker for their daughter became Li and Xing’s major role since then. However, as they lacked of social network, especially kinship network in Guangzhou, they became keen on joining the marriage matchmaking events organized by official organizations or NGOs, whereas they never tried the commercial ones. After several participations, they found such events did not satisfy the needs so much. As Xing said, “*We went to different marriage matchmaking activities, one on 15, January of the Lunar Year (24, February, 2014) organized by GZ Women Federation; one at Nanhai Temple, by the Temple Association, one in January....Afterwards there was no more, we thought we need an event like this, and to be held more regularly. Why not we make one for our own? Then my wife and I called the parents we met at the matchmaking activities, one by one, to tell them our plan.*” (Xing, 58, former SOEs worker, non-GZ local)

As the party-state no longer makes it an agenda, matchmaking activities have nevertheless boomed in the society. The organizers include the semi-official bodies such as Women’s Federation and the Communist Youth League, and non-governmental ones such as some temple’s associations and commercial agencies. Such activities are usually arranged on some special dates, mostly related to the traditional Chinese festivals, such as the *Yuanxiao* (元宵), *Zhongqiu* (Mid-autumn festival) and *Qixi* (七夕). Especially the *Yuanxiao* is the so-called Chinese Valentine’s Day, while the *Qixi* is also romanticized by the commercial market nowadays. Besides these Chinese traditional festivals, there are

particular days that the matchmaking activities are concentrated, such as the 11th of November (in Chinese pop culture, it is called the *Guanggunjie*/ 光棍節, the Single's Day). However, apart from these particular festivals, matchmaking activities are not routinely held. Li and Xing said that these organizers were not "efficient" because, as helping her daughter find a husband, they "could not always wait for the next festival".

"The Inefficient Government"

Inefficiency is the term I always heard from the parents to describe the official matchmaking services. They complain that after they register at the official organizations, they have to go through tedious procedure. They have to bring all the identity documents for registration. The most "troublesome" problem for the parents is that they have to bring their children to register in person, according to the requirement of the Women's Federation, for example. However, the children are always busy at office during the office hours. It is unreasonable for their children to come in person, as they parents say. In addition, they say that the official agency is "deficient". By deficient, Mrs. Gao, one of my key informants said,

"The official services are inefficient and deficient. At the Youth Palace (where the official Youth Marriage Agency is located), they have more resources (than other official agencies)...There are demobilized soldiers.) think they are smarter now...Most of them do not have a Guangzhou hukou. So once they find a local wife, they can stay in Guangzhou" (Mrs. Gao, 57, retired civil servant, GZ local)

From this message, it is not difficult to read Gao's implications. Because the matchmaking "resource (of people)" does not meet her expectations, such as a local hukou entitled, and a decent job (soldier is a less desirable one in the city), she thinks the official agencies are inefficient and deficient to help parents like her. However, if we re-consider the impacts of the market reforms, it can explain that such accusation of "inefficiency" and "deficiency" is an unavoidable consequence for the official organizations. On the one hand, since matchmaking activities are shifted from the

work units, the frontier contact of the party-state with the ordinary people, to the particular organizations, the government-run matchmaking activities change from a political task universal in each unit to specialized service targeting people from a larger area. The influence of the suggestion from the official matchmakers (from work unit heads in the past to civil servants now) decreases as their roles have changed. On the other hand, the expectations of the parents become diversified in the age of market economy. The divergence between the bureaucratic thinking and the market rationality is inevitably embedded in the reformed matchmaking services provided by the official bodies. Moreover, "formalism" is also a key word that the parents use to accuse the public services.

"Women's Federation....so they finally came up with an activity, but they called in those journalists and photographers to promote their good deeds. In fact, it involved a lot of privacy issues....Only those who gave up their face would come. Those who were really in need of such opportunities ran right away from the cameras.)t's only for the purpose of building image, writing annual report and showing that they did some functions. Nothing like the old revolutionists in the past, they used to do it for our needs. Now just for publicity." (Ms. Zhao, 60, former SOE worker, GZ local).

"The Women's Federation did not charge us any membership fee. The activity fee that covers the transport is reasonable. But the problem is they call the TV show filmers to follow the event. I have no idea who actually joins the event. They ask the work units to draw some young men and women. Some of them are already in a relationship. It is just for a show." (Mr. Tang, 58, former SOE worker, GZ local).

While the Women's Federation charges no registration fee for matchmaking service, it does not satisfy the parents' expectation.)t is interesting make a comparison with the case of the Youth Marriage Agency. As a corporatized body, this agency is still affiliated to the official Communist Youth League. However, as it claims to provide top professional service, it charges at a high rate. As a matter of fact, it does a more successful business than most of

the commercial agencies. It charges ¥600 for annual membership, and then the users can access their web to browse other profiles. People can also purchase the “golden mentor service” for ¥3000, which provides them some tailored instructions of choosing a spouse, such as adjusting their criteria to be more reasonable. Despite its corporation status, its association with the Youth League is often stressed. One of my informants, express his anger in hope of the governmental assistance, *“(Curse words). In the past the government GongQinFu was in charge of this (marriage matchmaking). There was no need for the private (corporations). Now they did not take responsibility.... the government still has much resource!”* (Mr. Tang, 58, former SOE worker, GZ local).

The parents’ unpleasant experiences actually indicate the difficult transformation of the party-state’s role in family and marriage. While the state’s intervention retreats as the work unit system declines, it does not take off their hands completely against the public demands. In other words, while individuals enjoy more autonomy as the marriage and family becomes increasing a private issues, they still expect the government take some responsibilities if necessary. However, as the rationality of the market economy is transforming both the state’s position and the individuals’ mentality, the government-run matchmaking activities are more and more difficult to satisfy the people’s needs. It is assumed that a maturing market should more flexibly absorb people’s demands. Nevertheless, my informants express serious doubts to the problematic market in post-reform China.

“The Money-cheating Agencies”

As discussed, ever since 1980s, the market reform policies not only release the market development from the collective economy, but also fundamentally reshape the relationship between the individuals and the state. Meanwhile the rapidly re-emerging market overwhelmingly impacts the life of every individual. It is of no surprise that marriage matchmaking service is a potential industry. By 1996, there were over 18,000 marriage agencies and 200,000 of employers in this

sector in China. Interestingly, the marriage agencies can either register at the Bureau of Civil Affairs as non-profit organizations or at the Administration for Industry and Commerce as commercial corporations. In either case, it is a consequence of the state’s withdrawal that the state turns the responsibilities’ to the market. In fact, for years of development, the marriage matchmaking agencies in China have been quite ill-regulated. Not until 1999 did the Bureau of Civil Affairs publish a temporary registration procedure of non-profit civil organization in an attempt to regulate this industry. Ten years later, the first national “Standard for Marriage Matchmaking Services” was finally promulgated. However, the ill-regulated matchmaking industry has left notorious impression to the general public, as my informants calls the commercial matchmakers “cheaters”. As reported, in Guangzhou, while there were 40 registered marriage agencies, there were more than 100 illegal ones. In general, the marriage agencies are less preferable than other dating service providers (such as online dating agencies) for the marriage seekers. According to an online survey covering two million respondents, only 1.6% of them picked the former as a reliable platform, in contrast to the latter with 23.8%. Similarly, when asking my informants whether they had tried the commercial marriage agency, they expressed very negative feelings.

“It doesn’t work at all. They only aim at your cash. Marriage agency is a business. They always hire someone already married to meet you. I used to try their service. I know there are people being cheated for many thousand dollars and get nothing. Because they run it as a business, there is a real interest not to match you up. If you ever find someone matched, they would keep telling you there’s someone better in order to charge your again and again.” (Mr. Su, 46, former institutional organization staff, non-GZ local)

“Let me tell you, this industry will never vanish. They are all for-profit corporations, and indeed making huge profit, because there is great demand from the society....If you pay and you really get good chances, then it’s alright. (owever they always cheat. Girls can’t wait, one year and another, then the golden years pass.” (Mr. Chen, 50, former SOE worker, GZ local)

Strongly against the marketization of marriage matchmaking, Mr. Su, who may represent a type of ideology of his generation, turns his expectation to the state, suggesting a designated bureau to be set up for marriage matchmaking. (e elaborated, *"This should be handled by the GongQingFu. Ever since 1990s, Gong, Qing, Fu passed the responsibility to the society (market). Now the private companies are a mess....The government is resourceful. They should finance and set up a designated institute, recruit professional staffs, incorporate it to the charity policy.....Marriage is an important matter for everyone. If there's much discontent, it is negative to social stability."* (Mr. Su).

I argue that such discontent arises partly from the unregulated business conduct of the marriage matchmaking agency. But deeper beyond the allegation, it is the insecurity caused by the state's withdrawal from being a helpful resource to the family problems. Since the market reform, it is unlikely that the state would rebuild the socialist welfare state in which the generation of my informants used to live. However, even though that we witness a withdrawal of the state from direct intervention in family arrangement, it is not the case as they said the government do nothing to interfere our family life at all. What has really changed is the form of intervention, pervading the power of monitoring into laws, politics, media and everywhere that construct the values and meanings. In a Foucauldian perspective, as in the modern state, policies related to labor force, social welfare and housing infrastructure, are all in demand of rational planning, population is an issue to be controlled and monitored. Since family is a key unit of reproduction, individuals' family and marriage decision, as Foucault termed it, thus becomes a subject of biopower constantly under the state supervision (Foucault, 1978). The implementation of the One-child policy is another critical example to demonstrate the contest of biopolitics. In post-socialist China, it is forecast that such indirect intervention, in the form of pervasive institutional surveillance, will continue to grow. Perhaps my informants' discontent displays not only their nostalgia to the past, but also their resistance to the new marketization model. Anyway, in view of the development of the post-socialist China,

market forces will play a more and more important role in the family life, both for the individuals and government

We Can Only Rely on Ourselves Now

Although there were voices for the governmental assistance, in any form, there was another critical proportion of my informants expressed their wish alternatively. After deliberate negotiation, the founders of the marriage matchmaking corner, the couple Mr. Xing and Mrs. Li insisted they must organize the events independently. Xing explained, *"Nothing (we got from government). We pay all expenses and we founded it by ourselves. We have nothing to do with the government, other official organizations, individuals and corporations. We don't accept any treat of meal and sponsorship. There is no free lunch. Every sponsorship comes with a purpose....Even for a treat of meal, if you accept it, they will ask for your favor to help their unmarried daughters....So we don't accept anything, and we don't charge a cent."* (Mr. Xing).

In fact, they approached several official departments, including the street office and the park management office during the process of preparation, but only for the permission of using an available public place rather than any subsidy. The reason for they to keep a distance from the government was so straightforward that they did not want the government to interfere anyhow. It was because they thought they could maintain a better environment than the government did, for not only the higher and regular frequency, the less scrutiny and free of charge but also the authenticity of the contact with other participants in person, which created a sense of community. For quite a few times I engaged in their heated discussion of whether they should maintain the independence or should they request for governmental assistance. The founders and the volunteer team insisted and enjoyed their self-maintenance. Mrs. Gao, one of the founding members, felt satisfied that their event were much more efficient than the official ones as they attracted an unexpectedly high number of participants. While they displayed certain characteristics of a civil society, I was

sometimes curious if they would have the attention to further develop it. However, as observed, the volunteer team remained at a low level of institutional integration. Not until the last August, almost half year after the first event, did they start to categorize the thousands of personal advertisements into cohorts and genders, as suggested by the other participants. They were quite reluctant to some extra work. For example, there was once a young participant suggesting Ms. Li reorganizes the data of the personal advertisements on a computer. She, as well as other volunteers rejected immediately, as they replied that they did it all for free with no more extra expectation possible. However, at another time, a young volunteer did tell me that he agreed to record the data, but the fact was most of the data, as well as other decision making, was in the hands of the two core founders. Moreover, there were suggestions to include more young participants from time to time. Mr. Xing, confessed his concern when I posted the same suggestion again,

"I don't take a cent from you, then I can avoid being asked for, because I have no interest. Otherwise they ask us to organize activities for the young people. We don't have such experience. What happens if there's any incident? We are here all for the parents. It's not a good idea to charge any fee. Once we charge, something must change." (Mr. Xing).

Not only did they charge nothing, but they also bore quite an amount of expense. After they found the cost of film-lamination of each advertisement paper was considerably high, they decided to spend nearly a thousand dollars to buy two film laminator machines. For these reasons, they were often praised for manifesting selfishlessness, charity, love and the "Leifeng" spirit. Not so much as a civil society, their organization was motivated from their legacy of socialist collectivism. In terms of organization, just like other official-run matchmaking activities, where the individuals are largely mobilized by a centralized authority and where group interest is placed higher than individual interest, the marriage seekers can only participate by following the rules. The participants do not have a fair say in the decision making process as there is lacked of a democratic and accountable system. However,

it is the collective legacy that grants them the official tolerance, if not permission for a large-scale public agglomeration. In a state where public assembly is considered as a politically sensitive issue, collective legacy is an exceptional legitimacy, which can be also identified in other collective activities such as the public practice of *qigong* (氣功) (Chen, 1995).

Negotiation with the Government

No matter how much the Marriage Matchmaking Corner has become a charitable place, it has been hardly endorsed by the Guangzhou government since public assembly is deemed a sensitive issue by the authority. When Li and Xing first launched the "Corner" at the Remin Park, it quickly attracted around 60 participants according to their memory. They picked this park simply due to its convenience. In fact, the Remin Park, locating next to the municipal office and a major metro station, is one of the most iconic public leisure facilities in Guangzhou. Although some government-run matchmaking events were held there before, the parents-initiated one was expelled by the police due to their lack of official permit for assembly. However, such permit is unlikely to be issued, considering the site is very close to the government building. Li and Xing then moved to the Yuexiu park, another famous tourist site, but they were expelled again for the same reason. In order to settle down, they did a site survey to various locations. After their consideration of accessibility, privacy and security, they decided to move to the H Park, which is connected by mass transport, yet less famous and thus less politically sensitive. They particularly chose several parallel paths on a hillside fenced off by bushes from the main road as their site, unlike the official-run events which tend to be arranged on a large public square. Of course they did not want to make it so visible that would cause the attention from authority. However, they still received police investigation at the first time when they attracted around one hundred participants. In their eyes, this was a less harsh procedure than banishment. Despite being investigated, they kept organizing it for several weeks until they finally drew the government officials' attention

when the Corner was positively reported by a newspaper. Once the report was published, they immediately attracted journalists from local five television stations, as vividly told by a volunteer. While Li and Xing were gently cautioned not to coordinate an assembly more than 50 participants, the authority turned a blind eye to the growing size of participation later. Eventually the Corner has been settled down in the H Park since the March of 2013.

Summary

In sum, the Marriage Matchmaking Corner demonstrates a vivid example of the individuals' agency in the context of transition society after the market reforms. The divergence of expectations between the party-state and the individuals inevitably leads to the unsatisfactory result of the matchmaking services provided by the official bodies. Under frustration of unsolved difficulty to find marriage partner for their children, the parents eventually set up their own matchmaking platform for the first time of the local history. Two perceptions need to be further clarified here. Firstly, although as some commentaries contend that matchmaking is a traditional custom out of date, the matchmaking practice has actually been transformed by the contemporary revolutions of China. Rather than a resurgence of tradition, the Corner is actually a particular phenomenon characterized by the collective legacy and market values. In addition, instead of exerting absolute control on their children's marriage choice, the parents actually express their concerns in the negotiation process. As the parents are the main actors in this place, some of them even leave their children unacknowledged of their participation. It is thus, the parents' own individual practice of their perceived obligation, rather than an institutional practice of family behavior in the post-reform era. In this regard, I argue, the decentralizing concept of doing family is significant in understanding the parents' behavior at the Corner.

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A Comparison between Turkish and American 8th Grade Mathematics Textbooks' Chapter Test Questions

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Abstract

This study examined differences in the extent to which mathematical processes (reasoning and proof, opportunity for mathematical communication, connections, and representation) were evident in 8th grade Turkish and American mathematics textbooks. The textbooks were analyzed using questions on end-of-chapter tests from six comparable topics using a framework developed by U.S. researchers and based on mathematical process standards from the National Council of Teachers of Mathematics (NCTM). Results suggest that students had almost equal opportunity in both textbooks to make real-world connections or interconnect two or more mathematical ideas. The percentage of questions that required students to know, understand or interpret vocabulary terms was higher in the Turkish textbook; in contrast, the American textbook placed greater emphasis on students' reasoning and communication skills. Students were given more opportunities to create or interpret graphics (graphs, pictures, or tables) in the American textbook than in the Turkish textbook.

1. Introduction

The National Council of Teachers of Mathematics (NCTM) in the United States has released the *Curriculum and Evaluation Standards for School Mathematics* (1989), *Professional Standards for Teaching Mathematics* (1991), *Assessment Standards for School Mathematics* (1995), and *Principles and Standards for School Mathematics* (2000). These standards have propelled and highly shaped the mathematics education reform movement in the United States. Their purpose was to create a learning environment that consists of mathematically rich tasks and to develop mathematics curricula that strengthens children's problem solving, reasoning and proof,

communication, connections, and representation processes (NCTM 1989; 2000). Because the U.S. has no national curriculum, states and school districts decide or recommend the curriculum and standards to be used in schools. For that reason, common textbooks are not used in schools. However, there are quite a few publishers who publish and distribute textbooks all over the country; e.g., Houghton Mifflin Harcourt, Macmillan/McGraw-Hill, Pearson Education, and Glencoe/McGraw-Hill (Hunsader, Thompson, & Zorin, 2014). In this paper, one of the (oughton Mifflin (arcourt's published mathematics textbooks was used as a representative U.S. text for comparison purposes.

In contrast, the Turkish educational system has been developed and changed throughout the years. During the 1980s, the Ministry of National Education (MONE) developed a mathematics curriculum from 1st to 5th grade. In the early 1990s, 6th, 7th and 8th grade topics were added to that curriculum in order to create an 8 years elementary mathematics curriculum. In 1997, with this new curriculum, compulsory elementary education was increased from 5 to 8 years (Baki & Gokcek, 2005)[2]. In 2004, a new curriculum was developed and implemented for primary and secondary schools. One of the aims of these curriculum reforms was to change the subject-centered teaching and learning environment into a learner centered one (Bulut, 2007)[3]. Another purpose of these curriculum reforms was to adapt Turkish textbooks based on European Union (EU) standards. With the new curriculum, textbooks took on three roles in education. First, textbooks are needed to serve as a guide to decide which topics should be taught. Second, textbooks should assist teachers to organize materials and topics in order to create productive learning environment. Third, textbooks need to provide new ideas and activities for teaching students (Altun, Arslan, &

Yazgan, 2004; Delice, 2005; Robitaille & Travers, 1992; Woodward & Elliott, 1990)[1,4,12,14]. Reforms seek to ensure that all Turkish children gain the necessary knowledge, understanding, skills, abilities and behavior to become good citizens and to help them prepare for personal and educational life in accordance with their interests, talents and capabilities.

Today, the centralized education system proceeds and gives all students and teachers an opportunity to follow the same curriculum in all subject areas at the elementary (Grades 1 to 8) and secondary (Grades 9 to 12) levels in Turkey. Thus, almost all students use the textbooks which are approved and distributed free of charge to students by the Ministry. Based on the MONE's 2012-2013 statistics, 187 million textbooks (518 different levels and subjects) were published for distribution for approximately 16 million elementary students. In this paper, the 8th grade mathematics textbook that was distributed by the Turkish Government for 2012-2013 academic year was used for comparison purposes.

2. Framework for Comparison

Teachers use different tools to gain knowledge about students' mathematical understanding and thinking all around the world. Additionally, published textbooks are one of the most common tools used by teachers in the classroom. Erbas, Alacaci and Bulut (2012)[5] described textbooks as "indicators of students' opportunity to learn as they reflect the intended curriculum for schools" (p. 2325). Thus, the purpose of this study was to compare Turkish and American 8th grade mathematics textbooks based on the end-of-chapter test questions in order to investigate how these two countries use

textbooks as an instrument for teaching and learning. The focus of the investigation was on mathematical processes; Figure 1 shows the Mathematical Processes Assessment Coding Framework (MPAC) that was used to compare the textbooks with regard to process standards of reasoning and proof, opportunity for mathematical communication, connections, and representation (Hunsader, Thompson, & Zorin, 2014) [6]. Figure 2 demonstrates some items which show different processes standards as an example; Items 1a, 1b, 1c, 2, 3, and 4 were chosen from a U.S. textbook and item 5 was chosen from a Turkish textbook. *Reasoning and Proof* standards give students an opportunity to justify why they chose and gave their answer. If students explain *why* in their response by evaluating arguments and proofs, then the item is coded for reasoning and proof. If students are able to show *what* they thought and investigated through the symbols besides giving a numeral answer, then the item is coded for *Communication*. Items 1c and 4 (see Figure 2) show how students can communicate without reasoning and proof. *Connections* standards let students engage with mathematics through real world items that students may see in their daily life (Items 1a, 1b, 1c and 2 in Figure 2). *Representation* seeks to have students be able to use different mathematical representations in order to communicate a mathematical idea. Representations should be treated as essential elements in supporting students' understanding of mathematical concepts and relationships; in communicating mathematical approaches, arguments, and understandings to one's self and to others; in recognizing connections among related mathematical concepts; and in applying mathematics to realistic problem situations through modeling (NCTM, 2000, p. 67)[11]

Reasoning and Proof

- | | |
|---|--|
| N | The item does not direct students to provide or show a justification or argument for <u>why they gave that response</u> . |
| Y | The item directs students to provide or show a justification or argument for <u>why they gave that response</u> . (' Check your work' by itself is not justification.) |

Opportunity for Mathematical Communication

- | | |
|---|--|
| N | The item does not direct students to communicate <u>what they are thinking</u> through symbols (beyond a numeral answer), graphics/pictures, or words. |
| Y | The item directs students to communicate <u>what they are thinking</u> through symbols, |

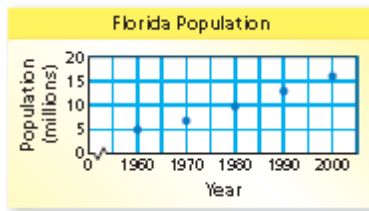
	graphics/pictures, or words.
V	The item <u>only</u> directs students to record a vocabulary term or interpret/create a representation of vocabulary.
<i>Connections</i>	
N	The item is <u>not</u> set in a real-world context and does not explicitly interconnect two or more mathematical concepts (e.g., multiplication and repeated addition, perimeter and area).
R	The item is set in a real-world context outside of mathematics.
I	The item is <u>not</u> set in a real-world context, but explicitly interconnects two or more mathematical concepts (e.g., multiplication and repeated addition, perimeter and area).
<i>Representation: Role of Graphics</i>	
N	No graphic (graph, picture, or table) is given or needed.
S	A graphic is given but no interpretation is needed for the response, and the graphic does not explicitly illustrate the mathematics inherent in the problem. (Superfluous)
R	A graphic is given and no interpretation is needed for the response, but the graphic explicitly illustrate the mathematics inherent in the problem.
I	A graphic is given and must be interpreted to answer the question.
M	The item directs students to make a graphic or add to an existing graphic.
<i>Representation: Translation of Representational Forms (codes are bi-directional)</i>	
N	Students are not expected to record a translation between different representational forms of the problem.
SW	Students are expected to record a translation from a verbal representation to a symbolic representation of the problem or vice versa.
GS	Students are expected to record a translation from a symbolic representation to a graphical (graphs, tables, or pictures) representation of the problem or vice versa.
WG	Students are expected to record a translation from a verbal representation to a graphical representation of the problem or vice versa.
TG	Students are expected to record a translation from one graphical representation of the problem to another graphical representation.
A	Students are expected to record two or more translations among symbolic, verbal, and graphical representations of the problem.

Figure 4: Mathematical Processes Assessment Coding (MPAC) framework

In this particular framework, the *Representation* standard has two subparts. First, *Role of Graphics* examines an item based on how graphics are used and interpreted. In Items 1a, 1b, 1c, 3 and 5, a graphic was given and students must interpret it in order to answer the question. Item 4 requires students to draw a graph or make addition to an existing one. No graphic was given in item 2. Second, in *Translation of Representational Forms*, an item is

examined for translation from one representation to another e.g., verbal to symbolic, symbolic to graphical. In Items 1c, 2, and 4, students are supposed to translate between one representation to another, but no representational translation is needed in items 1a, 1b, 3 and 5. Table 1 gives the codes assigned to the items in Figure 2 based on the MPAC framework from Figure 1.

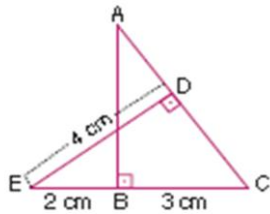
Item 1: The graph shows the population (in millions) of Florida from 1960 to 2000.



- In what year was the population of Florida about 5 million?
- What was the approximate population of Florida in 1990?
- Describe the relationship shown by the data

Item 2: You have \$25 to buy trading cards online. Each pack of cards costs \$4.50. Shopping costs \$2.95. Write and solve an inequality to find the number of packs of trading cards you can buy.

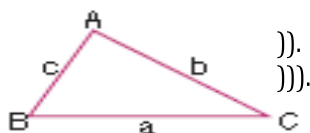
Item 3: The figure shows, $[AB] \perp [BC]$, $[ED] \perp [AC]$, $|EB| = 2$ cm, $|BC| = 3$ cm, and $|ED| = 4$ cm. Show $\triangle ABC$ and $\triangle EDC$ triangles are congruent.



Item 4: The points in the table lie on a line. Find the slope of the line. Then draw its graph.

x	y
-1	-4
0	-1
1	2
2	5

Item 5: Based on the figure, which statement or statements are true?



- $a + c > b$
- $|a - b| < c$
- $b + c < a$

Figure 5: Example items to show framework coding

Table 3: Codes for sample items in Figure 2

Item	Reasoning & Proof	Communication	Connections	Role of Graphics	Translation of Representation
1a.	N	N	R	I	N
1b.	N	N	R	I	N
1c.	N	Y	R	I	GS
2	N	Y	R	N	SW
3	Y	Y	N	I	N
4	N	Y	N	M	TG
5	N	N	N	I	N

3. Methods

3.1. Textbooks Compared in the Study

As stated before, in Turkey, the centralized education system publishes and distributes textbooks for students who are in elementary and secondary school. Thus, for this paper, the 8th grade mathematics textbook was used from *Can Mathematics Publication*, 2011 [13]. This textbook was intended for use in the 2012-2013 academic year. *Big Ideas Math 2014- Florida Edition* [7] from Houghton Mifflin Harcourt was selected as the representative American textbook. Student editions were used for both textbooks. There were quite significant content differences between the Turkish and American textbooks. Generally, in the *Big Ideas Math* textbook, each chapter begins with warm-up activities that remind students what they have learned in previous grades, and ends with a chapter test and standardized test practice. However, in the Turkish textbook, students are assigned with a homework project at the beginning of each chapter, and required to complete the end-of-chapter test before starting a new chapter.

3.2. Analysis of the Textbook

Because the contents of each textbook differed, instead of comparing all chapter tests, similar chapter tests in the student textbooks were examined. *Equations, Square Roots and the Pythagorean Theorem, Central Tendency, Linear Inequalities, Exponents and Triangles* were the common topics of each textbook. The total number of questions that were examined was 98 in the Turkish textbook and 96 questions from *Big Ideas Math* (the U.S. textbook). Each Turkish end-of-chapter test consisted of four different types of questions e.g., multiple choice, true/false, fill in the blank, and open-ended. However, there were only open-ended questions on the end-of-chapter tests from *Big Ideas Math*.

4. Results

After coding all items, a significant difference was found between the two textbooks in *reasoning, communication, role of graphics and translation between forms* (see Figure 3). In

Figure 3, the N (No) codes were removed from each graph to give an overall picture of the percent of items in Turkish and American textbook that engage with the processes. In the Turkish mathematics textbook, there was only 1 item that required students to provide *why* they gave that answer; whereas 26 items in the representative American textbook gave students an opportunity to develop their reasoning skills. Comparing the items that ask students to communicate their thinking, there were only 6 items in the Turkish textbook and 51 items in the American textbook that focused on this process standard. However, students were required to record a vocabulary term or create a representation of vocabulary in order to solve almost half of the questions in the Turkish textbook (57 items) and 23 items in the American textbook. Furthermore, few differences were found between the Turkish and American textbooks on the *Connections* standard. Students were provided real-world questions to work on or make an interconnection between two or more mathematical ideas (23 items in the American textbook and 11 items in the Turkish textbook). On the *Representation* standards, both *Role of graphics* and *Translation between forms* subparts revealed a large difference between the two countries' textbooks. In the Turkish textbook, there were no graphics given or needed in 91 out of 98 items for the topics of equations, central tendency, or exponents. 1 out of 7 item included a graphic, but students were not obligated to interpret that graphic in order to solve the problem. And, the remaining 6 items gave a graphic and required students to interpret it to obtain a solution. Only 9 items allowed students to translate from one representation to another.

In contrast, the *Big Ideas Math* textbook placed more importance on the *Representation* standards. In the *Role of Graphics* standard, there were 12 items that gave a graphic but students didn't need to interpret those graphs. In 15 items, a graph was given and required interpretation by students whereas 14 items required students to create a graph or add to an existing one. For the *Translation Between Forms* standard, students were required to translate one representation to another almost five times

more than they were required to do so in the Turkish textbook. These results provide ideas on ways to enhance the Turkish mathematics textbook to develop students' mathematical reasoning, communication, and representation skills. Turkish system might want to emphasize in students' learning and then ensure that the textbooks support teachers in helping students learn these areas and develop necessary skills.

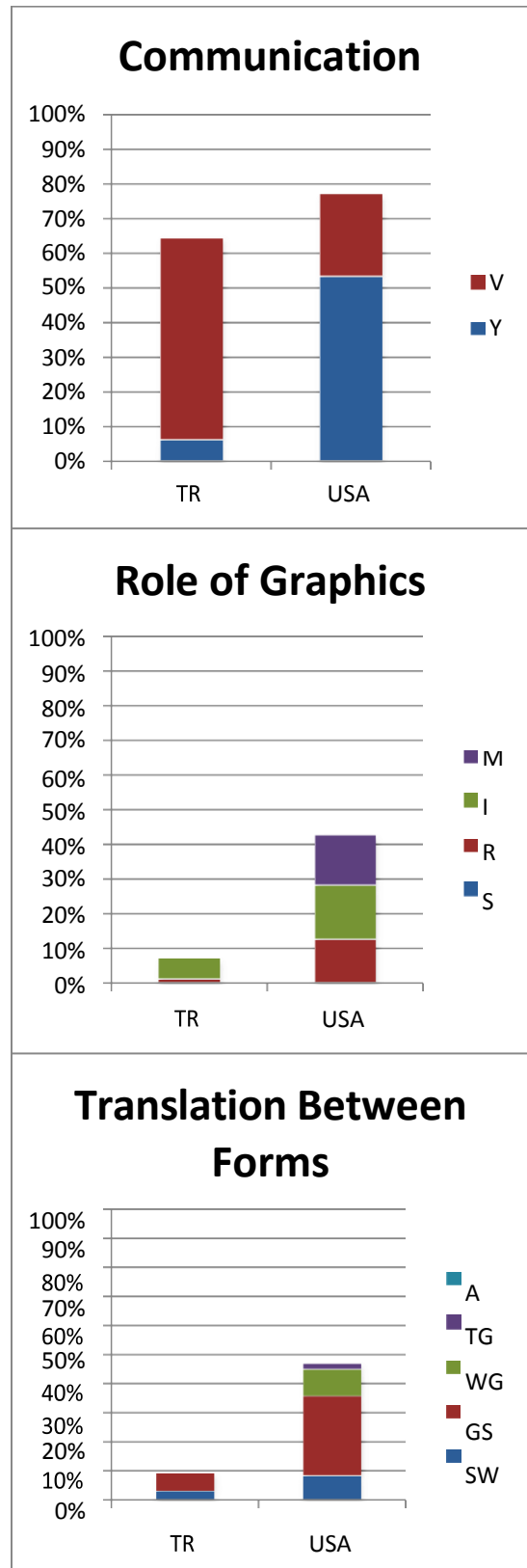
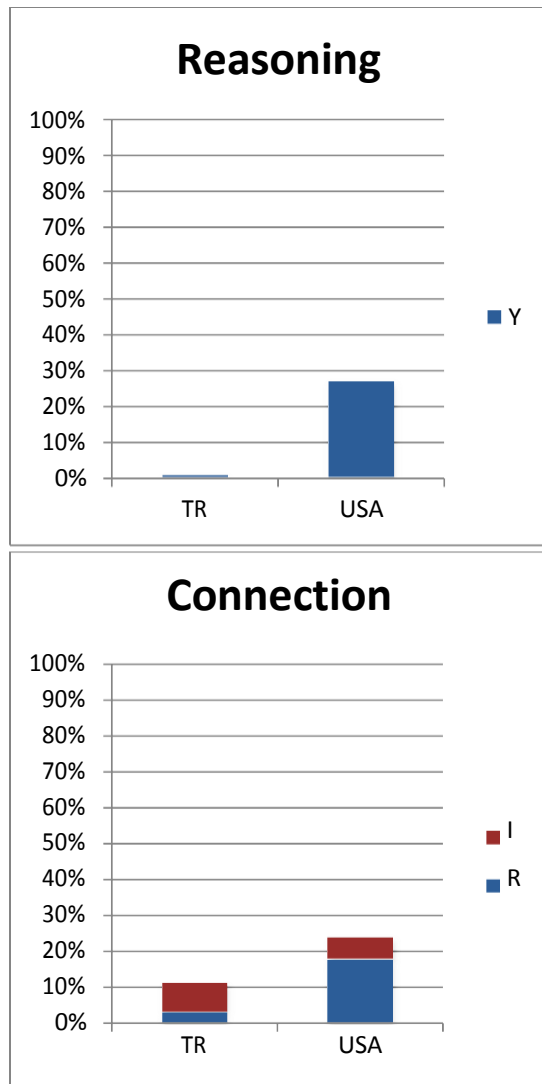


Figure 6: Turkish and American textbook comparison based on processes standards

5. Discussion, Conclusion and Limitations

The Turkish textbook's end-of-chapter tests involved four different types of questions: multiple choice, true/false, fill in the blank, and open-ended. Students needed to answer more than ten questions for these four types on each end-of-chapter test. However, "multiple choice, short answer and true/false types of questions are not suggested to be only used as single indicators to evaluate learning outcomes" (Baki & Gokcek, 2005, p.583)[2]. Multiple-choice and true/false questions provided fewer opportunities for students to engage in mathematical processes, even when such opportunities might have existed within the chapter itself. Thus, it was not surprising to see that there were not many items that helped to develop students' reasoning and communication skills. Nevertheless, Turkish students were able to make practice with more than 40 questions on each end-of-chapter test while this number was around 10 in the American textbook. Increasing the number of problems might help students to understand concepts in depth. On the other hand, there were some limitations that could be overcome in future. First, considering the American education system developed the framework that was used in this study, it might be more helpful to use another framework to analyze different countries' textbook questions. Such a framework could involve common standards for both countries. Second, the whole coding process was carried out by only one researcher (author), which might increase the error rate in coding. Third, Turkish education system might give more importance on all these processes standards and develop new curriculum that might help students to improve their mathematical understanding. In general, having different education systems and curriculum and using the framework that was created for comparing items related to NCTM processes standards might indicate inadequate results. Therefore, creating a new framework that includes common processes standards for both countries could serve as a possible extension of this study.

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VI PLENARY SESSION

Education, Psychology & History

Session Chair: David Makofsky - Queens University, Belfast, UK

Returning from The United States to Home Country: Re-Entry Adjustment Difficulties of International Counseling Students

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Abstract

There has been a constant increase in the number of international students enrolled in counseling and related training programs in the United States. These students often struggle with cultural shock and adjustment difficulties in the host culture, however they also struggle with re-entry to their home cultures upon their return. The relevance of their training to their home culture is also an issue of discussion. This paper will introduce the re-entry adjustment difficulties of international students, and bring an awareness of this issue in an international arena.

1. Introduction

Collaboration and partnership across cultures have become more of an issue in recent years in attempt to increase global connections. Whatever occurs in one part of the world, people, economies, and government are influenced directly or indirectly in another. As a result of this interconnected world, the counseling profession is becoming globally interconnected [2]. Thousands of international students enrolled in Western universities in the counseling and related programs are traveling to other parts of the world to teach, research, and consult [13]. While some international students are getting their degrees in counseling and deciding to stay in the United States, many return to their home countries to work in the counseling profession and related fields. They aim to transfer what they have gained in the U.S., to be a pioneer in these areas in their home countries,

and to contribute a great deal to the development of the profession of counseling both domestically and internationally [7]. Although there are a significant number of international students who complete advanced training in counseling and counselor education each year, only a few studies have explored the experiences of these students following the re-entry into their home countries [7]. Even though culture shock is explained in literature, there are few studies conducted regarding how people readapt to their home country after finishing their education and return.

2. International students in the United States

In recent years, the continued growth in the number of international students in the U.S. for higher education has contributed to the growing diversity of U.S. colleges and universities. According to Institute of International Education, in 2012-2013 academic year, 816,644 international students attended U.S. educational institutions with a 7.2% increase from the previous year. International students travel to the U.S. from more than 180 countries. The diversity existing among international students is staggering, with India, Canada, Japan, Mexico, Brazil, Kenya, France, Turkey and Russia represented among the top 25 nations sending students to the United States (Institute of International Education, 2013). When arriving to the U.S., at the same time, a wide array of ethnic heritages, religious perspectives, traditions, customs, linguistic backgrounds, and cultural worldviews are infused into the U.S. (IIE, 2013).

It is stated in the literature that international students experience both re-entry adjustment difficulties and challenges, such as cultural shock, after a sojourn abroad. Researchers also found gender differences in the adjustment of sojourners reentering their countries [1]. Female returnee's experienced more problems, and challenges than male returnees. They explained that female sojourners found it more difficult to meet family expectations upon returning. Readjustment pressures to the family's more conservative values and lifestyle in their home culture especially challenged women after having been exposed to a more liberal experience in the United States [1].

Particularly research indicates that international counseling students have positive impressions on domestic students, faculty, and supervisors ([9]; [11]; [15]). Within these available aids, international counseling students feel satisfied in their training, but problems arise during the clinical training process. International students reported experiencing specific issues and challenges during fieldwork experiences. For instance, supervision research indicated "students who reported being less acculturated also reported less counseling self-efficacy, weaker supervisory working alliances, more role difficulties in supervision, and more discussion of cultural issues in supervision" [12]. Some international students also reported experiencing cultural and language barriers, specifically during rapport building process with American clients ([11]; [15]).

It is likely that the most challenging aspect of a student's study abroad experience might be re-entry into their home country. The re-entry transition is a kind of psychological process rather than just a physical relocation of a living place. Adler (1981) stated, "re-entry is defined as the re-acculturation of the individual to the home culture after an extended period of exposure to re-entry another culture". Re-entry process starts with leaving the host country and continues during their stay in other countries. After staying away from home culture for an extended period of time, it becomes challenging for international students to re-adapt to a new life in their home culture. Because of a feeling of sense of loss caused by leaving the host country, international students may experience mixed

feelings when they come together with friends and family and, they may feel that going home means leaving part of them behind. The meaning of re-entry transition contains some negative situations such as leaving relationships, roles and routines in one's host country. In addition, accessing and adapting to one's exiting lifestyle can be very difficult and may not be available at home country. Re-integrating changes may be confusing for students such as who they are and new ways of thinking about the world around them into life at home (Wang, 1997). This paper introduces and explores the process of re-entry and adjustment difficulties.

3. Definition of the terms

International Student: A college student who holds a foreign student visa (i.e., F-1, J-1, or M-1 visa type) (Coppi, 2007). International students in the U.S. come from diverse geographic regions, including Africa, Asia, Europe, Latin America, the Middle East, North America, and Oceania (IIE, 2010).

*Home culture:*The culture in which the sojourner was socialized and which provided the initial cultural adaptation.

*Host culture:*The culture that the sojourner has entered for a variety of reasons such as educational or occupational for a finite period of time.

*Re-entry/re-acculturation:*The re-adjustment period of the sojourner into the home culture and the time a person needs to re-integrate into the social, psychological, and occupational networks of his/her culture.

4. Statement of the problem

Research findings indicate that psychological knowledge should be practiced with materials, knowledge and methods that should be culturally appropriate and relevant to the local context of international students' countries when they return [13]. In spite of the challenges, international counseling students continue to travel abroad to procure counseling and related professions' trainings. A recent study has related to these students' experiences of the relevance and effectiveness of the training they receive

after they return home to work [6]. They interviewed nine international counseling students who had graduated from U.S. universities and these students were living and working in their home countries and volunteered for the study to examine what contributions they put to the understanding of the current internationalization movement in counseling. As a result, they found that international counseling students believed that the training received was sufficient for them, but also expressed dissatisfactions because the training related to their unpreparedness for work situations and expectations in their home countries. They expressed the lack of training in helping them to customize, adapt and translate what was learned to their socio-cultural contexts [6]. Great numbers of researchers have studied the experiences of international counseling students' entry into a new culture [2], however there is still a lack in organization of the existing knowledge on this issue. This paper will provide organized and comprehensive information of the re-entry and adjustment issues

5. Purpose

The main objective of this paper is to advance the understanding of what kind of experiences and challenges international doctoral-level counseling students face when returning to their home country after studying in the U.S. Another objective is to examine and better understand the problem of how international counseling doctoral-level students adapt themselves to their home country after they finish their study in the U.S. For this study, a review of the existing literature used to explore international doctoral-level counseling students' perspectives on their experiences after completing counseling programs and returning to their home countries.

6. Significance

Research shows that although the existence of international students in counseling and related programs is substantial, research related to international students studying in such programs has been increasing only in the last few years ([4]; [9]; [11]; [12]; [10]). Internationalization of higher education has been increasing globally and has gained considerable attention among educators,

researchers, entrepreneurs, and policy makers (e.g., [8]; [16]; [17]). It is imperative that counseling professionals need to understand international students who are returning to their home country and what they might have experience and how they adapt themselves. Several authors (e.g., [1]; [16]; [5]) stated that the research in this area is insufficient.

This study may contribute to the available literature about what international students are facing when they return to their home country, particularly those in counseling, and may contribute to international collaboration and research in terms of multicultural perspective. Also, counselor educators, practitioners, researchers, and others associated with mental health professions may find this study useful and helpful.

As counseling transforms from a Western-based practice to a global phenomenon, it is important to understand counseling within an international context. Secondly, this study may contribute the understanding of ways in which the process of globalization is currently impacting the field of counseling; implications and future research directions are examined.

7. Limitations of the study

Conducting phone interviews is the most realistic option to contact participants who stay in various geographical locations across the all over the world. However, it is really difficult to obtain, observe, or evaluate non-verbal cues such as participant's facial expressions, emotions, fatigue, and physical engagement over the phone. Other limitation is that it is not possible to observe or control external distractions during phone or Skype interviews. Some participants reveal that during interviews an intimate partner or close friend is present in the room. Although some participants explain that they feel comfortable to openly and freely share in these circumstances, it is difficult to determine if the presence of the third party impacts the quality of interviews.

The cross-cultural nature of this research carried unique complexities such as an intercultural communication, language barriers, different backgrounds, cultures, and perspective

of the worldview. In accordance with these concepts, another possible limitation is the language barrier as well as the lack of an interpreter or translator within the interviews. Through the process of following up, the investigator should be able to determine if the researcher accurately understands the participants. Clearly, this process of gathering additional information on a later date may not have eliminated all credibility concerns.

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The Relationship Between Spiritual Intelligence and Personality Characteristics and Life Expectancy in University Students

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Abstract

Previous studies indicate that spiritual believes and functions are associated with better outcomes, in physical, emotional and psychological well-being, emotional stability, increasing positive emotions, marital satisfaction and quality of life. The present study has been accomplished to examine the relationship between spiritual intelligence and personality characteristics and life expectancy in university students.

1. Introduction

The importance of spirituality and morality growth in human being has attracted psychologists and specialists of mental health in recent decades. Improvement of psychology from one side and complete and dynamic aspect of modern societies from the other side, make human spiritual needs toward wishes and material needs prominent [1].

Simultaneous with this spiritual explosion and along with considering the relationship between religion and spiritual and other psychological items (such as mental health), some western researchers have defined some new concepts correlated with religion and spiritual for elucidation of some dates and observations. For instance, spiritual development [2], spiritual health [3], spiritual well-being [4], spiritual emergency [5] are added to scientific literature on the threshold of the third millennium.

Spiritual intelligence is one of the concepts that have developed due to global attention and concern toward religion and spirituality.

For the first time the concept of spiritual intelligence in scientific psychological literature propounded by Steven in 1996 and then by Emmons in 1999 in a psychological book " the psychology of ultimate concern: motivation and spirituality in personality" [6].

Spiritual intelligence combines the items of spirituality and intelligence into a new item. Whereas spiritually is correlated with searching and experiencing sacred elements, meanings, higher consciousness and transcendence; spiritual intelligence requires abilities which use such spiritual objectives to act effectively and to produce productions and worthy outcomes. People use Spiritual intelligence when they want to use capacities and spiritual sources for important decisions or to try to solve daily problems [7]. Thus Spiritual intelligence combines spiritual mind objectives with real world activities [8]. Personality theories have been searching ways to anticipate peoples' behavior by knowing their characteristics. Commonly, personal characteristics are almost constant in people and don't change in different situations and recognize people from each other [9]. Our behaviors are affected by traits, emotional and cognitive abilities. Spiritual intelligence contains some kinds of adaptation and problem solving which consists of the highest growth rate in cognitive, moral, emotional and interpersonal fields [10]. Thus, it seems that Spiritual intelligence impacts on individuals' personality and an individual who has higher Spiritual intelligence, has different personality characteristics in compare with

individuals who have lower Spiritual intelligence.

There have been different theories about personality and individual differences since old time, but during two last decades, personality field seems to be prevailing by 5 factor personality model [11]. This theory proposed by two psychologists from the United States named "Paul Costa and Robert McCrae" in the last decade of 1980, and reassessed at the beginning of 1990s [12]. Costa and McCrae recognized 5 prevailed characteristics. Recent researches show that these 5 personality dimensions are the base of the other personality traits [13]. These five personality main factors are: (E) Extroversion: that contains specifications such as socialization, activeness, stability, braveness [14]. Extrovert persons are usually socialized, active, confident and have positive feelings, they are interested in intimating and usually accept all kinds of people. They like excitement [11] (A) Agreeableness: shows sociability, accepted in society and have traits like: philanthropy, sympathy, kind-hearted, trust and humility. These traits related to their tendency for unifying. They are kind, follower and ignore themselves [14] (C) Conscientiousness: explains the power of controlling impulses in such a way that they are desirable for society, and includes some characteristics such as thinking before acting, delaying fulfilling desires, observing rules and customs and organizing duties. A person with a high consciences dutiful, regular, competent, aim full, punctual and trustworthy [13]. (N) Neuroticism: means tendency toward negative excitements experiment such as agitation, anxiety, grief against excitement stability and calmness. This part is related to persons' abilities for bearing stresses. Neurotic people are nervous, hopeless, blusher, incurable, hasty and have low emotional stability [15]. (O) Openness to experience: explains spread, depth, complexity and creativity of a mental and experimental life against having a closed mind. This part shows the amount of interests to newness and gaining new experiments. These people have imaginary power, open emotions and ideas. They are interested in arts. These people also like diversity and independence and are curious [16].

Mental, emotional and interpersonal disorders relate to spiritual and religious subjects and without consideration of this relation, diagnosis and cure won't be successful. For example, some negative excitements such as anxiety, depression, sin and anger feeling relate to believes and religion [17]. Negative excitements show neuroticism and as a person has this more, feel less significantly of his life [18]. It is possible to create significant relationships and life experiences in relation to spiritual intelligence [19]. Forgiveness, humility and philanthropy are characteristics of persons who have high spiritual intelligence [20]. Creativity and having relation with others are parts of spiritual intelligence too [21]. So it seems that there is a relationship between spiritual intelligence and peoples' personality traits.

In general, specialists of this field emphasize finding answers to existential matters and also finding meaning as the meaning traits of spiritual intelligence [22,23,24,25,26]. Rick Snyder, founder of hope theory and cure based, knows hope a process in which people determine their goals then create some ways to get them and then make the necessary motives for performing these ways and keep them [27].

There is no other thing in this world that helps people in their lives but finding existential matters. Individuals who cannot find any meaning for their lives find themselves in a hopeless black hole and because they cannot find their way, they mark time in this crisis [28]. The main thing that collapses individual is not suffer or his undesired personality but his meaningless life [29]. Also, Frankel believes that hopeless, depressed and agitated people and ones who feel loneliness, usually complained worthless life, nothing can attract them and all things are meaningless for them [30]. According to these opinions it seems there is a correlation between spiritual intelligence and hopefulness.

The goal of this research is examining the relationship between spiritual intelligence and personality traits and hopefulness in university students, and it is tried to find logical answers for these questions:

1-Is there any relationship between spiritual intelligence and personality traits (neuroticism,

extroversion, agreeableness, openness to experience and conscientiousness)?

2-Do these traits have different shares to spiritual intelligence?

3-Is there any relationship between spiritual intelligence and hopefulness?

4-Is there any difference between male and female's spiritual intelligence?

2. Materials and Methods

The methods of this research are correlation descriptive and statistical society consists of 7834 (Bachelor of art) BA students of Azad Islamic university of Sari in 1391-92. 4741 numbers are men and 3097 are women. Sample capacity determined 366 (219 men 147 women) according to Krejcie and Morgan's table. The method was selected stratified randomly.

2.1. Methods

In a descriptive correlation study, according to different educational departments and to the proportion of male and female enrolled students, 366 undergraduate students of Islamic Azad University of Sari in 1391-92 were selected stratified randomly. They completed checklists of self-report spiritual intelligence, NEO big five personality factors and Snyder's life expectancy.

2.2 Research tools

Spiritual Intelligence Self-Report Inventory (SISRI): This inventory which had been planned by David King, has been edited in 2008. It includes 24 sentences and numbering according to 5-Likert scale (0= never to 4=absolutely it's true to me). High numbers show high spiritual intelligence or having this capacity. In a sample of 619 Trent university students of Canada in 2007, have got 0/95 a (Cronbach's Alpha) and stability factor 0/84 (King 2008). Also in Iran, the 0/89 Cronbach's Alpha of a questionnaire, and its validity coefficient was calculated 0/67, through a test retest in a sample of 70 and during 2 weeks [31]. In another study, this questionnaire was given to the students of Allame Tabatabai university of Tehran, its Cronbach's Alpha [32] was 0/84 and its validity coefficient was 0/86. In this study, the Cronbach's Alpha is 0/79.

NEO Five Factor Inventory (NEO -FFI): This questionnaire is made by Costa and McCrae in 1992. Actually this is the shorten questionnaire with 240 statements form (NEO-PI-R) which contains 60 statements and is used to evaluate 5main factor personality (neuroticism, extroversion, agreeableness, openness and conscientiousness). The statements of this questionnaire are numbering from 0 to 4 according to Likert scale (means absolutely no to absolutely yes). Each factor has 12 factors which has numbers from 0 to 48. Its validity coefficients of test retest have been obtained from 0/83 to 0/75 during 3 months [12].

In Iran this questionnaire was translated in Persian and was used for some students. For evaluating of the test stability was used Alpha coefficient method and the obtained coefficient were: neuroticism=0/68, extroversion=0/73, agreeableness=0/53, openness=0/68 and conscientiousness=0/87 [33]. In this study the coefficient of Cronbach's Alpha for each of mentioned factors was: 0/77, 0/73, 0/44, 0/62 and 0/84.

Snyder's Hope Scale: This questionnaire, which was made in 1991 by Rick Snyder, was designed for 15 years old and more and had 12 statements and its answering time was short. This questionnaire is numbering by using of likert scale (from 1 = absolutely wrong to 4= absolutely right). The statements number3, 5, 7 and 11 are related to distraction and have no score, so the total score can be between 8 to 32. In a study which has been done in 1386 by Golzari on 660 female students in Tehran, the stability of this questionnaire was examined through the inter equivalency method and its Cronbach's Alpha was 0/89 [34]. In this study the coefficient of Cronbach's Alpha has been calculated 0/76.

3. Findings

In this research among 366 selected samples, %59/8 was men and %40/2 was women. Most of them (%89/3) were between 18 and 28 years old. For analysis of these findings, descriptive statistics method, tables and diagrams were used. Descriptive statistics of studied variables are shown in table 1.

Table1. Statistical descriptive of studied variables

Personality traits	Average	Standard Deviation	R	Min	Max	N
	M	SD				
Neuroticism	3/3021	0/4446	1/56	2/42	3/98	366
Extroversion	3/1155	0/4573	1/5	2/17	3/67	366
agreeableness	3/329	0/4048	1/67	2/33	4	366
Openness to experience	3/3015	0/5641	2/67	2/83	5/5	366
conscientiousness	3/3233	0/4266	1/92	2/25	4/17	366
Life expectancy	25/63	4/395	18	14	32	366

For studying the correlation between spiritual intelligence and personality traits, Pearson correlation coefficient between spiritual intelligence and each items of personality traits were calculated separately. Results are shown in table 2.

Table 2. Correlation coefficient between Spiritual intelligence and personality traits

Variables	correlation Coefficient	Correlation Coefficient of critical values	α
Spiritual intelligence & neuroticism	-0/565		
Spiritual intelligence & extroversion	0/011		

Spiritual intelligence agreeableness	0/545	0/254	0/99	0/01
Spiritual intelligence & openness to experience	0/066			
Spiritual intelligence & conscientiousness	0/688			

According to these dates, we result that there is a negative significant relationship between Spiritual intelligence and neuroticism. There is no significant relationship between extroversion and openness to experience. These data show that among personality traits, conscientiousness have the most and extroversion the least relationship with Spiritual intelligence.

Although in the first hypothesis the correlation coefficient between Spiritual intelligence and personality traits were calculated and for anticipating Spiritual intelligence according to personality traits, was used multivariable's regression analysis. The summary of the results are given in table 3,4 and 5.

Table 3. The summary of multivariable regression for anticipating spiritual intelligence through personality traits

Model	R	R2	Regulated R2	Standers error
Neuroticism, extroversion, agreeableness openness to experience, conscientiousness	0/279	0/606	0/611	0/782

Table 4. The result of Regression variance analysis

Dispersi	SS	df	MS	F	Sig
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on source					
Reg	44/102	5	8/820	0/183113	0/000
Res	28/055	360	0/078		
total	72/157	365			

Table 5. The coefficient of input variables regression

Model	B	Standard error	Beta	t	Significant level
Fixed coefficient	1/548	0/343	-----	4/51	0/000
neuroticism	-0/192	0/043	-0/198	-4/495	0/000
extroversion	-1/35	0/04	-0/17	-3/425	0/001
agreeableness	0/38	0/04	0/346	9/607	0/000
Openness to experience	-0/013	0/027	-0/016	-0/466	0/641
conscientiousness	0/475	0/045	0/455	0/404	0/000

The data of these tables show that all 5 personality traits come in regression model. Due to table 3, regulated multivariable correlation coefficient square (regulated $R^2= 0/606$) show that these personality traits can determine about 60/6 percent of spiritual intelligence variable which is remarkable. Also due to table 5, coefficient shows that the direction of coefficients in neuroticism is negative and in agreeableness and conscientiousness is positive. In other words, in spiritual intelligence differentiation, the personality traits of neuroticism are negative and agreeableness and conscientiousness traits are positive effect.

Furthermore the negative β related to extroversion and openness to experience show

there is no relationship between these two traits which confirm the first hypothesis.

Pierson correlation coefficient has been used for considering the relationship between spiritual intelligence and life expectancy. The results are shown in table 6.

Table 6. Correlation between spiritual intelligence and life expectancy

α	Confidence level	Correlation coefficient Of table of crisis scales	Correlation Coefficient	Variables
0/01	%99	0/254	0/722	Spiritual intelligence & life expectancy

These data show there is a significant and positive relationship between spiritual intelligence and life expectancy with confidence level Of %99 ($\alpha= 0/01$). In other words as spiritual intelligence increases, life expectancy increases too.

T test have been used for comparing spiritual intelligence in men and women. The results are shown in table 7.

Table7.the summary of t- test result for comparing spiritual intelligence in males and females

α	df	Crist	Calculated T	Number N	Scale Deviation	Average M	sex	variable	
0/01	% 99	364	2/617	-3/095	147	0/447	3/388	female	spiritual intelligence
					219	0/433	3/243	male	

According to these data it can be deduced that there is a significant difference between men and women in spiritual intelligence ($\alpha= 0/01$) with confidence level of %99 and $df= 364$. As well comparing the averages of spiritual intelligence between men and women show that spiritual

intelligence of women is more than men significantly.

4. Discussion

This study has been done to evaluate relationship between spiritual intelligence and personality traits and life expectancy, predictability of spiritual intelligence through 5 personality traits and comparing spiritual intelligence between men and women. The results of correlation coefficients show significant negative relationship between spiritual intelligence and neuroticism, and there is a significant positive relationship between spiritual intelligence and agreeableness and conscientiousness and there is no relationship between spiritual intelligence and extroversion and openness to experience. Another study has been shown that between spiritual intelligence and neuroticism exist a significant negative relationship and there is a positive significantly relationship between spiritual intelligence and conscientiousness and no relationship between spiritual intelligence and openness [35,36,37,38]. These results are similar to ours. Furthermore they concluded that there is a significant positive relationship between spiritual intelligence and extroversion and no significant relationship between spiritual intelligence and agreeableness. This difference between these results and ours are due to different statistic society, education and economic – social class of inquiries.

Neuroticism is distinguished by agitation, depression, low confidence and no logical reaction in stressful situations [18] Some other studies showed that between spiritual intelligence and mental health, joy and life expectancy exist relationships [39,40,41,42,43,44,45,46]. So as spiritual intelligence increases neuroticism signs decreases.

Extrovert people are sociable, active, thrill seekers and conversationalist. In contrast, introverts are secluded, irritable and visionary. Although introverts are not as happy as extraverts; they are not unpleasant. Introverts are clever, curious and cautious [11,14]. So the people who have high spiritual intelligence can be extrovert or Introvert.

Openness shows the rate of one's interest to newness and gaining new experiences, imagination and art activities. At the same time open people are unusual, and can challenge power sources and are interested in freedom. In general both of open and close people have useful revenue in the society according to some situations [13] So high Spiritual intelligence can be a trait for open or close one.

Agreeableness is related to helpfulness, philanthropy, generosity, humility and sympathy. Conscientiousness is consisting of dutifulness, being regular, thinking before acting, following the roles and being trustworthy [15] Individuals who have high spiritual intelligence are sympathetic, humble, dutiful and high conscientiousness [7]. Thus it seems that people with high spiritual intelligence are agreeable and conscientious.

The results of multivariable regression analysis shows that conscientiousness and agreeableness have the most share in spiritual intelligence anticipation. The findings of second hypothesis show as well that neuroticism trait participated in illustrating spiritual intelligence negatively, and extroversion and openness to experience have no significant relationship to spiritual intelligence. These results were similar to Seraglio's, [47] which showed among 5 traits of personality, agreeableness and conscientiousness have the most relationship with religiousness, and in religious people almost conscientiousness and agreeableness are seen.

Based on these results we can say that persons who get high score in conscientiousness trait, have strong predetermined aims, ability in using schedule for gaining these aims, and ability for controlling impulses. Conscientious people are very exact, punctual, trustworthy and stable in morality principles and hence are ready for facing to life affairs. Most of these traits are seen in high spiritual intelligence owners. Thus it seems there is a relationship between spiritual intelligence and conscientiousness. In other side people who get more scores in agreeableness traits, trust others, and are truthful and humble. Philanthropy, helping others and sympathy are seen more in these group of people. So we can expect that spiritual intelligence has relationship with agreeableness. People who gain high scores in neuroticism, have excitement instability and

most negative feelings such as fear, anxiety, anger, sin feeling and depression. These people are enabling in controlling their impulses desires and cannot be compatible with problems and stressful situations. Since spiritual intelligence is along with happiness, optimism, mental health, life expectancy and psychological stability, so we can expect that there is a negative relationship between spiritual intelligence and neuroticism.

The results showed that there is a positive relationship between spiritual intelligence and life expectancy. There are few studies about spiritual intelligence due to its new construction; indeed, we have no study in which the relationship between spiritual intelligence and life expectancy has been studied directly. But some researchers have studied the relationship between spiritual intelligence and some variables like mental health and happiness which have a close relationship with hopefulness [42,43,44,45,46]. On the other hand spiritual intelligence has a close relationship with spiritual healthiness, spiritual significantly, religiousness and religious partiality. Thus we can conclude that these results are similar to those ones which showed existing a positive significantly relationship between religiousness, spiritual healthiness, spiritual meaningfulness, religious partiality and hopefulness and mental health [48,49,50]. For illustrating spiritual intelligence with life expectancy can be said that spiritual intelligence helps to find significant feeling and aim fullness in daily life, ability to face problems, finding answers for questions about meaning and value of life [6,22,23,24,25,26]. Hopefulness explains the ability of a person to determine some aims for himself and to find some strategies for conquering existence obstacles and gaining those aims which has a close relationship with life meaningfulness [27]. So it seems that there is a close relationship between spiritual intelligence and hopefulness. In other words the people, who have high spiritual intelligence, take into consideration some meaning and goals for their own lives and try to obtain them through planning and accept difficulties of their ways and try to solve these problems by using spiritual capacities.

These results showed that there is a significant difference between spiritual intelligence of men

and women and the women's are higher. These results are similar to some researches which showed women gain higher scores in spiritual life and spiritual views [51,52,53,54,55].

On the other hand these results is not similar to a research result that showed spiritual intelligence of men are higher than women, [32] and also is not similar to researches that showed there is no significant difference between spiritual intelligence of men and women [21,44]. These differences are due to the differences between studied statistics societies, quality and educational possibilities of studied samples, economic- social classes of inquiries, geographic conditions and cultural difference of studied samples, different training styles related to each area and different ways of gaining roles of each individual in different societies.

For illustrating that spiritual intelligence of woman is higher than men, we can say that we see remarkable growth of woman's presence in societies. This participation of women for developing of modern world needs not only ability and talent but also accepting responsibility, having aims and significant life, planning, ability for controlling impulses and problem solving and compatibility to stressful situations [56]. Since such capacities are traits of spiritual intelligence, so it seems that women raise their spiritual intelligence. On the other hand, the causes of difference between spiritual intelligence in men and women are in their differences in personality traits, socialization, sexual role and different behavior of society to men women and also different expectation of society from them. Since women have more time for activities such as praying, meditation, yoga ... we may expect more score in spiritual intelligence than men.

According to these results there is a negative relationship between spiritual intelligence and neuroticism (like negative emotions and feelings like depression, agitation, fear, anger and sin feeling) and a positive relationship between spiritual intelligence and life expectancy, since spiritual intelligence can be raised by practicing and training, so it is suggested that some skills related to spiritual intelligence have been taught in schools and universities to decrease mental problems and to increase some positive feeling

such as , happiness, optimism, life expectancy and hopefulness in our country.

The other way to promotion of findings of spiritual intelligence is pay attention to affective factors on spiritual intelligence and finding some strategies for raising spiritual intelligence. In this study just the relationship between spiritual intelligence and two variables of personality traits and life expectancy have been studied. So it is suggested that the relationship between spiritual intelligence and some other psychological variables like personality type, life expectancy, optimism, joyfulness will be considered. Furthermore for showing the exact relationship between spiritual intelligence and the other variables and finding the relationship of cause and effect between them, performing longitudinal researches and experimental plans seem necessary.

5. Results

Findings indicated a significant negative correlation between spiritual intelligence and neuroticism and significant positive relationship between spiritual intelligence, consciousness was reported. There was also a significant positive relationship between spiritual intelligence and life expectancy. In addition, results indicated that personality characteristics had explained about 60/6 percent of spiritual intelligence variable, which is so considerable. We also found that there are significant differences between men and women in spiritual intelligence, spiritual intelligence of women was more than men.

6. Conclusion

According to the results of this study it is suggested that spiritual intelligence and related skills should be taught at school and universities to decrease psychological problems and increase positive emotions such as joy, optimism, life satisfaction and hopefulness of our students.

7. Authors' contributions

SOE conceived and designed the evaluation, advised on the analysis and revised the manuscript. KS participated in designing the evaluation and advised on the statistical analysis.

SAE helped in data collecting and experiment finding. All authors read and approved the final manuscript.

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A Comparison of Pain Catastrophizing Between Females With and Without Painful Sexual Intercourse Who Presented to Professional Clinics for Women Health

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Abstract

One of the clinical issues in patients is pain. Painful sexual intercourse is a common disabling condition in females and affects two-thirds of women in their life. Painful intercourse is a psycho-physiologic state which for its diagnosis both physical and psychological factors should be considered. One of the most important improper confronting ways in presence of painful intercourse is pain catastrophizing. This study was done to compare pain catastrophizing between females with and without painful intercourse who presented to governmental professional clinics for women health in Sari, Iran.

1. Introduction

Painful intercourse means pain arising during sexual intimacy. If pain develops even after partial penetration inside vagina, it may be caused by impaired lubrication by vaginal discharges due to sexual aversion or inadequate intimacy or the presence of painful scars [1]. Pain during intercourse is a type of sexual dysfunction [2].

Sexual dysfunction is accompanied usually by other psychiatric disorders such as depression, anxiety disorders, personality disorders and schizophrenia. In most cases, the diagnosis of sexual dysfunction is made with another psychiatric disorder, but in some cases sexual dysfunction is one of the symptoms or signs of a psychiatric disorder [3].

Responsible causes for painful intercourse include psychological and physical causes. Psychological causes include developmental

factors like the attitude of a person towards sex, traumatic causes such as sexual or emotional abuse and communicational factors including resentment towards sexual partner [4].

The rate of painful intercourse is not clear. In most cases, dynamic causes are considered causative [3]. In addition to the frequency of 12-21% of painful intercourse, this condition can affect sexual function of patients, psychological health, and quality of life [5]. Studies have shown that the pain which females experience during intercourse is affected by other sexual and non-sexual aspects of their life. Pain experience without appropriate diagnosis and treatment by health care providers may affect patients and their sexual partners with different degrees [6].

Nowadays, mutual effect of physical maladies and psychological disorders is the focus of many research studies in medicine and psychiatry. Pelvic pain which commonly affect sexual and genital health of females is diagnosed improperly and is most often maldiagnosed or ignored [7].

On the other hand, women may feel shameful to state their sexual problems. For example, a patient with sexual complaint may state that she has anxiety, depression, sleep disorder or symptoms related to her genitalia [1].

There is limited information about etiology of sexual pain and most studies have implicated physical complaints instead of psycho-social variables which can aggravate the condition [8]. A gynecologist in Canada has stated that various forms of sexual complaints have been

assessed but none of them originated from physical illness. But most patients still feel that they should use physical complaints as an indication to visit doctors [9]. Therefore, since pain is a multidimensional experience, it should be assessed in different areas including medical-biologic and psycho-social aspects [8].

Undoubtedly one of the most comprehensive findings in association with contemporary psychology studies is pain catastrophizing. Pain catastrophizing is described as a type of cognitive distortion [10] and points to an exaggerated state relative to stimulus negative state. Therefore, pain catastrophizing is an important cognitive and exciting factor in pain experience [11].

Catastrophizing is categorized as an incompatible strategy in confronting pain and is a negative emotional-cognitive process which includes magnification of symptoms related to pain, disability, pessimism, and mental obsession [12]. Pain catastrophizing has three components:

- 1) Thinking about pain (pain attention and concentration process)
- 2) Magnification or exaggeration of pain and tendency towards exaggerating negative consequences of pain
- 3) Disability (the rate of disability which is experienced during pain) [11]

The association between catastrophizing and pain has gained much attention in recent studies [13]. Catastrophizing has association with pain regarding etiology and the results support its causative nature and predictability of catastrophizing [14]. Researches realized that low mind fullness may be a pre-requisite in pain catastrophizing [10].

The concern produced with intervening an automatic process causes change and inattention at that specific time and hence people usually get mental rumination about pain and this leads to exaggeration of their situation. The cycle in which pain causes psychological pressure (it depends that the patient experienced which conditions previously such as depression, anxiety and rage) and each factor may aggravate pain and this added pain causes more psychological

pressure and tension, and the cycle goes on [14].

In Sullivan et al. study, they reported that catastrophizing is a good predictor for pain severity and the way to adjust it and seems to be more appropriate than other variables in determining probable disability. Salivan stated that the probability of disability and depression in those who scored higher than 30 is more likely than others and necessitates psychological interventions [14].

Studies among anxious people showed that these persons had increased catastrophizing, stress, depression, less control on pain and disability feeling in pain reduction [16]. Rafiee et al. reported that there is significant difference regarding depression and pain catastrophizing between females and males [17].

Sadeghi et al. showed that catastrophizing is more common in females than in males and regarding subscales, mental rumination and helplessness were more common in females [18].

Dixon et al believe that the association between pain and catastrophizing may be mutual (i.e., catastrophizing thoughts affect pain perceptions and that affects catatsrophizing thoughts mutually) [19].

Buenaver et al. reported that people who use more pain catatsrophization usually think more about it and their cognitive-physical function is disrupted via pain prediction [12].

David et al. in a research study titled "the response of brain cortex to pain in healthy people" showed that pain catastrophizing has role in progression or continuation of chronic pain [20].

Lamont showed that painful intercourse in females causes interpersonal problems and those women who suffer from this condition experience despair and frustration. This would result in losing self-confidence, feeling of rejection by spouse, and losing intimacy and the relation between them. During the last 25 years, numerous studies have been done about painful intercourse. Most of these studies have been reported in obstetrics and gynecology journals and few have been reported in

psychiatry journals [9]. In this study we decided to assess some psychological causes of painful intercourse.

2. Materials and Methods

Study population of this cross-sectional study consisted of 86 females who presented to specialty clinics for women health of Imam Khomeini Hospital and Tooba Clinic in Sari, Iran. The women who desired to participate at the study were selected. The married females who suffered from painful intercourse for more than 6 months, were not nursing, and were not taking tricyclic antidepressants (TCAs) were studied. Those whose painful intercourse was revealed to be due to physical conditions by examination were excluded. Of 86 females, every other subject was excluded and finally 43 subjects were entered into the study. Forty-three females who did not have painful intercourse were matched regarding age and educational level with the case group (control group).

Data gathering tool was by filling out standard questionnaires by the patients. Here, pain catastrophizing scale (PCS) was used. The English version of this tool was invented by professor Sullivan in 1995 and was normalized in Iran. This questionnaire is a 13-question tool for measuring catastrophizing. Patient responds to its questions according to his/her mental process. The score range is from 0 to 25 [18]. Based on the guidelines of PCS, the attendants are asked to state painful experiences they have had. They are asked to determine the severity of any 13 thoughts or feelings who have been experienced by a 5-part scale as 0 indicates never and 4 indicates always. PCS ended in access to a major scale and three minor scales which dealt with thinking about pain, pain magnification, and helplessness [21].

The answers of participants are categorized according to three scales of mental rumination, magnification, and helplessness. Its reliability in Iran has been reported as 0.87 [22]. In this research, statistical analyses were done by SPSS software (ver. 15.0). For descriptive variables, mean, standard deviation, and frequency rate were used. For comparing

quantitative variables, the student t-test was applied.

2.1. Methods

Eighty-six females with age range of 18-48 years who suffered from painful intercourse who presented to specialty clinic of Imam Khomeini Hospital and Tooba Specialty Clinic were selected randomly. Forty-three females were studied using Pain catastrophizing Scale (PCS). Forty-three females who did not suffer from painful intercourse and were matched to the first group regarding age and educational level and comprised control group.

3. Results

In this study, the age range of the subjects was from 31 to 35 years in case group and 20 to 30 years in control group. The educational level of both groups was at the high school diploma level or lower levels. The student t-test results showed that pain catastrophizing and its components (mental rumination, magnification, and helplessness) in those with painful intercourse were higher than in control group (Table 1).

In comparing females with and without painful intercourse, mean PCS was 30.51 (11.9) in patient group and 20.72 (11.31) in control group. Mean scores of mental rumination (2.74 (± 0.98) in patients and 2.04 (± 0.92) in controls), magnification (2.18 (± 1.13) in patients and 1.67 (± 1.12) in controls), helplessness (2.17 (± 0.99) in patients and 1.26 (± 0.9) in controls) showed significant difference between the two studied groups. Among indices of pain catastrophizing in patient group, mean scores of mental rumination, magnification, and helplessness were higher than in healthy control group ($P < 0.05$).

Table 1. Comparison of mean and standard deviation of pain catastrophizing, mental rumination, magnification, and helplessness between females with and without painful intercourse in the age range of 18-48 years in Sari

	Case	Control	T	P value
Pain catatrophization	30.51 (11.9)	20.72 (11.3)	3.911	< 0.001
Mental rumination	2.74 (0.98)	2.04 (0.92)	3.39	0.001
Magnification	2.18 (1.13)	1.67 (1.12)	2.07	0.041
Helplessness	2.17 (0.99)	1.26 (0.9)	4.49	< 0.001

The frequency distribution of pain catastrophizing was higher in case group than in control group. Frequency of painful intercourse was higher in those who had been sexually abused in childhood than in others. The frequency of painful intercourse was fewer in those who had married life information before marriage. The frequency of primary painful intercourse was 39.5%. The frequency of depression and anxiety in those with painful intercourse was higher than other diseases (Table 2).

Table 2. Comparison of pain catastrophizing, childhood sexual abuse, married life information prior to marriage, primary painful intercourse and other conditions between case and control group

	Case	Control
Pain catatrophization	51.2%	23.3%
Childhood sexual abuse	11.6%	2.3%
Married life information before marriage	34.9%	53.5%
Primary painful intercourse	39.5%	-
Depression	23.3%	-
Anxiety	14%	-
Migraine	11.6%	-
Anemia	7%	-
Asthma	2.3%	-

4. Discussion

This study showed that there is difference regarding pain catastrophizing and its components (mental rumination, magnification, and helplessness) between females with and without painful intercourse. The high frequency of pain, depression, and anxiety in the group with painful intercourse necessitates psychiatric interventions. Pain catastrophizing is one of the most important psychological factors in pain prediction and is

associated with increased pain, anxiety, distress, negative emotional processes, and helplessness [23, 24].

Negative excitements like pain causes anxiety. Anxious people usually experience cognitive failures, one of them being pain catastrophizing. Upon facing with sexual function stimuli feel anxious and as a result of this anxiety their attention is differed and therefore have problem in sexual stimulation phase and feel disable. As mentioned earlier, pain causes fear and fear from pain can create anxiety and distress in the subject. Chronic pain results in catastrophizing and affected people apparently have mental rumination about problems and magnify it. Such changes aggravate anxiety and physiologic processes causes vaginal dryness and distort sexual function.

Cultural and training-related factors, disturbed relations in parents life, childhood sexual abuse and various psychological factors such as depression and anxiety, feeling faulty, younger age at the time of marriage and lack of enough information about married life, dissatisfaction of spouse and fear of unsuccessful sexual relation and spouse treason can be anxiety-producing factors, decrease stimulation and followed by frustration.

Information about anxiety-producing factors, having a private place for intercourse and intimacy by the spouse and providing necessary information during treatment course can be effective methods in decreasing problems associated with painful intercourse.

Despite a long time passes to complete the questionnaires and waiting time to be interviewed, we did not able to gather more information about characteristics of the spouses and having private place for married life relations.

5. Conclusion

In search done, no study was found with the title of pain catastrophizing in gynecologic diseases and painful intercourse. This topic is a multi-disciplinary research and gynecologists, midwives, psychiatrists, psychologists, and consultants face such patients frequently.

Medical aspects have been evaluated more than psychological factors and limited studies have been done about psychological factors.

It should be noted that catastrophizing causes painful intercourse and painful intercourse itself causes catastrophizing. Those who have mental rumination about pain deal with this condition for long times, and consider it unsolvable and consequently feel disable and disappointed. This anxiety as result of failure in sexual relations can help psychological and physiologic factors contributing in painful intercourse. Those with painful intercourse experience anxiety upon intercourse due to mental background about pain. The same way, physiologic factors cause unprepared vagina. Psychological factors such as anxiety result in cognitive distortion which is followed by catastrophizing and lead to mental rumination, magnification, and helplessness.

Mental rumination of anxious person appears as involuntary and continuous penetration of thoughts in the form of personification or verbal self-talkativeness. These thoughts about potential physical or psychological injury threaten the individual. Such thoughts form in a rapid way that the individual is unaware of them and only pay attention to this issue that a pervasive anxiety has affected him/her. However, these thoughts or mental images do not relate to only external situations. The individual misinterprets any physical symptom in a catastrophizing and exaggerating state [14].

It seems that painful intercourse can cause anxiety and psychological pressure in the individual which is followed by pain catastrophizing. Measures such as pre-marriage education and raising awareness about sexual intercourse such as enough intimacy by spouse and teaching necessary skills to the couples and help solve marital and familial conflicts can all help females with painful intercourse. To achieve this goal and with respect to high frequency of pain catastrophizing and depression in patients with painful intercourse and their need for psychiatric interventions, the need for attendance of psychiatrists and psychologists in specialty clinics for women health is becoming more prominent.

In this study particulars of spouse such as occupation, educational level, socio-economic status and physical as well as psychological factors were not evaluated. Having private plave for intercourse and the method of contraception which can have role in painful intercourse were not evaluated as well. We recommend that these factors to be implicated in the future studies.

This study showed that pain catastrophizing and its indices were higher in females who suffered from painful intercourse than in healthy ones. Regarding the high frequency of pain catastrophizing, depression, and anxiety in females with painful intercourse, the necessity to provide psychological interventions provided by psychiatrists and psychologists in specialty clinics for women health.

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IV PLENARY SESSION

Economics, Management, Tourism, law & Politics

Session Chair: Erdogan Ekiz - King Abdulaziz University, Saudi Arabia

**The Path to Becoming a Tourist Destination:
Case Study Ban Prasat, Thailand**

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Abstract

For a place to become a tourist destination it must have attractions and receive the support of a number of organizations in order to achieve tourist destination status. This is the study of the development and management of a tourist destination. The senior leaders and elders of Ban Prasat village, together with government officers, tourism and outside agencies related to tourism activities, comprised a total of 15 people who were interviewed.

Ban Prasat is a small village located in Non Sung district, about 45km from Nakhon Ratchasima in the northeast of Thailand. In 1977 the Division of Archeology discovered that Ban Prasat village was the home of an ancient settlement once inhabited by a prehistoric to early history community. The discovery of human skeletons and many pottery pieces within the excavation sites provided evidence of human evolution, community beliefs and culture in the area, dating back some 2,500-3,000 years. The Tourism Authority of Thailand started to promote Ban Prasat as a major stop on the tourism route of Northeast Thailand, focusing on local handicrafts and developing a home-stay program, where villagers put up visitors in their homes and introduce them their daily lives and activities. Since the development of community based tourism in the 1980's, the livelihoods of the

locals have been improved by providing more job opportunities and sources of extra income, particularly from the sales of handmade products. The programs have included the establishment of the home-stay group in 1993, run by an elected village committee and also other career groups such as handicrafts, weaving, cooking and tour guides. In 1994, Ban Prasat Archeological Site won two international awards; the PATA Gold award for PATA heritage and culture and in 1996, the ASEANTA award for excellence in tourism.

Key words: *Development of Tourist destination, Archeological Site*

1. Introduction.

Tourism is a very important business and, from the beginning, such activities always have been for Thailand. Income from tourism is an important revenue for the country and this revenue supports improvements to the environment and the country's economic and social structures. Thailand started to run its tourism business in 1960, in this first year few tourists visited, 80,000 tourists provided revenues to the country of US \$7.8 million (using the exchange rate of the time). Tourism in Thailand increased rapidly between 1960-1971, the average number of tourists who visited Thailand increased by over 23% and in

some years, tourist visits increased by 50 %, but when, due to political problems, the military seized power, tourist arrivals fell to just 6-7 % of their previous levels. In 1972, the number of visitors increased to 1 million people and generated revenue of US\$138.28 million and eight years later, in 1980, Thailand had 2 million tourist visitors and earned up to US\$ 858.2 million. In this period, there was some political unrest and news of this spread around the world, so that the increase in the number of tourists became very slow.

Thailand tourism began to expand more rapidly again and in 1985, increased to 3 million visitors and in 1987 reached the figure of 4 million. 1989 saw 5 million visitors to Thailand, generating revenue of US\$ 4,422 million. In 1990 – 91, there was a return of political unrest with demonstrations and strikes resulting in conflict between the army and civilians during a 2-3 week period. The number of tourists to Thailand was reduced by 4% over a 2 year period.

From 1993, tourist numbers visiting Thailand increased every year by approximately 1 million, up until 2011 when the number of visitors reached 19 million. By 2013 the visitor numbers had reached 24 million, bringing in revenue of US\$ 31,250 million for Thailand. The largest numbers of tourists came from China and Malaysia, more than 2.5 million per year, while visitors from Russia, Korea, India, Laos and Australia, accounted for about one million tourists. Tourists from Europe accounted for approximately 600,000 visits and the European tourists stayed for up to 3 weeks which is a longer stay than for tourists from other regions. The number of visitors who come to Thailand is very affected by the situation within the country. During times of political unrest and military coups the number of tourists is drastically reduced [4].

While Thailand has served tourists, from around the world, for more than 50 years, the traditional tourist destinations have a reduced potential to draw visitors to the country. The Tourism Authority of Thailand (TAT) developed policies to promote 'Visit Thailand Year 1987', which encouraged tourists to visit and TAT also proposed "Unseen Thailand", in 2003 to suggest new tourist destinations for the

visitors. These are very important policies from TAT to attract more tourists from around the world but also to woo domestic tourists. TAT also supports many new tour destinations to improve their potential to get more visitors.

The marketing campaign, to attract more visitors to the country, was a great success because Thailand has become the transport hub for aviation in ASEAN. It makes it easy for tourists to easily come and visit and includes a variety of tourist attractions, with many traditional and cultural ways of life which identify the country, as well as quality accommodation services, restaurants and transportation. Thai people are known to be good-natured, welcoming all with a smile. As a part of the TAT's support to improve the potential of all tourist destinations in Thailand, Ban Prasart is the subject of this case study.

2. Development of tourism in Ban Prasart Village.

The early stages of development to become an award-winning village

Ban Prasat is a small village located in Non Sung district, about 45km from Nakhon Ratchasima Province, Northeastern Thailand. The Ban Prasat community has 213 households with a population of 1,185, consisting of 582 males and 603 females. The villagers are mostly engaged in agriculture, mainly wet-rice cultivation in addition to raising animals and growing vegetables. During the dry season, the villagers migrate to work in Bangkok or some of them earn their living from making local handicraft products from natural materials such as reed plants, palm leaves and stalks [3].

According to an exploration by the Division of Archeology back in 1977, Ban Prasat is an enclosed site of an irregular shape with surrounding moat and a mound measuring 350 x 450 meters. The area slopes southwards with its highest point rising some 5 meters from the surrounding rice fields, palm trees and vegetable patches. Towards the north, there is a natural 'Than Prasat' stream as well as artificial reservoirs constructed to supply water for the villagers throughout the year. Ban Prasat village is the home of an ancient settlement

once inhabited by a prehistory to early history community. The discovery of human skeletons and many pottery pieces from the excavation sites are the evidence of human evolution, community beliefs and culture in this area, dating back some 2,500-3,000 years. The archeological site is located within the 7th community of Prasat Tai village.

Before 1960, Thailand was considered as a poor country. Many villages could not produce enough food to eat. Ban Prasart is a village in the Northeast, the physical area is of sandy loam soil and rainfed agriculture, the yields from agriculture were uncertain. During the dry season, the villagers earn their living by gathering and hunting. In this period around 1960, Thailand announced a 5 year development plan called, the National Economic Development Plan (NEDP), with the objective of tackling poverty by building Infrastructure such as roads and electricity, decreasing population growth and expanding the education system. The important aim of the policy was that all Thai citizens should have enough food to eat. The government supported the farmers to increase food production by an improved farming system, planting process and harvesting process. The government set up Universities outside Bangkok, in Chiangmai, Khon Kaen and Songkran Provinces to provide opportunities for people in rural areas to study at university level and build prosperity within their local area. At that time, Bangkok was 50 times bigger than Chiangmai, the second largest city in Thailand.

The early stage of development in Ban Prasart, involved help and assistance from the public sector to improve living conditions, strengthen village capacity and develop the agricultural sector. Roads, basic infrastructure and facilities were developed. During 1960 – 1982, the government had implemented the NEDP and had conducted a survey to collect data, at household level, to discover the total population, numbers of males and females, land owners, agriculture production etc. The household survey took place every 5 years and has continued until the present day. This provided the basic information for the further development plan. The government also started to improve the agriculture system by surveying

the quality of the soil, the level of rainfall required for rice planting etc. In 1971, the government provided technical knowledge for the farmer to apply to their rice planting, tillage, weeding and harvesting, continually over a 6 year period and later encouraged the farmers to plant Jute during the dry season. Agriculture (rice) is the backbone of the Thai farmer and every household eats rice. Rice is a staple food for Thai people they eat rice every day at every meal.

The government also improved the road into the village, which was not always passable throughout the year. Especially during the rainy season, the roads would get very muddy and prevent traffic entering into the village. Between 1971 and 1976, the road was reconstructed twice by the government so that the villagers were able to travel on it throughout the year. Ten years later, in 1986, the road was of gravel and stone but Ban Prasart finally got an asphalt road in 1990. Regarding electricity, the villagers in Ban Prasart had requested the Electricity Company to provide electricity in 1975 and in 1982, the Electricity Company allocated an electric line to Ban Prasart. Health care is also one of the main policies of the government because the rate of population growth is very high and the Health Promotion Department tries to decrease this population growth rate. In 1978 the government began to introduce contraception to the villagers and also tried to control diseases such as malaria by cleansing their homes and public areas in the village.

At this time, 1978, Ban Prasart had become one of the best villages in the area, which had success in agriculture, a road that could be used all year round, electricity, very good health care and a 'clean and green' village. The local government ordered the Ban Prasart Headman to apply to join the, "Clean and green village" contest that was organized by the Ministry of the Interior to encourage every village to improve their quality of life and living standards, but Ban Prasart did not receive an award. The Ban Prasart village committee decided to join the contest again in 1979, but they again failed to get an award. A year later, the villagers had set up their citizen group to care for, look after and manage all their

activities to improve their village life. Finally, in 1982, Ban Prasart entered the contest again and won the 1st prize. It was in this year that human skeletons and many pottery pieces from the excavation sites that are the evidence of human evolution, community beliefs and culture in this area, dating back some 2,500-3,000 years ago, were found in Ban Prasart. This is the beginning of the story of Ban Prasart, a village in a rural area, becoming a tourist destination. However, the community had no particular knowledge or understanding of tourism. The development took place without a plan or direction.

3. The Discovery of archaeological objects to the development of tourism.

In 1982, Ban Prasart won the best clean and green village award at provincial level and as a result, drew in a reasonable number of visitors as well as funding from various development projects. The visitors were people from other villages. They wanted to learn how Ban Prasart had won the first prize in the clean and green village award. The many groups of visitors came so often that Ban Prasart village committee had to prepare a welcome ceremony, a presentation about their success and have time have to serve food for the visitors. All these activities were very good for the Ban Prasart committee and villagers to gain experience in how to take care of their visitors. Later that same year, a number of ancient objects were found in the village and this was the starting point of tourism development in this rural farming village, but unfortunately, the Department of Fine Arts had no budget available in order to excavate the area.

Over the next four years, the Department of Fine Arts had a budget to survey and explore the ancient settlement but by 1985 they had done no more. Villagers of Ban Prasart tried to request to the Government to excavate the ancient settlement, but the government did not allocate a budget for excavation. Seven years after the first discovery of the ancient objects, in 1989, the villagers requested the Regional Military Division for funds to support excavation. The Regional Military Division received special directive from the Government, the so called, 'Green Isaan Project'

to develop and improve the quality of life of people in Northeastern Thailand. The government encouraged the military to take a role in rural development and set a budget for the military to run community development activities. In 1990, the Regional Military Division allocated a budget for excavation in Ban Prasart for a three year period and constructed three excavation pits to show to visitors. At the same time, more and more visitors came to visit the excavation pits. The Community tried to develop the villages to be more livable and attractive for the visitors by starting village landscaping, planting trees and finally in 1993, Ban Prasart received support from the Green Village Fund. The budget was allocated for tree nurseries, tree planting and the care of trees planted in the village by the citizens groups. There are many citizens groups in Ban Prasart Village such as a women's group and a youth group to help each another and to look after the village. For occupational groups there is a handicraft group, weaving group, groups for food products which get support and training assistance from the Community Development Department to produce bags, hats, cloth, dry food and prepare food for visitors who come to take a study tour of the Clean and green village and to visit the excavation pits.

Some years later, Ban Prasart village got the prize, "1994 PATA Gold award" from PATA Heritage and culture, and the in 1996 received 'The Asian Awards for Excellence in Tourism 1996' for The Best Asian Culture Preservation Effort. In 1999 the government built a museum for tourists to understand the way of life of this ancient village. In 2003, Ban Prasart was backed by the government in the Green village Project in order to make the village cleaner and greener and was appointed to be a Green Village.

4. The role of the Tourism Authority of Thailand.

The Tourism Authority of Thailand (TAT) is the main actor in changing Ban Prasart to be a tour destination by providing a supporting role in developing the area. Ban Prasart village is located on the main route from Bangkok though to Northeast Thailand and on to PDR Lao, only

45km from Nakhon Ratchasima. As part of the “Unseen Thailand” policy, TAT had to support all the new destinations to become attractions for tourists. In the case of Ban Prasart, in 1993, TAT launched the “Village Development Project” to promote Ban Prasart to be a new tourist destination. TAT focused on the “home-stay” program and local handicrafts promotion, where villagers put up visitors in their homes and show them daily life and activities [5]. Initially TAT and the Community Development Department created many development projects designed to improve the local landscape, infrastructure provisions and tourist facilities. Moreover, TAT also organized an educational program concerning tourism management knowledge and training programs for the locals to practice their skills for providing a tourism service, accommodation and hospitality and to help them prepare for the introduction of tourism, provide encouragement and support and enhance their knowledge and understanding of community participation in tourism. Once ‘tourism’ was in place, TAT launched further, specific skills training programs to widen the choice of tourism activities for local people such as planting or harvesting rice, weaving or matt making. The programs included the establishment of the home-stay group in 1993, run by an elected village committee. Management rules and regulations for home-stay were set up. Specific training programs such as training for home-stay operation and management were provided. For the other occupation groups such as handicrafts, weaving, cooking as well as tour guides, support was provided by the Community Development Department. In 1999, the Thai government initiated the One Tambon One Product project (OTOP) to promote hand-made and folk handicrafts within each district and to extend their market shares and channels of distribution where by local products from Ban Prasart were part of this project.

TAT activities to support Homestay in Ban Prasart

Home-stay was Established in 1993 with support from TAT and there were only 13 families who joined the home-stay activities by which villagers put up visitors in their homes

and showed them their daily life and activities. Households that wanted to be home-stays had to be certified by TAT and join the accommodation management training program. TAT had to consider: House stable or not, How many rooms, is it clean, Toilet in the house + well-maintained bathroom + thoroughly clean shower + bathrooms should not be far from the house, are there any pets ? The food should be hygienic, not too spicy and suitable for the tourists who stay. Most of the villagers did not trust themselves to know what to do when a tourist came to stay in their home, how to behave, what to talk about, what would be desirable for tourists etc., because all the villagers are farmers and did not have experience in the Tourism business.

In 1998, the Home-stay members increased to 20 and by 2001, 36 Home-stays were operating for the tourists. Villagers learned from each another that a tourist stay in their home is not so complicated but it can be a lot of fun. Tourists asked about their way of life and also they had the chance to learn a lot from tourists, too. Participating in the home-stay program gave villagers an opportunity to meet new people, learn about a new culture, earn extra money and travel to other places around the country as part of the training courses. In 2002, TAT set the standard for Thai Home-stay and in 2004, the TAT board approved Ban Prasart’s Home-stay as being of the quality to become certified to TAT standards. TAT will approve every Home-stay every 5 years and certify the Home-stay quality. Ban Prasart has been certified, for all of its tourist offerings, by TAT, as of now.

TAT 's activities in Ban Prasart.

1991: Provide leadership training to community leaders and stakeholders

1992: Workshops on tourism management for villagers

1994: Workshop on how to clean house, including garbage collection and community waste management for community leaders and Home-stay owners.

1995: Cooking workshop, clean food and good taste of women’s group and also local food and food for tourists.

1996: Training local guides for youth groups.

1997 – 2003: Cooking workshop for community leaders and Home-stay owners.

2001-3: Provide English conversation for community leaders and Home-stay owners.

2004: Construct the village website.

2005: Introduce networking with other communities that deal with Community based Tourism.

All the Specific training courses for Ban Prasart members were offered to guarantee service quality and standards i.e. cleanliness, and safety. In 2008, there were 35 houses registered in the homestay program, run by the village's home-stay committee. Allocation of accommodation was on a rotating basis. The committee held pre and post visitor arrival meetings to assure that guests received the best homestay experience and culture exchange. Tourism has changed to observing and joining in the daily life of the village, participating in the host family's activities which reflect the way of life in a rural Thai village, visiting Ban Prasat archeological site and community learning centers. Tourists can participate in and learn local handicrafts such as reed plants and palm leaf products, silk, as well as cooking and food preservation. Children in Ban Prasart were encouraged to participate and attend training courses for youth tour guides and train to work as local guides during weekends or school holidays. Tourism offered them an opportunity to earn extra money and appreciate the value of their heritage site, culture, traditions and local ways of life. In terms of tourist safety, there were community's guard to give tourists a better sense of security and safety. Ban Prasat was equipped with a medical centre and health services were also offered by a health volunteer group.

Nowadays, many tourists regularly come to visit Ban Prasart. Especially, students come to learn about the ancient communities, rural lifestyle, traditional Handicrafts, rice cultivation, animal husbandry and fishery. Tourism has provided a range of jobs to be available locally which has kept the villagers from migrating to bigger cities in the country to earn their living. Moreover, Ban Prasart people are very proud of their hometown because

many visitors come to the archeological sites and join in with their culture, traditions, ways of life, as well as enjoying the natural resources and the environment. A major impact of tourism development in Ban Prasat has been the creation of the local handicraft products which helps local people earn extra income and improves the local community's welfare.

5. Conclusion.

Tourism is a industry that is growing rapidly and continues to do so. Tourism in Thailand is important to the economy. Tourism has long been recognized for its major contribution to Thailand's economic growth. The country has continuously promoted the tourism sector for over 30 years, undertaking numerous campaigns and strategies to foster the development of tourism. Many government agencies have been involved in the tourism industry to improve their competitiveness with other countries.

Ban Prasart is a case study to show that the way of starting up a tourist destination needs many components. Many government agencies came to support the activities and have to support continuously and for many years to get success. The most important factor is the contribution of the villagers to work together for their home town.

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The Tourism and Leisure Resources Allocated using a Multi-criteria Grade Cluster Analysis

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Abstract

This study can objectively deal with the need priorities of tourism and leisure resources so the budget is allocated first to the projects which are in urgent need of money. In the resource allocation of tourism and leisure projects, instead of being unfairly mixed together in the evaluation, a number of tourism and leisure projects ought to be partitioned off in light of their different need grades, which could indeed help the government relieve the heavy workload of making choices among so many tourism projects, this research will adopt fuzzy sets theory, the multivariate cluster analysis method and selection criteria for tourism projects to construct a multi-criteria grade cluster analysis (MGCA) model which will help to classify tourism and leisure projects into several grades in accordance with their priorities.

1. Introduction

Due to tourism and leisure projects have a close relation to modern people's lives and the investment in them is significant. A government therefore should not make decisions using subjective judgment but should first undertake analysis of the objective evaluation criteria and then make impersonal decisions. For a government, one important subject regarding tourism and leisure projects is how to allocate the budget effectively, especially in situations of financial difficulty, when it is vital to allocate the budget to the place where it is most needed and hence maximize the function of a limited budget.

Because the number of tourism projects varies in different departments, and the priority and urgency of the projects are different as well, thus, it is very difficult to allocate the budget effectively. Under such circumstances, the methods most commonly used are equalitarian allocation and allocation based on the size of

both the population of units or local governments and the region they govern. These methods may result in the problem that the units bold enough to claim it could be granted a greater budget, while those requesting nothing will be given little. However, the tenet of budget allocation is to make the most effective use of resources and where a budget is limited, to get it to where it is most needed, as otherwise the problem might arise that some units are busy dealing with a budget exceeding their demand, but others are faced with the issue of an insufficient budget. Therefore, for a government, one of the more important subjects in its governance is how to allocate a budget based on the need priorities of tourism projects, while taking into consideration, for example, the environmental conservation, land planning and financial load.

2. Literature review

The selection of tourism and leisure projects has several characteristics, such as multi-objectives, multi-attributes and multi-criteria. These criteria can be considered relative to society, economy, finance, human resources, environment, market, and politics. Due to their potential to clash, and their variability, comparability and correlation, various criteria shall be evaluated and selected using a Multiple Criteria Decision-Making method (MCDM) instead of only the Cost-Benefit Analysis (CBA) or Single-objective Mathematical Programming method. Bellmen and Zadeh [1] pioneered the exploration of the decision-making issue in a fuzzy environment, while Baas and Kwakernaak [2] proposed to use preferred fuzzy sets as the method of ranking alternatives. There are many methods for implementing a fuzzy multi-criteria decision making method (fuzzy MCDM). For example, Chen and Hwang [3] made a distinction and classification for each method besides fuzzy ranking and fuzzy multiple

attribute decision-making methods; Buckley [4] came up with the Fuzzy Analytic Hierarchy Process method (Fuzzy AHP), which fuzzed the paired comparison values in Saaty's A(P method and worked out the fuzzy weights of each evaluation dimension and evaluation criterion with a geometric mean method.

Much research on MCDM methods is in progress, covering electric power energy development programming [5], ranking of urban transportation investment alternatives [6], evaluation of sightseeing risk factors [7] and the marketing strategy of the electronics industry [8]. In particular, in transportation construction, this method was used by Huang et al. [9] to assess the competitive abilities of ports and by Pearman et al. [10] to rank road investment programming; the AHP method was utilized by Azis [11] to evaluate the influence of constructing an expressway and the selection of contractors or procurement methods [12, 13, 14, 15, 16]. For the subject of budget allocation, Kwak & Diminnie [17] resorted to a goal programming model to research the budget allocation of academic units; Sundberg [18] to explore the allocation mechanisms in public provision of transport and communication infrastructure; Ramanathan & Ganesh [19] applied the AHP method to resource allocation; Perng et al. [20] used the Genetic Algorithm (GA) to solve the budget allocation in the restoration of historical buildings; Chen et al. [21] applied on the expatriate selection process; Han et al. [22] adopted a non-linear programming model to figure out the optimal financial budget for software development plans; Karydas and Gifun [23] applied multi-attribute utility theory to the budget allocation of the infrastructure renewal programmes on university campuses; the governments responded to actual or potential investments in tourism development [24, 25]. In these studies, fuzzy MCDM was applied to unquantifiable or non-qualitative evaluation projects and yielded the required results.

In the use of the multivariate cluster analysis method in the present study, the major task is to find a clustering result [26] that the difference is small within a cluster and big among clusters in order to classify tourism projects with different need priorities. Moreover, the similarity in need priority ought to be high among the tourism

projects from the same cluster and low among the tourism projects from different clusters. Thus, it would be easy to distinguish the tourism projects with different need priorities. As to the multivariate cluster analysis method, many studies have covered marketing research [27], organisational behaviour [28], landscape and ecological-condition classification [29], and land classification and management [30]. However, in these papers, we have been unable to find any subjects in which this analysis method was used to solve the problem for the resource allocation of tourism projects, so the related research in this paper is worthwhile.

Based on the systematic concept of budget allocation of tourism projects and the fuzzy quality [1] of human beings in decision- and judgment-making, this paper will adopt fuzzy sets theory, the multivariate cluster analysis method and selection criteria for tourism projects to construct a fuzzy multicriteria grade cluster analysis model which will help to classify tourism and leisure projects into several grades in accordance with their priorities. Thus, objectively speaking, the projects that are urgently in need of money can be allocated the budget first.

3. Multi-criteria grade cluster analysis (MGCA) model

The first task in the budget allocation for tourism construction is to determine the priority of execution among tourism projects. This paper will solve the problem of priority in executing tourism projects with fuzzy multicriteria grade cluster analysis theory. The tourism projects that are in most urgent need of money will be allocated the budget first, while the decision whether those that are the least urgent are allocated funds depends on whether there is a balance. Subsequently, we will show the grade cluster analysis method and the steps in the use of fuzzy MCDM and multivariate cluster analysis theory:

Procedure 1: List all tourism plans to be evaluated.

List n tourism plans: $A = \{A_1, A_2, \dots, A_n\} (n \geq 1)$

Procedure 2: Constitute a decision-making group (the evaluation committee).

Selecting t committee members to constitute a decision-making group:

$$T = \{T_1, T_2, \dots, T_t\} (t \geq 5)$$

Procedure 3: Formulate evaluation criteria. Formulating m evaluation criteria:

$$C = \{C_1, C_2, \dots, C_m\} (m \geq 1)$$

Procedure 4: Distinguish the clusters based on need grades.

The organiser has to discuss with the decision-making group the plans and budget amount of the present year to work out P need grades $V = \{V_1, V_2, \dots, V_P\} (P \geq 2)$; furthermore, the

priorities of the need grades decrease in turn (i.e., V_1 means that it is the most needed and V_P represents that it is the least needed).

Procedure 5: Determine the weights of evaluation criteria.

Determining the importance of m evaluation criteria; the experts from the related fields in the decision-making group can assign the corresponding weights:

$$\tilde{w} = \{\tilde{w}_1, \tilde{w}_2, \dots, \tilde{w}_m\}$$

Procedure 6: Establish an Evaluation Matrix.

In light of the judgment and weighting made by the evaluation committee members, the fuzzy evaluation matrix \tilde{D}_i for each tourism project A_i under the evaluation criteria C_j can be formulated as follows:

$$D_i = [d_{ijk}]_{m \times P}, i = 1, 2, \dots, n \quad (1)$$

In the formula, d_{ijk} indicates the fuzzy performance value of A_i at the grade of V_k under the evaluation criteria - C_j .

The evaluation criteria for tourism projects are

all qualitative principles that cannot be easily measured with definite numerical values, so it is necessary to constitute the evaluation committee containing related experts, and then each committee member can make a judgment in accordance with the need grade of every tourism project under each evaluation criterion. Each member is allowed to check one within P grades under each criterion.

Supposing that there are T members in the evaluation committee, the fuzzy performance value \tilde{d}_{ijk} of each tourism project at each need

grade under each criterion can be obtained through the following formula.

$$\tilde{d}_{ijk} = T_{ijk} / T, \forall i, j, k \quad (2)$$

$$T_{ij} = \sum_k T_{ijk}, \forall i, j, k \quad (3)$$

$$T_{ijk}^t = \begin{cases} 1, & \text{Indicates the } t \text{ evaluation committee members' judgment that } A_i \text{ belongs to Grade } k \text{ under the criterion of } C_j. \\ 0 & \text{Others.} \end{cases} \quad (4)$$

$$\sum_{k=1}^P \sum_{t=1}^T T_{ijk}^t = T \quad (5)$$

$$0 \leq \tilde{d}_{ijk} \leq 1 \quad (6)$$

Procedure 7: Calculate the fuzzy evaluation vector after the weighting.

When considering m evaluation criteria simultaneously, we can calculate the following fuzzy evaluation vector \tilde{E}_i after the weighting.

$$E_i = (E_{i1}, E_{i2}, \dots, E_{ip}) = w \otimes D_i \quad (7)$$

In the formula,

$$E_{ik} = \sum_{j=1}^m w_j \otimes d_{ijk}, k = 1, 2, \dots, P \quad (8)$$

$$\sum_{k=1}^P E_{ik} = 1, i = 1, 2, \dots, n \quad (9)$$

Procedure 8: Grade Cluster Classification

Since \tilde{E}_{ik} stands for the fuzzy judgment value when the tourism project A_i is comprehensively appraised as Grade k under m evaluation criteria, so the priority sequence of tourism projects is the result of the grade cluster classification of n tourism projects A_1, A_2, \dots, A_n with

$$E_{i1}, E_{i2}, \dots, E_{ip}$$

known.

(1) Defuzzification

Through the above comprehensive evaluation of fuzzification, we can obtain the triangular fuzzy numbers of each tourism project. These fuzzy numbers are not definite numerical values, so they must be defuzzified; specifically, the best non-fuzzy performance value (BNP) has to be found. In the literature, there are many methods for defuzzification, such as Middle of Maxima (MOM), Centre of Area (COA) and a-cut set. This paper adopts Centre of Area (COA) [6] to

implement defuzzification because this method is simple to use and the preference of evaluation committee members need not be considered. The BNP_i value of fuzzy numbers can be calculated with the following formula:

$$BNP_i = \frac{[(UR_i - LR_i) + (MR_i - LR_i)]}{3} + LR_i, \quad \forall i \quad (10)$$

(2) Setting of the distance among clusters

Before analysing the clusters, we need to work out the dissimilarity or similarity among the clusters in light of the variables. At present, the dissimilarity can be expressed with several distance measures, such as Euclidean distance, squared Euclidean distance, size difference distance, pattern difference distance, variance distance, shape distance, and Lance and Williams distance [31]. This paper uses squared Euclidean distance to perform the analysis. Setting $C_i = (x_i, y_i)$, $C_j = (x_j, y_j)$, the squared Euclidean

distance between C_i and C_j is:

$$d_{ij}^2 = \frac{(x_i - x_j)^2}{2} + \frac{(y_i - y_j)^2}{2}, \quad i, j = 1, 2, \dots, n \quad (11)$$

Therefore, the squared Euclidean distance of clusters can be written as follows:

$$d(x, y)^2 = \sum_{i=1}^k (x_i - y_i)^2, \quad \forall i \quad (12)$$

(3) Hierarchical Analysis Method

The analysis methods are usually divided into hierarchical and nonhierarchical methods; moreover, the hierarchical methods can also be sub-divided into agglomerative and divisive methods. In the agglomerative method, the distance among observed objects or the error matrix within a group is calculated first, and then the two closest observed objects are merged into a cluster; next, the distance among merged observed objects or the error matrix within a group is computed. The above procedure is repeated until all observed objects are merged into the same cluster. The most commonly used methods include the single linkage method, the complete linkage method, the average linkage method, the centroid method, the median method and Ward's method. In the past, most studies have shown that the average linkage method and Ward's method are the better methods [32]. After trying all analysis methods, we found that the average linkage method leads to an ideal result. The steps are as follows:

a. Find out the two closest tourism-project clusters (also called observed objects); for example, C_A and C_B are merged into C_{AB} .

b. Calculate the distance between the new tourism-project cluster C_{AB} and other tourism-project clusters:

$$d(C_{AB}, C_D) = \frac{1}{n} \sum_{i \in C_{AB}} \sum_{j \in C_D} d(i, j) \quad (13)$$

This formula indicates that the average distances between C_A and C_D and between C_B and C_D are used as the new distance between C_{AB} and C_D ; n represents all logarithms between the two tourism-project clusters C_{AB} and C_D . The average distance between A and B (the tourism-project clusters) can be further written as:

$$d(A, B) = \frac{1}{n} \sum_{i \in A} \sum_{j \in B} d(i, j), \quad \forall i, j \quad (14)$$

c. Repeat the above steps until all observed objects are merged into one cluster.

Procedure 9: Grade Classification for all Tourism Projects
According to the results of analysing the above

infrastructure-project clusters and V_d (the need of the clusters with P grades determined by the evaluation committee), the cut-off point α can be selected to classify all tourism projects into different grades, as the following formula shows:

$$\text{If } d(A, B) \leq \alpha, \text{ then } d(A, B) \in V_d, \forall k \quad (15)$$

$$\text{and } d = \min \{k | d(A, B) \leq \alpha\} \quad (16)$$

4. Conclusion

In the resource allocation of tourism and leisure projects, instead of being unfairly mixed together in the evaluation, a number of tourism projects ought to be partitioned off in light of their different need grades, which could indeed help the government relieve the heavy workload of making choices among so many tourism and leisure projects. Fuzzy theory can be used to investigate and deal with the weighting and judgment of experts on the need priorities of tourism projects, which could overcome the different needs of individual decision-making activities in the decision-making group.

A follow-up fuzzy multicriteria grade cluster model will combine 2 sub-models – the fuzzy multicriteria ranking model and the budget allocation model – to construct a complete model for the resource allocation of tourism and leisure

projects. The resource allocation methods brought forward in the future need to provide easy access to the analysis of sensitivity and meet the change demands of response policies.

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The Experience Perception of Staged Authenticity in Tourism Industry

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Abstract

Pervious researches suggest that staged authenticity is a critical factor in the service encounters process. Therefore, this study considers the relevance and conceptualizations of 'staged authenticity' based on the dramaturgy theory in the context of tourism service industry. Following a discussion of the disciplinary antecedents and consequence of staged authenticity, this study evaluates the conception of staged authenticity, perceived consistency, back-stage perception, and experiential value of customers. The questionnaires were distributed to the service industry in Taiwan. A total of 645 questionnaires of theme park consumers were obtained. Data was analyzed using structural equation model. It is suggested that staged authenticity is a consumer experiential source in tourism service industry. Theoretical, managerial and marketing implications of authenticity are discussed, showing that the consumer-based perception can help enhance the perception of authenticity model in tourism service industry.

1. Introduction

Consumer experience has been considered to be a topical issue in service management research. Some studies suggested that an important attribute of service experience is authenticity [1][2][3]. [4] suggested that the authentic perception of customers for tourism service setting (such as service employee performance, service environment, the atmosphere of the setting, etc.) would influence their evaluation of service experience. In other words, the authentic perception of the service setting would influence the service experience of consumers. The customers might have stronger service experience, if they feel the service setting is authenticity.

However, due to the intangibility and perishability nature of tourism service industry, consumers experienced the authentic product and service of tourism more difficult. In addition, authenticity is an inconsistent conception [5] and it is used widely in the different research areas, such as sociology, environmental psychology, tourism, etc. Prior research has explored multiple perspectives of authenticity in the variant domains [6][3][7][8][9][10] [5][11].

However, most researches are conceptual studies and less empirical research. Therefore, this study attempts to build a conceptual model of staged authenticity from dramaturgy theory prospective.

Dramaturgy theory would express the conception of staged authenticity in the context of service encounter and service delivery process [12]. [13] pointed out that the dramaturgy theory could be used to the context of service environments. According to dramaturgy theory [14][13], the service process is similar with a stage which is a composition of setting (service environment), actors (service employees), audience (consumers and others), and performance (the service processes). These compositions describe the interaction among consumers, employees, and service environment in the service delivery context.

Further, the stage can be divided into front-stage and back-stage [14]. There is a face to face interaction between consumers and employees in the front-stage. The back-stage is a place of rest and preparation for employees, such as a kitchen, boiler room, and so on. Generally, consumers rarely have the opportunity to see the back-stage. Even they see the back-stage, and it is also mostly after

modification. In addition, [1] pointed out that the staged authenticity is an arrangement in tourist settings. Therefore, the staged authenticity could be explored while the back-stage is inconsistent. This study tries to understand that the relationship among back-stage perception, perceived consistency and staged authenticity.

Furthermore, the experiential value of consumers is considered as one of the key trends in tourism industry. [15] pointed out that the experiential value could help or hinder consumer to reach the interaction intentions of the product or service. In addition, experiential value is also a cognitive and preference of product or service, and it can be enhanced by the interaction of consumer participation [16]. Because of that, this study tries to explore the relationship between staged authenticity and experiential value.

Therefore, there are two purposes of this study. First, this study contributes to the empirical research through the testing of a conceptual model of staged authenticity that estimates the linkages among perceived consistency, back-stage perception, staged authenticity, and experiential value. Second, this study also intends to contribute useful practical insights for authenticity of tourism industry.

2. Hypotheses development

2.1. The relationship between perceived consistency and staged authenticity

Authenticity is a familiar but is not a very stable conception [5]. It was used in the museum researches at the earliest [17]. Later, authenticity was applied to extend the field of tourism. [3] suggested that the purpose of the tourists is experience the authenticity of tourism. [1] also pointed out that the travel cognition of tourists is driven by authentic experience. Tourists might believe that the destination where he/she arrive can represent the authentic experience. However, the authenticity is usually difficult to determine. It is because that tourists believe they get an authentic experience due to the destination is a set up scene for tourists.

Therefore, [18] pointed out that travel destination is a pseudo-event, and tourists engage a sightseeing activity in the unreal environment. [1] also believe that "most sightseeing activities are staged authenticity arrangements in tourist settings." In other works, the sightseeing environment is decorated with tourist staged. The setting which tourists see is a decorative place. For example, the aboriginal totem statues and aboriginal dance performances are intentionally exhibit which let tourists could understand the Aboriginal culture through the setting situation. Therefore, some study has proposed the concept of "stage authenticity" to more in-depth discuss the authenticity [1].

According to Dramaturgy theory, the conception of staged authenticity can be expressed through the context of service encounter and service delivery process [12]. [13] suggested that the service process is like a theater performance and there are four elements of staged authenticity: setting, actors, audience, and performance. The setting is the place where the service delivery occurs; the actors are the service employees; the audience is the customer and others who in the service settings; and the performance is the contents of the service.

According to [14], the staged can be divided into front-stage and back-stage. In the front-stage, actors and audience can interaction in there. However, the back-stage is not the place where the interaction occurs between actors and audience. It is a place where the actors can take a rest and prepare their performance [12]. In addition, the back-stage is usually disorder. Therefore, most service providers do not allow their customers visit the place. If the customers see the real back-stage, and might let customers destroy their good impression with the back-stage.

The conception of consistency also is the topic issue in the management researches. [19] pointed out that customers would reflect their dream, fantasy, or expectation on the goods or service. Therefore, we believe that customers would evaluate or construct imaginative back-stage from the relevant clues. In addition, [20] pointed out that the authenticity exists in the service and product. The service provider should maintain external consistency. In other words, the service providers should make their service and product to match the cognition of

consumers. In addition, some study also suggests that the authenticity expectation of tourists reflect the experience of tourism [21]. In other words, consumers have higher perceived consistency with the tourism setting and may have higher staged authenticity perception. Therefore, the following hypothesis is proposed:

H1: Perceived consistency is positively related to staged authenticity.

2.2. The relationship between back-stage perception and staged authenticity

[14] pointed out that daily life has two kinds, one can be showed in front-stage, the other one is a hind life which can not present in front of others. In fact, the back-stage is usually scruffy, raggedly, and dirty. That is why most service providers hide the back-stage of the service setting and avoid a poor impression to consumers. Because of that, by showing a better place of front-stage, the consumers have a good perception to back-stage [1][22]. However, the real back-stage must exist in the physical environment. Therefore, for service providers, they have to embellish the back-stage to avoid the exposure of real back-stage. If the consumers find the real back-stage, it may make a negative realism of consumer to the service providers. Therefore, the back-stage perception of consumers is higher, and consumers might have a higher staged authenticity perception.

H2: Back-stage perception is positively related to staged authenticity.

2.3. The relationship between staged authenticity and experiential value

Some study suggested that the value originates in the use of products or services [23]. Experiential value is a kind of interactive, experiential, and relative preference [24]. It is caused by an interaction between objective (such as product content) and subjective (such as customers).

The authenticity is a pursuit of consumers who want to experience more realistic and sincere feeling [25][1]. In experiential marketing research, consumer experience is the best tool to create added

value of the service, and can be reflected by an unforgettable experience. [20] pointed out that if consumers don't get the authenticity of experience, they would not confirm certainly the quality of goods or services. This study suggests that staged authenticity is the measure standard of experiential value, and the relationship is positive between staged authenticity and experiential value.

H3: Staged authenticity is positively related to experiential value.

3. Methods

A survey was conducted using subjects to test the hypothesized model. The predictor variables were staged authenticity, perceived consistency, back-stage perception, and experiential value. Measurement items are used by five-point Likert scale, (1) represents strongly disagree; (5) represents strongly agree. Based on empirical research and recommendations of past study, this study selected theme park industry in Taiwan. In addition, all measurement variables adopt existing academic scales. In the staged authenticity scale, we use the scale of Bettencourt (1997), Kolar and Zabkar (2010), and Dong and Siu (2013). In the part of perception consistency scale, we follow the study of Eggers et al. (2012). The measure of back-stage perception is used the scale of Kingman-Brundage (1989). The measure of experiential value is used the scale of Mathwick, Malhotra and Rigdon (2001).

4. Results

This study applies the convenience sampling investigate. 645 valid samples were collected. According to analytical results, there are more female (58.4%) than male (41.6 %). Most of the respondents are 16~25 years old (50.2%); most of them have a high school degree (45.4%).

In terms of reliability testing, this study used Cronbach's a coefficient to analyze the reliability of each scale. The results indicated that the Cronbach's a coefficient of each variable was between 0.89 and 0.95, which was higher than 0.7 suggested by [29]. Overall, the items in each scale had good internal consistency.

In addition, this study conducted confirmatory factor analysis by estimation methods of measurement model proposed by [30] and used goodness-of-fit test to verify whether all variables possess good convergent validity and discriminant validity. The analytical results of convergent validity showed that all goodness-of-fit indices reached acceptable level. The factor loadings of all items reached statistical significance. The composite reliability for all variables also exceeded 0.6, and the average variance extracted for each variable was larger than the criterion of 0.5. Thus, each construct revealed good convergent validity (see Table 1).

Table 1 Reliability and Validity Assessment

Variable	Cronbach's a	CR	AVE
PC	0.89	0.89	0.66
BP	0.91	0.91	0.68
SA	0.95	0.88	0.65
EV	0.94	0.88	0.65

Ntoe: PC, Perceived Consistency; BP, Back-Stage Perception; SA, Staged Authenticity; EV, Experiential Value.

For discriminant validity, the results indicated that each construct's square root of AVE exceeded the correlation coefficients among other constructs. Consequently, each pair of constructs possessed good discriminant validity.

Table 2 Correlation matrix of research construct

Variable	M	S.D.	1	2	3	4
PC	3.86	0.69	<i>0.81</i>			
BP	3.48	0.81	0.39	<i>0.82</i>		
SA	3.83	0.54	0.75	0.50	<i>0.81</i>	
EV	3.84	0.64	0.68	0.46	0.80	<i>0.81</i>

Ntoe: PC, Perceived Consistency; BP, Back-Stage Perception; SA, Staged Authenticity; EV, Experiential Value.

All correlations significant at $p < 0.001$. M=mean, S.D.=standard deviation. Diagonal elements represent the square root of AVE; the lower triangular region represents the correlation coefficients between the variables.

According to statistical results, regarding overall model fit, Chi-square = 552.35, d.f.=116, GFI=0.91, AGFI=0.88, RMSEA=0.08, NFI=0.93, IFI=95,

CFI=0.95. Thus, the model fit reached the acceptance level.

In addition, from the results of our statistical, we can infer that the relationship between factors and their respective influence strengths are: the relationship between perceived consistency and staged authenticity is positively and significantly influence ($y11 = 19.97, p < 0.001$), and H1 was supported. Back-stage perception is positively and significantly influence on staged authenticity ($y12 = 9.22, p < 0.001$), H2 was supported. Staged authenticity is positively and significantly influence on experiential value ($\beta21 = 21.62, p < 0.001$), H3 was supported.

Table 3 Results of Hypothesis Testing

Variable	Path coefficient	Result
H1: PC→SA	19.97***	Supported
H2: BP→SA	9.22***	Supported
H3: SA→EV	21.62***	Supported

Ntoe: PC, Perceived Consistency; BP, Back-Stage Perception; SA, Staged Authenticity; EV, Experiential Value.

*** $p < 0.001$

5. Conclusion

This study applied the conception of dramaturgy theory to assess the consumer perception of staged authenticity in the context of theme park. The results confirm that perceived consistency and back-stage perception have a significant impact on staged authenticity, and staged authenticity has a significant impact on experiential value of customers. Overall, the contributions of this study have three. First, the conceptual model of this study appears to be effective in analyzing staged authenticity in tourism industry. Previous research more rarely explores the authenticity. Therefore, the model can help scholars understand the dimensions of staged authenticity more detailed. Future studies might apply the conception of staged authenticity across a broader range of tourism settings and assess its broader utility in tourism development and management.

Second, this study explores authenticity from dramaturgy theory perspective, and discusses the consumer perception from stage perspective. It is helpful in describing 'authenticity' in the tourism service is provided, reflecting the intention to

provide an experiential authenticity. Especially, this study protects important conception from 'backstage'. Finally, this study discusses the tourist experiential value in stage settings. Given our findings is an importance in the tourism context. It is helpful in exploring the role of the tourist who is a co-creator. The tourist can create experiences with the tourism service providers.

6. Limitations and future research

This study is groundwork research for tourism development of Taiwan area. In fact, this study has several limitations. First, this study only focuses on the theme park tourist which might limit the generalizability of the findings. Second, this study employed a convenience sampling method, so the sample may not reflect the population of theme park tourist.

In future research, the number of samples would be increased and extended to cover more tourists in different tourism service industries. In addition, replicating this study with other tourism service industries would increase our understanding of the impact of staged authenticity on customer experiential value. In this way, considering experiential authenticity allows us to escape from a description of 'stage'. Future studies might explore the role of authenticity in the tourism marketing field. In addition, the result of this study could not be generalized broadly based on theme park. Therefore, increasing the category of web would be a positive step for generalizability.

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Use of Global Distance Education Program in Educational Goals of Airline

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Abstract

Recently there has been an explosive growth in online distance learning which is rapidly transforming traditional learning habits with the more recent ones that uses the latest technology. As establishments nowadays are conscious of the necessity for being more integrative and innovative compared to the past, they question about the need to change management mentality in order to survive in a competitive market. In this context, Turkish Airlines (THY) and Management Trainee Program of THY are taken as sample. "Harvard Manage Mentor" (HMM) is being used for training purposes in Turkish Airlines and the researcher has aimed to explain how this program is being implemented in Turkish Airlines in detail and how the Harvard Manage Mentor program corresponds to the needs of THY educational goals. It was concluded that Harvard Manage Mentor supported the educational priorities of THY and e-learning programs by time saving and efficiency.

1. Introduction & Outlook of Turkish Airlines

In this study the historical developments of Turkish airlines

(THY) are succinctly reviewed. Followed by the current position of global distance education in THY is to be highlighted. With reference to Zaim et al, (2013, p. 545) THY Turkish Airlines, Inc. is the national airline of Turkey, headquartered in Istanbul. It operates scheduled services to 11 international and 37 domestic cities (38 domestic airports), serving a total of 158 airports, in Europe, Asia, Africa, and Americas[1]. The Turkish Airline industry has hitherto become one of the fastest growing industries in Turkish economy, after liberalization allowed airline companies to compete on scheduled flights. By becoming the first national airline company of Turkey, the Turkish Airlines has successfully created a different image on passengers for years. Therefore, the customers became loyal to the company. The other reasons for customers being loyal to the Turkish Airlines can be classified in terms of accuracy in schedules, quality of service, frequency of flights, behaviors of the staff, and safety and security provided [2].

Within time, the Turkish Airlines has strengthened its position with its strategic plans that are prepared by its skillful and experienced staff during the reconfiguration process after the

privatization. Torlak et al (2011, p. 3404) appraises that the Turkish Airlines appears to be far better in terms of management competence and experienced dexterous staff with respect to other firms[3].

The Turkish Airlines for the twenty-first century was the following: regional leadership on long haul flights, opening up new international flight destinations, making İstanbul Atatürk Airport a hub, providing technical, educational and technological service to the airlines in the region and boosting its image abroad and joining an alliance system [4].

The Turkish Airlines has also taken up a decision to cooperate with airline alliances in order to respond their customers' increasing demands as a result of proliferating number of passengers. Meanwhile the Turkish Airlines attended to "Star Alliance" groups in which Lufthansa took the lead in 2006. The business expects benefits from this cooperation such as flight facility to more destinations worldwide, income increment, cost decrement, information, technology and experience sharing, common brand utilization, opportunity to win mile points and spend it in other airlines that are the members of the alliance, connecting flights by ticket from only one airline, and transfer of the luggage to the destination point. All these benefits have strengthened the trust of customers who travels in domestic flights through the Turkish Airlines brand.

Furthermore it can be stated that Turkish Airlines has not only increased the number of international transit passengers, but also contributed to İstanbul's tourism potential. As Singapore and Dubai have developed into tourist destinations with the help of being aviation hubs, İstanbul may utilize from its tourism potential with the help of Turkish Airlines and Atatürk Airport [5].

Along with all the above, THY has been an official sponsor of Barcelona, Manchester United and Euro league Final 2010. In addition to the sponsorship deals, the involvement of Turkish Airlines contributes to Turkey's trade and tourism potential that influences mutual understanding between societies, hence improving economic and political relations.

According to Zaim et al, (2013, p. 545) THY aims at to become the leading European air carrier with a global network of coverage with its strict compliance with flight safety, reliability, product line, service quality and competitiveness (At the same time, the success of Turkish Airlines also contributes invisibly positively to the global image of Turkey. [6].

2. Importance of Training in THY

With its growing market a loyal customer profile customer-oriented business has been one of the company policies of THY for a long period of time. Customer-oriented business policy, service friendliness feature,

comfort and reliability features have an important role on customers' choice and THY with its educational team tries to provide better and sound service with higher quality focusing on customer with well-trained staff and managers.

THY has ongoing education programs for the flight cabin and airport personnel. In addition to flight training in 2012 THY started its Managerial School-Leaders of Tomorrow. The education of managers is as important as the education of the flight cabin. With training programs the managers will have the initiative and working skills which would improve the flight cabin's training skills as well. Conforming to Karasar and Öztürk (2014), the Managerial School intends to provide high or medium level managers and potential managerial candidates with equipment and qualifications that the Turkish Airlines might need as a company [7]. For this purpose, twelve in class sessions and ten in conferences are given to the leadership program students.

The major target of a manager is to use company resources efficiently. Pursuant to Karagülle, (2012, p. 93) a successful manager directs resources in order to achieve best record in organizational goals [8]. One of these resources is the employees and one of these goals is to improve the skills of the employees that the manager works with.

Table1. Management Trainee Program (MTP) of THY

Personality Traits	Personal Skills	Strategic View	Operational Skills	Human Resource Management
Humanism	Educational background	Seeing the big picture	Take action	Management of diversities
Strong moral values	Work experience	Analysis and synthesis	Fast decision making	Understanding of people's skills and potentials
Taking initiatives	Competence in information technologies	Visionary	Being innovative/Adoption to changes	Being a good listener
Self-assessment (Self-criticism)	Being a good rhetorician	Prioritizing	Being goal oriented	Setting as an example/ Being inspirational
Dedication	Fast learning-Speed reading	Cause-effect relationship	Effective time management	Being persuasive/motivator
Sense of justice	Being able to establish organizational & communicational networks	Planning	Division of authority and responsibility	Being open and honest in relationships

Source: From Uçkun et al, "İşletmelerde Yönetici Adayı Havuzu Yöntemiyle, Yönetici Adaylarının Belirlenmesi (THY Uygulaması)", by THY, 2013, Electronic Journal of Vocational Colleges, 43. [9].

3. Online Education of THY

Owing to the immense amount of knowledge culminated in the first decade of 21st century and the increasing demand for education in society, traditional educational institutions have become incapable of meeting this demand. In consonance with Erginöz (2013, p. 18) due to educational cleavage, the notion of "distance learning" has occurred as a substitute to traditional education [10].

As reported by Busquets and Argüelles, (2014, p. 68) digital technologies entering the economic field in recent decades have accelerated the process of economic globalization and the relaxation of laws relating to terms of employment in such a way that

companies have found themselves compelled to transform their productive and organizational processes. [11]. According to Cannings & Talley (2002), the Internet and multimedia, including the non-linear integration of video, audio, text, and graphics can provide a rich environment for case studies which promote the mental construction of knowledge about integrating technology into the curriculum [12].

Consequently, e-learning also brings a substantial reduction in training costs, makes knowledge easier and integrates workers into the company [13]. For the purpose of e-learning the Turkish Airlines purchased the usage rights of Harvard Manage Mentor (HMM). HMM is a web-based distant education program, for almost a thousand managerial candidates, in cooperation with Harvard University. Manage Mentor, which was initiated by Harvard University, is one of the most famous and successful programs through which the managerial candidates receive web-based distant education.

Harvard Manage Mentor online offerings are made available to all leaders. Leaders are encouraged to use tools and exercises from the system for in-service and staff training sessions. As stated in Bradley et al, (2008: p. 28) all leader tools and resources are made available online for enhanced usability and easy access [14]. This program, which is supposed to be used by more than five million people since the day it has been launched, consists of 44 modules.

Owing to Karasar & Öztürk (2014, p. 115) Harvard Manage Mentor is competent enough to provide a secure background for the future managers with its interface that enables sharing seminars of the world leaders, visual presentations, comments of the users [15]. IATA has incorporated Harvard Manage Mentor's 44 e-learning modules into its training curriculum as well [16].

These module groups are Managing Yourself, Managing Others and Managing the Business. Harvard Manage Mentor anticipates improving the skills of the trainee managers and other users in six phases. In the first phase, key points of the subject and auxiliary materials are presented. Then, the learning capacity is determined by using taught concepts that would present real scenarios and tests applicable to the taught concepts. The tips on how the taught concepts should be applied to the work environment are shared with the user. As highlighted by Karasar & Öztürk, (2014, p. 116) the users can share information on their experiences or acquire knowledge with the Harvard Manage Mentor community [17].

Table 2. Harvard Manage Mentor Program

Managing Yourself	Managing Others	Managing the Business
Career Management	Change Management	Budgeting
Delegating	Coaching	Business Case Development
Goal Setting	Developing Employees	Business Plan Development
Managing Upward	Difficult Interactions	Crisis Management
Meeting Management	Dismissing an Employee	Customer Focus
New Manager Transitions	Feedback Essentials	Decision Making
Presentation Skills	Global Collaboration	Diversity
Stress Management	Hiring	Ethics at Work
Time Management	Laying off Employees	Finance Essentials
Writing Skills	Leading & Motivating	Innovation & Creativity
	Performance Appraisals	Innovation Implementation
	Persuading Others	Marketing Essentials
	Retaining Employees	Negotiating
	Team Leadership	Performance Measurement
	Virtual Teams	Process Improvement
		Project Management
		Strategic Thinking
		Strategy Execution

Source: From Harvard Manage Mentor, <http://www.proactivknowledge.com/wp-content/uploads/Harvard-ManageMentor.pdf> & From “İşletmelerde Yönetici Adayı Havuzu Yöntemiyle, Yönetici Adaylarının Belirlenmesi (THY Uygulaması)”, by THY, 2013, Electronic Journal of Vocational Colleges, 43

4. Evaluation of HMM & Conclusion

Perceiving human as a value and an important valuable asset, directors of organizations look for the ways of changing of qualifications in workforce. To be able to accomplish this change, they need to alter the organization’s training applications to ensure their own survival.

Today, organizations tend to improve

and gain from the managers out of their own resources by different approaches. As time and financial resources are restricted the newest technologies help them in succeeding this aim. Global distance education is one of the easiest supporters in this regard.

Managing yourself attributes of HMM seem to be in harmony with THY Manager Trainee Program MTP with especially personal skills and personality traits. Especially presentation skills module help the trainees to improve their communication skills.

The issues that are included in the “Managing Others Section” match with the Human Resources target of MTP. Managing the business section is composed of challenging topics like diversity which can be interpreted under Human resources of MTP.

The educational goals of MTP are supported by HMM and it provides a complete manager-training program for the company. The Turkish Airlines gives the lead to all other airlines in Turkey by setting an instructive example not only for the aviation sector but also for other, sectors as well through its usage of Harvard Manage Mentor.

Analysis and synthesis, prioritizing, visionary topics could be considered in the Managing the Business Group Module whereas Modules of Strategic Thinking and Strategy Execution can directly be grouped under Strategic View of MTP. In the Table 3 all the target modules have been grouped according to the HMM’s three main groups.

Table 3. Matching attributes of MTP with HMM

Managing Yourself	Managing Others	Managing the Business
<ul style="list-style-type: none"> •Humanism •Strong moral values •Taking initiatives •Self-assessment (Self-criticism) •Dedication •Sense of justice •Educational background •Work Experience •Competence in information technologies •Being a good rhetorician •Fast learning-Speed reading •Being able to establish organizational & •Communicational networks 	<ul style="list-style-type: none"> •Management of Diversities •Understanding of people’s skills and potentials •Being a good listener •Setting as an example/ Being inspirational •Being persuasive/motivator •Being open and honest in relationships 	<ul style="list-style-type: none"> •Seeing the big picture •Analysis and Synthesis •Visionary •Prioritizing •Cause- effect relationship •Planning •Take action •Fast decision making •Being innovative/Adoption to changes •Being goal oriented •Effective time management •Division of authority and responsibility

As regards to the content analysis, it can be commented that Harvard Manage Mentor supports the educational priorities of THY and e-learning programs causes time saving and efficiency.

THY educational goals are in harmony with HMM. As the e-learning program has also provided time saving and efficiency for the staff who has time restrictions, Turkish Airlines initially sets a noteworthy example for the other airlines and may lead its competitors in use of educational programs, e-learning programs like Harvard Manage Mentor.

For the improvement of this study, for the next research, the staff of THY who has been trained under Harvard Manage Mentor, could be polled by online surveys. Based on surveys filled out, the results can be highlighted and used for further discussion and probings. The results can also be shared by THY directors so that they are aware of their personnel inclinations and expectations from the online educational programs and from their organization as well.

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V PLENARY SESSION

Economics, Management, Tourism, law & Politics

Session Chair: Andrew Rudyk - City University of New York, USA

The Rule of Law is No More: Suppressing Occupy Wall Street—the American “Arab Spring”

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Abstract

The United States defined and accepted the universal principles of the rule of law and human rights. It has incorporated the encouragement of the “strengthened rule of law and respect for human rights” by foreign governments as goals to train foreign police. No American law enforcement organizations, however, require such knowledge. The American definition of rule of law includes advocating “market based economic activity operating freely,” meaning unregulated, without accountability for failure and superior to national law. Occupy Wall Street (OWS) organized to protest the failed neoliberal economic and political policies that brought about the worst financial crisis since the Great Depression, considered to be the “American Arab Spring.” Federal funding and guidance have turned American state and local police forces into paramilitary constabularies instrumental in the suppression of the right to protest of even peaceful protesters through massive violations of their constitutional rights.

1. Introduction: The United States and the Rule of Law

An essential element of United States foreign aid has been the encouragement of the “strengthened rule of law and respect for human rights.” This includes the training of police in such things as human rights and encouraging the establishment of human rights police units, as well as “Objective merit-based criteria

[including] educational background, experience, knowledge, etc. ... [of] Judges, Police, Prosecutors, or Defenders,” for appointment and promotion. In 1998, the U.S. definition of the Rule of Law (ROL) also stated,

The Rule of Law ensures that individuals are subject to, and treated equally according to the law, and that no one is subject to arbitrary treatment by the state. A rule of law that contributes to the building of sustainable democracy is one that protects basic human rights (as enumerated in the Charter of the United Nations, Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, *the Convention on the Elimination of Discrimination Against Women*, (emphasis added) and the U.S. Constitution, among others). [1]

Included in this definition of the ROL, and suggesting equal importance with the other elements—but in reality paramount—was the emphasis on enabled and freely operating “. . . market based economic activity,” including, . . . the principles of private property ownership, the free purchase and sale of goods and services at prices established through supply and demand, with the minimum regulation necessary to protect the public interest, and minimum state intervention. Paramount to the sustainability of a market-based economy is the sanctity of contracts, and the existence of laws, regulations, and mechanisms (public or private) to resolve economic disputes in a fair and timely

fashion. Equally critical is respect for property, both publicly or privately owned, and the ability to transfer ownership of that property according to internationally accepted business norms. A market-based economy that contributes to sustainable democracy also ensures the equal treatment of all economic actors under the law. . . . It is one in which the processes and institutions of justice are available to all individuals without prejudice to their origins, religion, political persuasion, race, gender, or creed. A democratic Rule of Law is also one in which the processes and institutions of justice work efficiently and effectively to establish justice and resolve disputes.[1]

By the end of the 20th century and at the start of the 21st century, the “enabled and freely operating market based economic activity” in effect meant a totally deregulated financial industry with global impact. In the United States, during the Bill Clinton administration, led by the Secretary of the Treasury, Larry Summers, a first step was international in scope—the World Trade Organization’s Financial Services agreement. It was negotiated behind closed doors and its purpose was to open “global markets to derivatives and other financial products and ma[king] it harder for signatory nations to regulate [their national] banking in the public interest.” One consequence of this was the United States effectively pledged to get rid of the 1933 Glass-Steagall law which was seen as a barrier to market entry by many foreign banks that were structured differently.” This was accomplished domestically with the repeal of the last of the Glass-Steagall controls on finance.[2]As reported by Public Citizen,

The “trade” pact rules simply ban many common forms of financial regulation, even if such policies apply to domestic and foreign firms equally. U.S. government and corporate efforts in trade negotiations complemented domestic lobbying to weaken and eventually repeal the New Deal’s system of banking regulation. For instance, the Glass-Steagall Act created a firewall between commercial and investment banks to prevent the former from speculating with consumers’ savings. But the

1997 U.S. WTO commitments noted an intent to change Glass-Steagall to conform with WTO rules. The Gramm-Leach-Bliley Act, which did so, passed in 1999 – the year the WTO’s Financial Services Agreement (FSA) took effect.[3]

In essence, the United States appeared to be helping to impose Thomas (obbes’ view on the world, that is a “state of nature” in which “man was free from all restraint of law and government.”As early as 1775, even the very pro-business Alexander Hamilton rejected, this view writing, “To grant that there is a Supreme Intelligence who rules the world and has established laws to regulate the actions of His creatures, and still to assert that man, in a state of nature, may be considered as perfectly free from all restraints of law and government, appears, to a common understanding, altogether irreconcilable.” Then, quoting William Blackstone, he added,

The principal aim of society is to protect individuals in the enjoyment of those absolute rights which were vested in them by the immutable laws of nature, but which could not be preserved in peace without mutual assistance and intercourse which is gained by the institution of friendly and social communities. Hence it follows, that the first and primary end of human laws is to maintain and *regulate* these absolute rights of individuals. (Emphasis added.) [4]

The *New York Times* reported that Secretary Summers described the repeal of Glass-Steagall was “. . . historic legislation [that] will better enable American companies to compete in the new economy.” The *Times* concluded,

The decision to repeal the Glass-Steagall Act of 1933 provoked dire warnings from a handful of dissenters that the deregulation of Wall Street would someday wreak havoc on the nation’s financial system. The original idea behind Glass-Steagall was that separation between bankers and brokers would reduce the potential conflicts of interest that were thought to have contributed to the speculative stock frenzy before the Depression.[5]

(istory has shown, “the handful of dissenters” was right as reported by the Financial Crisis Inquiry Commission which concluded that “over-the-counter derivatives contributed significantly to this crisis. The enactment of legislation in 2000 to ban the regulation by both the federal and state governments of over-the-counter (OTC) derivatives was a key turning point in the march toward the financial crisis.[6]Significantly, Summers—and his cohorts—*did not* disappear from the political scene, particularly since the ostensibly reformist Obama brought Summers back first as a key economic advisor and later tried to bring him back a second time to head the Federal Reserve.

By 2007, the George W. Bush United States Department of State (DOS) revised the definition of Rule of Law for purposes of recording foreign aid assistance: “Rule of law is a principle under which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced, and independently adjudicated, and which are consistent with international human rights law.” Although DOS emphasized that “(uman rights derive from the inherent dignity of the individual and are to be enjoyed by all without distinction as to race, color, sex, language, religion, national or social origin, property, birth or other status.” Significantly, this definition of the ROL was substantially different from the earlier USAID definition because it eliminated the reference to “Convention on the Elimination of Discrimination Against Women.” It did include fundamental freedoms of expression, association, peaceful assembly and religion set out in the International Covenant on Civil and Political Rights and the Universal Declaration of (uman Rights.” This definition “ also requires measures to ensure adherence to the principles of supremacy of law, equality before the law, accountability to the law, fairness in the application of the law. . .”[7]

The United States still has not ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which by February 15, 2008, had been ratified or

acceded to by 185 countries although President Jimmy Carter submitted the Convention to the Senate in 1980. “The Senate Foreign Relations Committee held hearings on the Convention in 1988, 1990, 1994, and 2002, but the treaty was never considered for ratification by the full Senate. The George W. Bush Administration began conducting a full legal and policy review of the Convention in 2002. On February 7, 2007, the Administration transmitted a letter to the Senate Foreign Relations Committee stating that it does not support Senate action on the treaty at this time.” [8]

In 1994 the United Nations scheduled a Conference on Population and Development in Cairo for the purpose of approving a “Program of Action.” The program dealt with a number of issues “including...the reproductive rights of both couples and individuals...guarantees of reproductive health...the obligation of government to provide health services...granting the greatest possible freedom of contraceptive method...[and] insistence that abortions be performed under safe and legal conditions.” Pope John Paul II was vehemently opposed to this and angry at the Clinton administration because it “favored a woman’s right to chose and defended individual sexual rights, including those of homosexuals. It also favored the availability of safe and legal abortion.” For the Pope this was a complete reversal from his experience with the Reagan administration “During [which] the United States had pushed a ‘pro-life’ policy with a view of pleasing the pope and reinforcing the strategic alliance with the Vatican” [9]

To counter this the pope undertook a number of actions. One was to confront Nafis Sadik, undersecretary of the United Nations Conference on Population and Development responsible for the conference. Stressing the importance of families he said to her “a family is a husband, a wife and their children. And marriage is the only basis for a family. (omosexuals and lesbians are not families.” When she stressed that family planning was essential for the improvement of human development, he responded by saying “Family planning can be practiced only in accordance

with moral, spiritual and natural laws...” She responded by pointing out that “natural laws make for unreliable methods of family planning.” (e added that a women’s individual rights are irrelevant in matters of reproductive choice, “there can only be the couple’s rights and needs.” Among the natural methods included in the pope’s solution was abstinence, for example. She pointed out, however “There’s a lot of sexual violence within the family. Women are quite willing to practice natural methods and abstain, because they are the ones who get pregnant and don’t want to be. But they can’t abstain without the cooperation of their partners.” She also pointed out that as a result, “approximately 200,000 women [died] every year from self-induced abortions...” This was a problem that had to be addressed. John Paul))’s response was “*Don’t you think that the irresponsible behavior of men is caused by women?*” (Emphasis added.) [9]

In 2009, the definition adopted by the United States Army for Deployed Judge Advocates and other United States government agencies “is based in part on that contained in the Report of the Secretary-General: The Rule of Law and Transitional Justice in Conflict And Post-Conflict Societies, U.N. Doc. S/2004/616, at 4 (2004), the “Rule of law is a principle of governance in which all persons, institutions and entities, public and private, including the state itself, are accountable to laws that are publicly promulgated, equally enforced, and independently adjudicated, and which are consistent with international human rights principles.”[10]

The Obamaadministration claimed to have made promoting the Rule of Law a global initiative according to Lanny A. Breuer, Assistant Attorney General, Criminal Division. Breuer quoted Obama as saying, “I do have an unyielding belief that all people yearn for certain things: [including] ...confidence in the rule of law and the equal administration of justice; [and] government that is transparent ... These are not just American ideas; they are human rights. And that is why we will support them everywhere.” Among the most important parts of promoting the Rule of Law are Human

Rights. Breuer concluded by saying “And it falls on us to work tenaciously within the American criminal justice system to bring human rights violators to justice however we can. We in the Department of Justice will continue to do just that.” [11]

Occupy Wall Street provided Obama with an opportunity to show his sincerity in matters dealing with equal treatment of all as required by ROL in regard to the market economy [12] as he began to define it in his State of the Union Speech in January, 2012. [13]

The defining issue of our time is how to keep alive [the basic American promise that if you worked hard, you could do well enough to raise a family, own a home, send your kids to college, and put a little away for retirement]. No challenge is more urgent. No debate is more important. *We can either settle for a country where a shrinking number of people do really well, while a growing number of Americans barely get by. Or we can restore an economy where everyone gets a fair shot, everyone does their fair share, and everyone plays by the same set of rules* (emphasis added). . . .

Now, you can call this class warfare all you want. But asking a billionaire to pay at least as much as his secretary in taxes? Most Americans would call that common sense.

We don’t begrudge financial success in this country. We admire it. When Americans talk about folks like me paying my fair share of taxes, it’s not because they envy the rich. It’s because they understand that when I get tax breaks I don’t need and thecountry can’t afford, it either adds to the deficit, or somebody else has to make up the difference – like a senior on a fixed income; or a student trying to get through school; or a family trying to make ends meet. That’s not right. Americans know it’s not right. They know that this generation’s success is only possible because past generations felt a responsibility to each other, and to their country’s future, and they know our way of life will only endure if we feel that same sense of shared responsibility. That’s how we’ll reduce our deficit. That’s an America built to last.

He also emphasized that “if you’re a mortgage lender or a payday lender or a credit card company, the days of signing people up for products they can’t afford with confusing forms and deceptive practices are over. Today, American consumers finally have a watchdog in Richard Cordray with one job: To look out for them.”

The words and action or inaction on the part of his administration raises the question whether “the equal administration of justice” was a reality. Although employees of the various financial institutions and the institutions themselves could have been prosecuted criminally, the Obama administration chose to defer prosecution and impose fines instead as in the case of HSBC bank. In addition to flouting “United States sanctions to transfer money on behalf of nations like Iran[,] prosecutors also found that the bank had facilitated money laundering by Mexican drug cartels and had moved tainted money for Saudi banks tied to terrorist groups.” And, “[d]espite repeated urgings from federal officials to strengthen protections in its vast Mexican business, HSBC instead viewed the country from 2000 to 2009 as low-risk for money laundering. . . Even after [SBC’s Mexican operation transferred more than \$7 billion to the United States — a volume that law enforcement officials said had to be “illegal drug proceeds” — lax controls remained. . . .” Prosecutors decided to require a \$1.92 billion settlement instead of criminally prosecuting it because they were concerned “that criminal charges could jeopardize one of the world’s largest banks and ultimately destabilize the global financial system.” Other major banks with whom U.S. authorities reached settlements in 2012 were JPMorgan, Citigroup and UK-headquartered Standard Chartered Bank over alleged money-laundering compliance failures. “Treasury officials [also] found that [JPMorgan Chase committed multiple violations of U.S. economic embargoes between March 2005 and March 2011. Among the violations: 1,711 transfers totaling \$178.5 million to Cuban citizens and the transfer of 32,000 ounces of gold bullion, worth more than \$20 million to a bank in Iran.”[14]

2. Black Jesus” keeping mankind crucified on a cross of gold

A century ago, William Jennings Bryan, addressing the debate about the gold standard, defined the economic situation in America in terms that are applicable today, saying,

There are two ideas of government. There are those who believe that if you just legislate to make the well-to-do prosperous, that their prosperity will leak through on those below. The Democratic idea has been that if you legislate to make the masses prosperous their prosperity will find its way up and through every class that rests upon it.

If they dare to come out in the open field and defend the gold standard as a good thing, we shall fight them to the uttermost, having behind us the producing masses of the nation and the world. Having behind us the commercial interests and the laboring interests and all the toiling masses, we shall answer their demands for a gold standard by saying to them, you shall not press down upon the brow of labor this crown of thorns. *You shall not crucify mankind upon a cross of gold.*[15]

Even earlier, St. Matthew, reported the attitude of Jesus regarding some businessmen. Jesus entered the temple courts and drove out all who were buying and selling there. He overturned the tables of the money changers and the benches of those selling doves. “It is written,” he said to them, “‘My house will be called a house of prayer,’ *but you are making it ‘a den of robbers.’*” [16]

When he became President, the relatively young Barack Obama, inexperienced in financial matters and military affairs and in management inherited severe crises in these areas that he had to confront with each having both domestic and international impact in both the short and the long term. The global economy was on the verge of total meltdown coinciding with the growth of military and national security expenditures of immense but unknown size and ever increasing but of questionable efficacy in

enhancing national security. By 2007 after the controls imposed on financial activities as a result of the Great Depression of 1929 had been lifted, the world went into a global economic meltdown enabled by the failure of the global political elite to properly supervise the neoliberal economic system that had been unchained by the loosening of national and global controls on financial institutions in the last quarter of the 20th century. To deal with these issues he chose to rely on “experts” who had contributed to creating the military and national security problems in the first place such as Colin L. Powell, Robert Gates and John O. Brennan, and the economic problems such as Larry Summers and Timothy Geithner.[17]

Barack Obama, “Black Jesus,” as he was called by his inner circle, had the opportunity to hire a set of advisors who understood the shortcomings of the financial system that were the cause of near universal economic meltdown. Ron Suskind labeled this group that “had shepherded Obama to triumph” as “Team A.” It was comprised of Paul Volker, Austan Goolsbe, Robert Wolf, Richard Reich, Paul O’Neill and William Donaldson. Volker understood that “in order to stabilize America’s credit system, Wall Street’s great debt machine would have to be dismantled.” (e also saw that “the recent profitability of Wall Street was directly tied to the riskiness of its behavior.” Team A wanted to reform the system to discourage such behavior.[18]

Instead, he appointed Team B, heavy with former Clinton officials including Larry Summers and Timothy Geithner, as overseers of the financial system. They were individuals, who had been responsible for deregulating and thus facilitating the global economic meltdown of 2007. “Team B believed the crisis called for delicate actions in support of a fragile banking system.” As described by Ron Suskind, Summers managed, “in his brief tenure as Treasury secretary to preside over perhaps the most disastrous piece of deregulatory legislation since the Great Depression: the Financial Services Modernization Act of 1999 (also known as Gramm-Leach-Bliley), which in undoing a major provision of Glass-Steagall, directly precipitated the “too big to fail” crisis nine years

later. Their advice and acts of commission and omission also limited economic recovery, because of the psychological phenomenon called “escalating commitment,” that is, “once one takes a position, one feels compelled to defend it.” [18]

In choosing Summers and Geithner as the heads of his economic team Obama had been told by Senator Byron Dorgan (D-ND) a leader of the Democrats, “I don’t understand how you could do this. You picked the wrong people.” Another Democratic Senator who had to be dealt with was Maria Cantwell, (D-WA) who, because of the adverse impact on Washington State of Enron and the bankruptcy of Washington Mutual bank was concerned “about lax regulation and the destructive possibilities of ‘financial innovation.’” She intended to confront Geithner at his confirmation hearings. In anticipation of this, Summer’s advice to Geithner was “don’t admit to mistakes.” Geithner, however, had already reached the same conclusion the previous fall after Arthur Levitt, former Chair of the SEC and one of the principal officials who prevented Brooksley Born’s attempt to regulate derivatives admitted that doing so “was a mistake” At the conclusion of the hearing Geithner told Levitt “You should never have said that she (Born) was right!” Rather than appoint Summers to be Secretary of the Treasury, which required confirmation by the Senate, Obama appointed him to be the head of the National Economics Council, an office in the Executive Branch that needed no such confirmation. Summers accepted the position which he considered inferior to that of Treasury Secretary on the promise that he would be appointed to replace Ben Bernanke as head of the Federal Reserve.[18]

Robert Scheer observed that “Despite his occasionally populist rhetoric, Obama proved highly solicitous of Wall Street interests at the expense of Main Street, and under the guidance of Summers, the Bush strategy of bailing out Wall Street continued under Obama.” Scheer asked “why candidate and then President Obama picked Summers as his key economic adviser.” (e answered, “Summers had the confidence of Wall Street, where he was

“earning” \$8 million from consulting and speaking fees when he was recruited into the Obama campaign. It helped in making Obama the preferred choice of Wall Street contributors in the 2008 election campaign.[19] Scheer referred to studies from Oxford and the University of California-Berkeley about the impact of Obama’s reliance on Summers. The Berkeley study by Emmanuel Saez, reported, in pertinent part,

From 2009 to 2012, average real income per family grew modestly by 6.0% . . . However, the gains were very uneven. Top 1% incomes grew by 31.4% while bottom 99% incomes grew only by 0.4% from 2009 to 2012. Hence, the top 1% captured 95% of the income gains in the first three years of the recovery. From 2009 to 2010, top 1% grew fast and then stagnated from 2010 to 2011. Bottom 99% stagnated both from 2009 to 2010 and from 2010 to 2011. In 2012, top 1% incomes increased sharply by 19.6% while bottom 99% incomes grew only by 1.0%. In sum, top 1% incomes are close to full recovery while bottom 99% incomes have hardly started to recover.[20]

In retrospect it appears that Obama effectively used the largely Keynesian advisors as a ploy to win popular electoral support and as soon as he won he engaged in what Matt Taibbi has described as “bait and switch,”

BarackObama ran for president as a man of the people, standing up to Wall Street as the global economy melted down in that fateful fall of 2008. He pushed a tax plan to soak the rich, ripped NAFTA for hurting the middle class and tore into John McCain for supporting a bankruptcy bill that sided with wealthy bankers “at the expense of hardworking Americans.” . . . Then he got elected.

What’s taken place in the year since Obama won the presidency has turned out to be one of the most dramatic political about-faces in our history. Elected in the midst of a crushing economic crisis brought on by a decade of orgiastic deregulation and unchecked greed, Obama had a clear mandate to rein in Wall Street and remake the entire structure of the

American economy. What he did instead was ship even his most marginally progressive campaign advisers off to various bureaucratic Siberias, while packing the key economic positions in his White House with the very people who caused the crisis in the first place. This new team of bubble-fattened ex-bankers and laissez-faire intellectuals then proceeded to sell us all out, instituting a massive, trickle-up bailout and systematically gutting regulatory reform from the inside.[21]

Another key member of the group of former Clinton officials, who would play “bad cop” to Obama’s “good cop,” intent on stopping any reform of Wall Street was Rahm Emanuel. As reported by the *New York Times*, in pertinent part,

His choice to be his chief of staff, Rahm Emanuel, is already widely known in the halls of Washington for serving as an adviser to President Clinton, and most recently as a congressman from Illinois. But in between those two roles, Mr. Emanuel made millions of dollars on Wall Street as an investment banker with Wasserstein Perella, as the boutique firm was known at the time....

The Center for Responsive Politics, a nonpartisan group that tracks campaign finance trends, notes that in the 2008 election cycle, he was the House’s No. 1 recipient of contributions from hedge funds, private equity firms and the broader securities and investment industry — a group that it points out is “not the most popular of industries in the current economy.”[22]

On April 14, 2009, early in his administration,Obama was interviewed by David Leonhardt of the *New York Times* about the economy. One question asked was about the possibly reenacting Glass-Steagall. Obama defended limited reform of the financial system, such as the failure to re-enact Glass-Steagall by essentially parroting Summers and Geithner,

Leonhardt: There was this great debate among F.D.R.’s advisers about whether you had to split up companies — not just banks — you had to split up companies in order to regulate them

effectively, or whether it was possible to have big, huge, sprawling, powerful companies — even not just possible, but better — and then have strong regulators. And it seems to me there’s an analogy of that debate now. Which is, do you think it is O.K. to have these “supermarkets” regulated by strong regulators actually trying to regulate, or do we need some very different modern version of Glass-Steagall.

The President: You know, I’ve looked at the evidence so far that indicates that other countries that have not seen some of the problems in their financial markets that we have nevertheless don’t separate between investment banks and commercial banks, for example. They have a “supermarket” model that they’ve got strong regulation of.

Leonhardt: Like Canada?

The President: Canada being a good example.

The *Times* footnoted the comment about Canada stating “Canada is home to 5 of the world’s 50 most valuable banks, according to *The Financial Times*; it had none a decade ago. *Banks in Canada are more tightly regulated and have invested more conservatively than many American and European banks.*” (Emphasis added.)[23]

Obama, in looking at Canada, engaged in sleight of hand by diverting attention from the history of successful banking regulation in the United States. The Congressional Oversight Panel, which was created to “review the current state of financial markets and the regulatory system,” as part of the Troubled Asset Relief Program (TARP) provided a summary of the economic history of the United States illustrating the impact of little or no regulation and need for regulation:

Financial crises are not new. As early as 1792, during the presidency of George Washington, the nation suffered a severe panic that froze credit and nearly brought the young economy to its knees. Over the next 140 years, financial crises struck on a regular basis—in 1797, 1819,

1837, 1857, 1873, 1893–96, 1907, and 1929–33—roughly every fifteen to twenty years.

But as the United States emerged from the Great Depression, something remarkable happened: the crises stopped. New financial regulation—including federal deposit insurance, securities regulation, and banking supervision—effectively protected the system from devastating outbreaks. Economic growth returned, but recurrent financial crises did not. In time, a financial crisis was seen as a ghost of the past. (Emphasis added.) After fifty years without a financial crisis—the longest such stretch in the nation’s history—financial firms and policy makers began to see regulation as a barrier to efficient functioning of the capital markets rather than a necessary precondition for success. [24]

This change in attitude had unfortunate consequences. As financial markets grew and globalized, often with breathtaking speed, the U.S. regulatory system could have benefited from smart changes. But deregulation and the growth of unregulated, parallel shadow markets were accompanied by the nearly unrestricted marketing of increasingly complex consumer financial products that multiplied risk at every stratum of the economy, from the family level to the global level. The result proved disastrous. The first warning followed deregulation of the thrifts, when the country suffered the savings and loan crisis in the 1980s. A second warning came in 1998 when a crisis was only narrowly averted following the failure of a large unregulated hedge fund. The near financial panic of 2002, brought on by corporate accounting and governance failures, sounded a third warning. The United States now faces its worst financial crisis since the Great Depression. It is critical that the lessons of that crisis be studied to restore a proper balance between free markets and the regulatory framework necessary to ensure the operation of those markets to protect the economy, honest market participants, and the public. . . . [25]

This period of relative stability—by far the longest in the nation’s history—persisted until the mid-1980s, with the onset of the savings and loan crisis; dealing with that crisis cost

American taxpayers directly some \$132 billion. The country also suffered a group of bank failures that produced the need to recapitalize the FDIC's initial Bank Insurance Fund in the early 1990s; suffered a stock market crash in 1987; witnessed a wave of foreign currency crises (and associated instability) in 1994–95 and 1997–98; saw the collapse of Long Term Capital Management (LCTM) hedge fund in 1998; and faced the collapse of the tech bubble in 2001. Financial crisis has now struck again, with the subprime-induced financial turmoil of 2007–09.[24]

The United Nations Conference on Trade and Development *Trade and Development Report*, 2011, concluded, in pertinent part, "Financial deregulation opened the door to excessive risk taking,"

The recent sharp increase in public sector deficits and public indebtedness is the result of a grave crisis in the financial system following a wave of financial liberalization, led by the so-called "Anglo-Saxon" economies. It is, therefore, somewhat ironic that the financial agents that caused the crisis should have become the judges of the suitability of public policies adopted to contain its damage. Financial liberalization and deregulation was based on a widespread belief in the greater efficiency of market forces, and it led to the creation of increasingly sophisticated financial instruments. Deregulation was in part a response to pressure from competitive forces in the financial sector, but it was also part of a generalized trend towards less government intervention in the economy. New financial instruments and continued liberalization in the financial system allowed speculative activities to expand significantly, so that gambling became an important and, at times dominant, feature of financial activities. This became a source of instability in many economies, and indeed, in the entire international economic system. By contrast, it is difficult to find any new financial instruments that have contributed to increasing the efficiency of financial intermediation for the benefit of long-term investment in real productive capacity.[26]

Obama, nevertheless, continued to challenge the

relevance of Glass-Steagall through 2012, as demonstrated by statements he made in his *Rolling Stone* interview with Douglas Brinkley who asked, "If you could single-handedly enact one piece of regulation on the financial industry, what would it be?" Obama responded, in pertinent part,

I've looked at some of *Rolling Stone's* articles that say, "This didn't go far enough, we didn't institute Glass-Steagall" and so forth, and I pushed my economic team very hard on some of those questions. But there is not evidence that having Glass-Steagall in place would somehow change the dynamic. Lehman Brothers wasn't a commercial bank, it was an investment bank. AIG wasn't an FDIC-insured bank, it was an insurance institution. So the problem in today's financial sector can't be solved simply by reimposing models that were created in the 1930s.[27]

Matt Taibbi at *Rolling Stone* responded saying,

President Obama's point about the repeal of Glass-Steagall follows a mantra that Tim Geithner and other members of the president's administration have been preaching for years. This oddly straw-man-ish, syllogistic argument goes something like this:

The repeal of Glass-Steagall created mega-merged "supermarket" firms that blended insurance, commercial banking, and investment banking services – companies like Citigroup. Lehman Brothers, whose collapse was a major event in the 2008 crisis, was not one of those companies. Therefore, the repeal of Glass-Steagall did not cause the financial crisis. Now, it is true that Lehman Brothers was just an investment bank, and not one of those supermarket firms.

But Lehman Brothers didn't cause the financial crisis all by itself (more on that in a moment). Moreover, many of the giant mega-merged companies that were spawned by Glass-Steagall did in fact play huge roles in the financial crisis.

For instance, President Obama failed to mention that the company whose merger was only made

legal post-factum by Bill Clinton's repeal of Glass-Steagall – Citigroup – ultimately became the single largest recipient of federal bailout funds, taking in nearly half a trillion dollars in cash and guarantees, according to the Congressional Oversight Panel. Citigroup would almost certainly have gone under in 2008 without that massive \$476 billion federal lifeline, and had Citi gone under, the impact would likely have dwarfed that of the collapse of Lehman Brothers.....

Other commercial banks that in the post-Glass-Steagall environment also blended in investment banking activities – companies like Wachovia and Washington Mutual – also got into serious trouble and required massive bailouts or federally-aided shotgun mergers to survive. Many of these banks got into trouble thanks at least in part to activities that would have been prohibited under Glass-Steagall, like for instance originating mortgage loans and packaging them into securities to be sold; before the repeal, banks were not allowed to originate loans and underwrite securities.[28]

3. Protecting the financial industry from the pitchforks of an enraged populace.

Obama's opinion also contravened the findings of the majority of the Financial Crisis Inquiry Commission which "was established as part of the Fraud Enforcement and Recovery Act, that he signed into law in May 2009. An independent 10 member panel "composed of private citizens with experience in areas such as housing, economics, finance, market regulation, banking, and consumer protection. Six members of the Commission were appointed by the Democratic leadership of Congress and four members by the Republican leadership." Among other things the majority concluded that, widespread failures in financial regulation and supervision proved devastating to the stability of the nation's financial markets. The sentries were not at their posts, in no small part due to the widely accepted faith in the self-correcting nature of the markets and the ability of financial institutions to effectively police themselves. More than 30 years of deregulation and reliance on self-regulation by financial institutions,

championed by former Federal Reserve chairman Alan Greenspan and others, supported by successive administrations and Congresses, and actively pushed by the powerful financial industry at every turn, had stripped away key safeguards, which could have helped avoid catastrophe. This approach had opened up gaps in oversight of critical areas with trillions of dollars at risk, such as the shadow banking system and over-the-counter derivatives markets. In addition, the government permitted financial firms to pick their preferred regulators in what became a race to the weakest supervisor.[29]

The American public was extremely upset with the bailout of the banks under the Bush administration continuing into the Obama administration. This was exacerbated by the concurrent payout of millions of dollars in bonuses starting with AIG defended with specious arguments by Treasury Secretary Geithner. The financial industry was upset with potential executive and legislative actions to cap the bonuses. Overtly Obama "issued a statement that he now wanted Geithner to 'use any legal means necessary to rescind the AIG bonuses,' a 'legal means,' if found that might well be extended to all major banks," Privately, he convened a meeting "with thirteen of the world's most powerful executives, and a handful of their lobbyists," who defended the bonuses claiming, among other things, "It's almost impossible to set caps; it's never worked, and you lose your best people." Obama responded saying, "Be careful how you make those statements, gentlemen. The public isn't buying that . . . *My administration is the only thing between you and the pitchforks.*" (Emphasis added.) (e added, "I'm not out there to go after you. I'm protecting you. But if I'm going to shield you from public and congressional anger, you have to give me something to work with on these issues of compensation." (e, however, had no specific proposals and both Geithner and Summers "believed that compensation controls had [no] merit." The bankers "realized that he was talking about voluntary limits on compensation until the storm of public anger passes.)t would be for show." [18]

Obama's B Team constantly emphasized the need that the public's confidence in the financial industry had to be maintained which in effect was to continue the failed policies of the past to the greatest extent possible. Ron Suskind entitled his book *Confidence Men*. A commonly understood definition of "confidence man is a dishonest person who uses clever means to cheat others out of something of value." [30] Suskind warned,

The confidence of the nation rests on trust and can endure for years after this trust has been broken. But it cannot endure indefinitely if the foundation of trust is not at some point earned. Confidence is the immaterial residue of material actions: justly enforced laws, sound investments, solidly built structures, the well considered decisions of experts and professionals. Confidence is the public face of competence. Separating the two—gaining the trust without earning it—is the age-old work of confidence men. [18]

Obama's continuing desire to protect the financial industry from the "pitchforks" of an enraged populace is evidenced by acts of commission and acts of omission by his administration. The acts of commission were the reactions to Occupy Wall Street. Faced with growing discontent the Obama administration coordinated police actions across the United States to suppress peaceful protests in the form of Occupy Wall Street (OWS) analogized as "the American Arab Spring." Like demonstrations throughout the world particularly in Europe, they were directed, among other things against the abuses of the financial sector globally.

4. The beginning and end of human rights in the United States

The modern Human Rights movement was a product of World War II and it coincided with events in the United States, from the New Deal through the Civil Rights/Vietnam Era. Globally this was a period in which the partly American inspired Nuremberg Laws enacted by Nazi Germany were replaced by the Nuremberg Principles and subsequently by a number of human rights conventions including the

Universal Declaration of Human Rights culminating in the Treaty of Rome and the establishment of the International Criminal Court (ICC). It was a period in which western colonialism began to recede particularly in Africa and Asia, with the unfortunate American detour by the support for the resumption of French colonialism in Indochina that ended with American defeat in the Vietnam War. In this period the United States and its allies won the Cold War against the Union of Soviet Socialist Republics, the center of godless communism and replaced the original Red Menace with a new menace in the form of a god-centered Islam.

Domestically, the New Deal which resulted in the return of the federal government to a more active role in the economy initiated the creation of a vast the social safety net including Social Security, continuing through to the creation of Medicare and Medicaid, and a greater protection of such human rights as collective bargaining and civil rights. In response to international pressure, concern for human rights were formally initiated by President Harry Truman's advocacy and implementation of expanded civil rights from 1946 to 1948, beginning with the creation of The President's Civil Rights Committee. [31] This culminated in the enactment of the Civil Rights Act of 1964, essentially perfecting the promise of the Constitution to provide equal protection to all by eliminating various bases for discrimination in the United States of America. Ironically, it was the emergence of a nuclear armed *godless* communistic "Red Menace" in the form of a victorious Union of Soviet Socialist Republics (USSR) as a result of the Second World War that was a major factor in causing the United States to lead the world to articulate and adopt broad human rights policies such as the Universal Declaration of Human Rights. The challenge by the USSR to world leadership of the United States, particularly in nonwhite Asia, Africa and Latin America, in the form of pervasive, deadly and well publicized racism, caused Truman to embrace civil rights.

The principal goal of the President's Civil Rights Committee, [32] was to "inquire into and to

determine whether and in what respect current law-enforcement measures and the authority and means possessed by Federal, State, and local governments may be strengthened and improved to safeguard the civil rights of the people” and “to make a report of its studies to the President in writing, and shall in particular make recommendations with respect to the adoption or establishment, by legislation or otherwise, of more adequate and effective means and procedures for the protection of the civil rights of the people of the United States.” The Committee also emphasized the impact of discrimination on world opinion of the United States and its influence on world peace and progress. It concluded, “*The United States is not so strong, the final triumph of the democratic ideal is not so inevitable that we can ignore what the world thinks of us or our record.* (Emphasis in the original.)” The committee stated that reports of racial violence in the United States, according to American allies, “would provide excellent propaganda ammunition for Communist agents who have been decrying America’s brand of “freedom” and “democracy.” Quoting Acting Secretary of State Dean Acheson,

... the existence of discrimination against minority groups in this country has an adverse effect upon our relations with other countries. We are reminded over and over by some foreign newspapers and spokesmen, that our treatment of various minorities leaves much to be desired. While sometimes these pronouncements are exaggerated and unjustified, they all too frequently point with accuracy to some form of discrimination because of race, creed, color, or national origin. ... We will have better international relations when these reasons for suspicion and resentment have been removed.

I think it is quite obvious ... that the existence of discriminations against minority groups in the United States is a handicap in our relations with other countries. The Department of State, therefore, has good reason to hope for the continued and increased effectiveness of public and private efforts to do away with these discriminations.....

The international reason for acting to secure

our civil rights now is not to win the approval of our totalitarian critics. We would not expect it if our record were spotless; to them our civil rights record is only a convenient weapon with which to attack us. Certainly we would like to deprive them of that weapon. But we are more concerned with the good opinion of the peoples of the world. Our achievements in building and maintaining a state dedicated to the fundamentals of freedom have already served as a guide for those seeking the best road from chaos to liberty and prosperity. But it is not indelibly written that democracy will encompass the world. We are convinced that our way of life -- the free way of life -- holds a promise of hope for all people. We have what is perhaps the greatest responsibility ever placed upon a people to keep this promise alive. Only still greater achievements will do it.[32]

Emphasizing the need to expand civil rights in the United States, President Harry Truman started the election year of 1948 with a “Special Message to the Congress on Civil Rights,” February 2, 1948, recommending that based on the findings and recommendation of the President’s Civil Rights Committee, the Congress enact legislation at this session directed toward the following specific objectives: Establishing a permanent Commission on Civil Rights, a Joint Congressional Committee on Civil Rights, and a Civil Rights Division in the Department of Justice; Strengthening existing civil rights statutes; Providing Federal protection against lynching, Protecting more adequately the right to vote; Establishing a Fair Employment Practice Commission to prevent unfair discrimination in employment; Prohibiting discrimination in interstate transportation facilities; Providing home-rule and suffrage in Presidential elections for the residents of the District of Columbia; Providing Statehood for (Hawaii and Alaska and a greater measure of self-government for our island possessions; Equalizing the opportunities for residents of the United States to become naturalized citizens; Settling the evacuation claims of Japanese-Americans.]

Later in the year he issued Executive Order 9808, on July 26, 1948, concerning fair employment practices in the Federal service,

stating, among other things, "All personnel actions taken by Federal appointing officers shall be based solely on merit and fitness; and such officers are authorized and directed to take appropriate steps to insure that in all such actions there shall be no discrimination because of race, color, religion, or national origin." [32]

This was followed by Executive Order 9981 issued on July 26, 1948, establishing the President's Committee on Equality of Treatment and Opportunity in the Armed Services stating "

It is hereby declared to be the policy of the President that there shall be equality of treatment and opportunity for all persons in the armed services without regard to race, color, religion or national origin. This policy shall be put into effect as rapidly as possible, having due regard to the time required to effectuate any necessary changes without impairing efficiency or morale" the consequence of which was the desegregation of the armed forces of the United States. [33]

Truman's Civil Rights Committee theorized that it might be possible to eliminate discrimination in the United States by reference to "*Power derived from the treaty clause in Article II, Section 2 of the Constitution, to protect civil rights which acquire a treaty status,*" by invoking United Nations Charter which had been "approved by the United States Senate as a treaty," and which "makes several references to human rights" particularly Articles 55 and 56. Article 55 states:

With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

- a. Higher standards of living, full employment, and conditions of economic and social progress and development;
- b. Solutions of international economic, social, health and related problems; and international cultural and educational cooperation; and

c. Universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion. [34]

Pursuant to Article 56, "All members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55." The committee did recognize that a counterargument could be made by citation to Article 2 (7) of the Charter, to wit, "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter." [34]

By 1952, the administration filed an amicus brief in support of the plaintiffs in the *Brown v. Board of Education of Topeka Kansas* arguing in favor of a judicial decision to eliminate the doctrine of separate but equal, stating, in pertinent part,

It is in the context of the present world struggle between freedom and tyranny that the problem of racial discrimination must be viewed. The United States is trying to prove to the people of the world, of every nationality, race, and color, that a free democracy is the most civilized and most secure form of government yet devised by man. We must set an example for others by showing firm determination to remove existing flaws in our democracy.

The existence of discrimination against minority groups in the United States has an adverse effect upon our relations with other countries. Racial discrimination furnishes grist for the Communist propaganda mills, and it raises doubts even among friendly nations as to the intensity of our devotion to the democratic faith. [35]

Then, in December 1991, the Union of Soviet Socialist Republics, "the Red Menace" died. Since the end of the Second World War it had been challenging the global hegemony of United

States in part by pointing to its racism. This caused the federal government to champion the articulation, defense and propagation of human and civil rights both domestically and globally. With the death of the USSR, the political and economic plutocrats responsible for the Great Depression of 1929 and their successors who were responsible for the Great Recession of 2008 resurfaced again taking control of the judicial, legislative and executive officials who had no reservation about rolling back human rights advances such as voting rights, affirmative action and transparency, at a time when the United Nations was adopting Good Governance standards inspired to a great extent by American initiatives.

By the second decade of the 21st century, the United Nations (UN) identified one globally important objective to make the world less likely to be violent—the adoption of the principles of Good Governance grounded on basic human rights and democratic government many of which had been pioneered by the United States. According to the UN,

In the community of nations, governance is considered “good” and “democratic” to the degree in which a country’s institutions and processes are transparent. Its institutions refer to such bodies as parliament and its various ministries. Its processes include such key activities as elections and legal procedures, which must be seen to be free of corruption and accountable to the people. A country’s success in achieving this standard has become a key measure of its credibility and respect in the world. [36]

As explained by the United Nations, *Good governance promotes equity, participation, pluralism, transparency, accountability and the rule of law, in a manner that is effective, efficient and enduring. In translating these principles into practice, we see the holding of free, fair and frequent elections, representative legislatures that make laws and provides oversight, and an independent judiciary to interpret those laws.* (Emphasis added.)[36]

In fact, well-governed countries are less likely to

be violent and less likely to be poor. When the alienated are allowed to speak and their human rights are protected, they are less likely to turn to violence as a solution. When the poor are given a voice, their governments are more likely to invest in national policies that reduce poverty. In so doing, good governance provides the setting for the equitable distribution of benefits from growth. [36]

In 2013, in the case of *Floyd v City of New York*, the issue decided was “whether the City has a [“stop and frisk”] policy or custom of violating the Constitution by making unlawful stops and conducting unlawful frisks,” More specifically, according to Judge Shira A. Scheindlin the Federal District Court judge hearing the case without a jury,

This case is about the tension between liberty and public safety in the use of a proactive policing tool called “stop and frisk.” The New York City Police Department (“NYPD”) made 4.4 million stops between January 2004 and June 2012. Over 80% of these 4.4 million stops were of blacks or Hispanics. In each of these stops a person’s life was interrupted. The person was detained and questioned, often on a public street. More than half of the time the police subjected the person to a frisk. [37]

She concluded that, “the City is liable for the violation of plaintiffs’ Fourth and Fourteenth Amendment rights. . . ,” saying “) conclude with a particularly apt quote: ‘The idea of universal suspicion without individual evidence is what Americans find abhorrent and what black men in America must constantly fight. It is pervasive in policing policies—like stop-and-frisk, and . . . neighborhood watch—regardless of the collateral damage done to the majority of innocents. It’s like burning down the house to rid it of mice.’” [37].

In reaching her conclusion, in addition to evaluating the facts presented she cited the testimony, under oath of New York State Senator Eric Adams, a former New York City Police Officer,

New York State Senator Eric Adams’ testimony provided further evidence of official

acquiescence in racial profiling by NYPD leadership. Senator Adams, a former NYPD captain, testified about a small meeting he attended at the Governor's office in Manhattan in July 2010. Former New York Governor David Paterson, Senator Adams, another state senator, a state assemblyman, and Commissioner Kelly were all present to discuss a bill related to stop and frisk. Senator Adams raised his concern that a disproportionate number of blacks and Hispanics were being targeted for stops. *Commissioner Kelly responded that he focused on young blacks and (ispanics "because he wanted to instill fear in them, every time they leave their home, they could be stopped by the police."* (Emphasis added.) Senator Adams testified that he was "amazed" that Commissioner Kelly was "comfortable enough to say that in the setting." [37]

Underlining the fact that the city did not object to Senator Adams' quoting Kelly's out of court statement, Judge Scheindlin stated,

I find Senator Adams' testimony credible, especially in light of the Senator's former affiliation with the NYPD, *Commissioner Kelly's decision not to appear at trial to rebut the testimony, the City's failure to offer any rebuttal evidence regarding Commissioner Kelly's statement at this meeting, and the other evidence of tolerance toward racial profiling at the NYPD.* (Emphasis added.) In fact, the substance of Commissioner Kelly's statement is not so distant from the City's publicly announced positions. Mayor Bloomberg stated in April that the NYPD's use of stop and frisk is necessary "to deter people from carrying guns. . . . [I]f you end stops looking for guns, . . . there will be more guns in the hands of young people and more people will be getting killed." At the same time, the City emphasized in its opening arguments that "blacks and (ispanics account for a disproportionate share of . . . crime perpetrators," and that "90 percent of all violent crime suspects are black and (ispanic." When these premises are combined—that the purpose of stop and frisk is to deter people from carrying guns and that blacks and Hispanics are a disproportionate source of violent crime—it is only a short leap to the conclusion that blacks

and Hispanics should be targeted for stops in order to deter gun violence, regardless of whether they appear objectively suspicious. Commissioner Kelly simply made explicit what is readily inferable from the City's public positions.[37]

Kelly and Bloomberg and their many supporters conveniently ignored the fact that arbitrary stop-and-frisk police tactics drew the attention of the National Advisory Commission on Civil Disorders [Kerner Commission], appointed to examine the causes of riots in 1967. Among other things it pointed out that, "...many departments have adopted patrol practices which . . . have replaced harassment by individual patrolmen with harassment by entire departments." . . . "These practices, sometimes known as "aggressive preventative patrol" . . . they involve a large number of police-citizen contacts initiated by police rather than in response to a call for service. One such practice utilizes a roving task force which moves into high crime districts without prior notice, and conducts intensive, often indiscriminate, street stops and searches . . . In some cities aggressive patrol . . . the beat patrolman himself is expected to participate and to file a minimum number of stop-and-frisk or field interrogation reports for each tour of duty.[38]

Additionally, Kelly's stated purpose in implementing "stop and frisk" is similar to the Slave Control practices of the South as described by Carl T. Bogus,

Slavery was not only an economic and industrial system," one scholar noted, "but more than that, it was a gigantic police system" Over time the South had developed an elaborate system of slave control. The basic instrument of control was the slave patrol, armed groups of white men who made regular rounds. *The patrols made sure that blacks were not wandering where they did not belong, gathering in groups, or engaging in other suspicious activity.* (Emphasis added.) Equally important, however, was the demonstration of constant vigilance and armed force. The basic strategy was to ensure and impress upon the slaves that whites were armed, watchful, and ready to respond to

insurrectionist activity at all times.[39]

In the midst of the stop-and-frisk lawsuit in New York while the city was defending the legality of the policies expanded and endorsed by Kelly, Mayor Michael Bloomberg said, "I think we disproportionately stop whites too much and minorities too little." [40] Concurrently, President Obama gave his opinion about Kelly, in light of the fact the position of Secretary of the Department of Homeland Security became vacant,

New York City Police Commissioner Ray Kelly would be "well-qualified" to run the Department of Homeland Security, Obama said in an interview with Univision's affiliate in the New York/New Jersey area. (e hasn't actually named Kelly as his choice to replace outgoing Homeland Security Secretary Janet Napolitano, who is leaving to head the University of California system. . . Obama said the commissioner "might be very happy where he is." If Kelly isn't, though, Obama said he'd want to know about it. "I think Ray Kelly is one of the best there is," Obama said. In addition to Obama, Kelly had bipartisan support of Sen. Charles Schumer, a New York Democrat, and Congressman Peter King, a New York Republican [and] Rep. Carolyn Maloney (D-N.Y.).

Rep. Hakeem Jeffries (D-N.Y.) [representing the largely minority 8th Congressional District in Brooklyn and Queens] on the other hand "said the New York City police commissioner would be a 'poor choice' to head (omeland Security . . perhaps I could even support his potential appointment to this position in the absence of the massive aggressive stop-and-frisk program that he's run, and the unconstitutional Muslim surveillance program, but that's kind of like saying,) had a good year, if you don't count the winter, spring, and fall." [41]

Floyd is one of a series of cases in which the NYPD carried out policies that had in fact been declared unconstitutional by state and federal courts. In *Casale v. Kelly*, [42] the City of New York, was enforcing a New York State anti-vagrancy law that had been declared

unconstitutional by the New York State Court of Appeals in 1983. That case was also decided by Judge Scheindlin, who summed it up as follows, the city "operating principally through the New York City Police Department ("NYPD"), has continuously enforced three unconstitutional loitering statutes for *decades* following judicial invalidation of those laws and despite numerous court orders to the contrary. *Ligon v. City of New York*, [43] and *Davis v. City of New York*, [44] were class-action lawsuits that successfully challenged Operation Clean Halls, a part of the NYPD's stop-and-frisk program that allowed police officers to patrol thousands of private apartment buildings across New York City, in the former and thousands of public apartment buildings across New York City in the latter. [45]

Vagrancy laws are descended from English poor laws, but in the United States they became an important tool for dealing with freed slaves as a result, first, of Abraham Lincoln's Emancipation Proclamation in 1863, then of the Northern victory in the Civil War with the abolition of slavery. Interestingly, the *New York Times* had expressed a concern about freed blacks and suggested a remedy that was already being implemented by Union commanders in southern states. According to the *Times*,

President L)NCOLN's proclamation, which we publish this morning, marks an era in the history, not only of this war, but of this country and the world. It is not necessary to assume that it will set free instantly the enslaved blacks of the South, in order to ascribe to it the greatest and most permanent importance. Whatever may be its immediate results, it changes entirely the relations of the National Government to the institution of Slavery. Hitherto Slavery has been under the protection of the Government; henceforth it is under its ban. The power of the Army and Navy, hitherto employed in hunting and returning to bondage the fugitive from service, are to be employed in maintaining his freedom whenever and wherever he may choose to assert it. This change of attitude is itself a revolution. . . .

President LINCOLN “recommends” the enfranchised slaves, “in all cases, when allowed, to labor faithfully for reasonable wages.” That great question, before the end is reached, will demand other treatment than this. If the President supposes that millions of men, who never made a bargain in their lives, who were never consulted on any subject affecting their own interest, who never made provision for their own support, or had the slightest charge connected with the maintenance of wives or children, and who have worked all their lives under the pressure of force and fear, can pass suddenly to the condition of free men, -- recognizing at once all its responsibilities and performing all its duties, -- he must believe that the age of miracles is not yet past. *If the Proclamation makes the slaves actually free, there will come the further duty of making them work. That the whole negro race is to remain idle if it should choose so to do, being free, no one can seriously propose. If the slaves choose to “labor faithfully for reasonable wages”—very well: -- they will establish their claim to freedom by the highest of titles, the ability to use and enjoy it. But if they do not, they must be compelled to do it, -- not by brute force, nor by being owned like cattle, and denied every human right, but by just and equal laws, -- such laws as in every community control and forbid vagrancy, mendicancy and all the shapes by which idle vagabondage preys upon industry and thrift.*[46]

Before the Emancipation Proclamation Union commanders of the occupied territories, such as Louisiana, dealt with “the flight of slaves from the plantations and the insubordination of those who remained.....” by issuing temporary regulations forcing slaves to remain and work on the plantations. After the Emancipation Proclamation freed the slaves, General Nathaniel P. Banks, who “was thoroughly committed to ending slavery” was also, convinced that maintaining the plantation system would relieve the army of the burden of caring for black refugees, restore the vitality of the state’s economy, and assist in creating a Free State movement with broad support among the white population.

...when Banks issued labor regulations for the

coming year, many critics charged that they bore a marked resemblance to slavery. The former slaves...must avoid vagrancy and idleness, and the army would ‘induce’ them to enter into yearly contracts with planters.....Once hired, the blacks were forbidden to leave plantations without the permission of their employers.[47]

As explained by Eric Foner, the Black Codes, applying only to Blacks, were enacted by new all-white governments in the South created by Andrew Johnson, in 1865 and early 1866, to regulate the conditions of the former slaves. They “[were] really an attempt to use the power of the government to get the plantation system going again. Not as slave labor ... but, as forced labor.....”[48] The Black Codes were officially abrogated by the enactment in 1866 of the Civil Rights Law, which mandated that all laws must apply equally to all citizens. Vagrancy laws, that made “Vagrancy—a crime whose definition included the idle, disorderly, and those who mispend what they earn”—could be punished by fines or involuntary plantation labor...” continued to be enforced by southern courts. [47]

5. Universal suspicion without individual evidence of American Muslims, in particular, and the world in general

Judge Scheindlin’s statement that “The idea of universal suspicion without individual evidence is what Americans find abhorrent and what black men in America must constantly fight,” is more aspirational than real. Americans and their colonial predecessors have often applied universal suspicion without individual evidence. Examples of this include the Red Scare and Palmer Raids at the beginning of the 20th century and the internment of Japanese Americans at the beginning of World War II. Consequently, despite legal advances in human rights individual suspicion without evidence has become the norm for Black and Hispanic minorities and ultimately the world in general with the enhanced surveillance capabilities of NSA.

Universal suspicion of Muslims has been the primary and convenient area of focus since the death of the Soviet Union. A report entitled *Manufacturing the Muslim Menace: Private Firms, Public Servants, and the Threat to Rights and Security*, by Political Research Associates stated, in pertinent part:

Since September 11, 2001, the “war on terror” has given rise to a panoply of companies that offer training in SWAT tactics, cyber-security, bomb detection, school safety, and infrastructure reinforcement. The same national security concerns have bolstered a class of self-proclaimed terrorism experts who equate Islam with terrorism and effectively brand Muslims as primitive, vengeful, duplicitous, and belligerent people who oppress women and gays, and possess values that are irreconcilable with “western Judeo-Christian civilization.”[49]

The report explained,

The war on terrorism has been a boon for the security and surveillance industry. The United States’ domestic security apparatus is estimated to employ 854,000 individuals. Another 800,000 or more police, sheriff, tribal law enforcement, and emergency personnel are being mobilized to respond to terrorism threats both real and perceived. The ranks of the growing surveillance network include intelligence analysts at regional Fusion Centers, emergency medical technicians, border patrol, security guards, state homeland security chiefs, utility plant guards, dock chiefs, and police intelligence units. Specialized terrorism prevention training has emerged as a priority for law enforcement and homeland security executives. Although state and federal programs, such as the Department of Justice’s State and Local Antiterrorism Training (SLATT) program and the Department of Homeland Security, train law enforcement in terrorism-related skills, an existing private industry of both for-profit and non-profit agencies has expanded to meet the demand.[49]

Seven, philanthropic conservative foundations and wealthy donors are the lifeblood of the Islamophobia network in America.[50]“They

provide critical funding to a clutch of right-wing think tanks and misinformation experts who peddle hate and fear of Muslims and Islam—in the form of books, reports, websites, blogs, and carefully crafted talking points, which dedicated anti-Islam grassroots organizations and some right-wing religious groups use as propaganda for their constituency. These foundations and wealthy donors also provide direct funding to anti-Islam grassroots groups.”

These top seven philanthropic foundations are the primary sources of support for small but very vocal Islamophobic groups in our nation that use their money to spread a deliberately misleading message about Islam and Muslims that is fundamentally antithetical to principles of religious freedom, inclusivity, and pluralism. The seven charitable groups provided \$42.6 million in total to Islamophobic think tanks between 2001 and 2009—funding that supports the misinformation scholars and experts. This money enables a very small and tight-knit group of radical right-wing scholars, experts, and grassroots organizers to craft and share reams of misinformation about Islam and American Muslims. This enables them to mutually reference each other’s highly inaccurate or purposively deceptive material as facts and then subsequently disseminate it to other grassroots groups and politicians through right-wing media outlets. All are actively promoting the deeply mistaken portrayal of Islam—a religion of nearly 1.6 billion people worldwide, including 2.6 million Americans—as an inherently violent ideology that seeks domination over the United States and all non-Muslims. One individual neatly sums up their inaccurate and perverse view of Islam as “the only religion in the world that has a developed doctrine, theology and legal system that mandates violence against unbelievers and mandates that Muslims must wage war in order to establish the hegemony of the Islamic social order all over the world.”[51]

According to the report, while some of the information is vetted by federal agencies, much federally financed information to intelligence professionals and law enforcement” by means of “seminars, industry conferences, trade publications, and electronic media [in which the

presenters] are often chosen through informal networks, rather than official systems..." These "lack proper civil liberties oversight or peer review." Furthermore "The Department of Homeland Security, Terrorist Screening Center, and Federal Bureau of Investigation have implicitly sanctioned these un-vetted private offerings by participating in the very same conferences where problematic messages are delivered to public servants.[51]

The report "identified five important frames which are often utilized by trainers to deliver an Islamophobic message to those undergoing training in counterterrorism, and some or all of which are utilized by individuals associated with the "... organizations studied who are responsible for the training: 1. Islam is a Terrorist Religion; 2. An Islamic 'Fifth Column,' or 'Stealth Jihad,' is Subverting the U.S. from Within; 3. 'Mainstream' Muslim Americans (ave Terrorist Ties; 4. Muslim Americans Wage 'Lawfare': Violent Jihad by Other Means; 5. Muslims Seek to Replace the U.S. Constitution with Islamic, Sharia, Law."[51]

In addition to right-wing organizations spreading Islamophobia, the Federal Government including the Department of Homeland Security, the Federal Bureau of Investigation, and the Department of Defense have done so as well as has the New York City Police Department. Islamophobic training has continued to be provided to our most important national and domestic security personnel. Promoted by investigative journalism, an internal FBI investigation into its counterterrorism training has just now purged hundreds of bureau documents of instructional material about Muslims, some of which characterized them as prone to violence or terrorism. Recently, in 2012, the FBI disclosed initial findings from its months-long review that has uncovered and purged over 700 pages of documentation from approximately 300 presentations given to agents since 9/11 — including some instructing FBI counterterrorism agents that "mainstream" Muslims sympathized with terrorists; that the Prophet Mohammed was a "cult" leader; and

that the more "devout" a Muslim was, the more likely he would be to commit a violent act.[52]

In November, 2011, Obama, "... quietly ordered a widespread review of government counterterrorism training materials last month, following Danger Room's reports that officials at the FBI, military and Justice Department taught their colleagues that "mainstream" Muslims embrace violence and compared the Islamic religion to the Death Star."[53] On April 24, 2012, the Danger Room of *Wired* Magazine reported that General Martin Dempsey, chairman of the Joint Chiefs of Staff, the highest-ranking military officer in the U.S. armed forces ordered the entire U.S. military to review all its training material to ensure it doesn't contain the type of anti-Islamic content provided in the just suspended course titled "Perspectives on Islam and Islamic Radicalism." The course taught junior and field grade officers, that is captains, commanders, lieutenant colonels and colonels that "Islam had already declared war on the West." "Perspectives on Islam and Islamic Radicalism" taught since 2004, was presented as an elective at the Joint Forces Staff College in Norfolk, Virginia. The course instructed captains, commanders, lieutenant colonels and colonels from across all four armed services that "Islam had already declared war on the West," said Lt. Gen. George Flynn, Dempsey's deputy for training and education. Also, one of its guest lecturers was Stephen Coughlin, who has taught FBI and U.S. Army audiences that Islamic law is a danger to U.S. national security.[54]

In May, 2012, General Martin Dempsey, Chief of Staff of the Joint Chiefs of Staff, Lt. Col. Matthew A. Dooley, is "no longer in a teaching status," Dempsey added — but he is still employed at the Joint Forces Staff College in Norfolk, Va. The reason for Dooley's removal was that

For at least a year, Dooley taught an optional course at the college for lieutenant colonels, colonels, commanders and Navy captains that proposed taking a war on Islam "to the civilian population wherever necessary," which he likened to the bombardment of Dresden and nuclear destruction of Hiroshima and Nagasaki.

Guest lecturers in the course encouraged those senior officers to think of themselves as a “resistance movement” to Islam.[55]

Although the United States is the sole superpower at the beginning of the 21st century, all of its extravagantly funded national security organizations, including the misnamed Department of the Defense (DOD), the National Security Agency (NSA), the Central Intelligence Agency (CIA), and the Federal Bureau of Investigation (FBI), failed to protect the nation on September 11, 2001. They failed despite their possession of critical information that would have helped to protect the nation had it been shared. Ironically, many of those who through incompetence or negligence failed to share the information were promoted and their employing agencies received increased budgets and responsibilities encouraging them to undertake activities to protect the budgets if not the nation by creating the illusion of security. Barack (ussein Obama’s administration has also facilitated the illusion of security by continuing to manufacture a domestic jihadist Muslim menace as a threat to national security. As Trevor Aaronson has pointed out,

in fiscal 2011-2012, the FBI allocated more than \$3 billion of its \$7.8 billion budget to counterterrorism. By comparison, the FB’s criminal division, responsible for investigating organized crime, and financial fraud, among other areas, received \$2.5 billion. . . . To justify its counterterrorism budget, the Bureau must demonstrate to both the public and elected officials that it is preventing would-be terrorists from taking aim at the homeland. . . The best way to demonstrate a job well done is by citing investigations that are made public through prosecutions.[56]

Aaronson created a database documenting the government’s terrorism prosecutions, with nearly 10 years of terrorism prosecutions since 9/11, [he] had a database of 508 defendants whom the U.S. government considered terrorists. . . Of the 508 defendants, 243 had been targeted through an FBI informant, 158 had been caught in an FBI sting, and 49 had encountered an agent provocateur. Most of the

people who didn’t face off against an informant weren’t directly involved with terrorism at all.[56]

FBI agents supervising sting operations are under pressure from their higher-ups to build terrorism cases and their informants have various incentives for making individuals into terrorists. Among incentives provided by the FBI are monetary ones, as well as various types of coercion depending on the target informants’ situation. Agents may threaten deportation, threaten to reveal embarrassing information about them, or to bring criminal charges, or place them on the “no-fly” list. Accordingly, “[t]he FB’s search for would-be terrorists is so all consuming that agents are willing to partner with the most heinous of criminals if they appear able to deliver targets. . . in the summer of 2011, . . . agents . . . put on the government payroll a convicted rapist and child molester.” (e informed on “two financially troubled men with histories of mental problems.” One “had no capacity to carry out a terrorist attack. . .” (e didn’t have much money and didn’t know anyone who could provide him with weapons. The other lived in Southern California and could not afford to travel to Seattle. The informant said “he could provide everything they would need for the attack, including M13 assault rifles, rocket propelled grenades, and bullet-proof vests.” Subsequently, when each took hold of a rifle the informant showed them how to switch the rifles to automatic the FBI arrested them and charged them “with conspiracy to murder officers and agents of the United States, conspiracy to use a weapon of mass destruction, and four firearms counts. The FBI paid the informant \$90,000 for his work on the case.” Such payments are made when sting operations result in convictions. They are considered “performance incentives.”[56]

Consequently, as documented by Aaronson, since 9/11 the “one single organization . . . responsible for hatching and financing more terrorist plots in the United States than any other . . . is the FB),” as a result of “sting” operations guided and financed by FBI informers and agents provocateurs. Aaronson also reported that “The federal law profile of a

terrorist . . . has changed since 9/11 from a sleeper cell of disciplined and patient individuals living and training in the US and funded from international sources to the “lone wolf” model. Only three “lone wolf” terrorists had been captured and tried, . . . had international connections and the ability to carry out attacks on their own. . . “[u]nlike [the vast majority of] those caught in FB) stings.” In fact, “Many of the government’s alleged terrorists seem hopeless; they are always young sand down on their luck, penniless, without much promise in their lives, easily susceptible to a strong-willed informant’s influence. They’re often blustery punks.....”[56]

As U.S. District Judge Colleen McMahon pointed out in sentencing one such would-be terrorist”—James Cromitie, of the “Newburgh Four Conspiracy,

The essence of what occurred here is that a government, understandably zealous to protect its citizens from terrorism, came upon a man both bigoted and suggestible and then made those fantasies come true . . . I suspect that real terrorists would not have bothered themselves with a person who was so utterly inept . . . Only the government could have made a terrorist out of Mr. Cromitie, whose buffoonery is positively Shakespearean in scope.[56]

Additionally, the Federal Bureau of Investigation issued guidelines for identifying Muslim communities as suspect and in need of surveillance which have continued in effect to 2012;[57] it undertook numerous actions to entice and entrap “terror” suspects. It’s information was adapted by, for example the NYPD which began a massive surveillance of Muslims throughout the United States. And this coincided with another campaign aimed at minorities—particularly young Black and Hispanic males—“stop and frisk.” Raymond Kelly, the Police Commissioner cooperated with the filming of islamophobic video entitled “The Third Jihad,” which was used to train approximately 1500 police department officials.[58]

The *Third Jihad* makes the claim that American Muslims of all stripes are in the midst of an effort to seize control of the country; the third phase of an ongoing “1,400-year war”.

“Americans are being told that most of the mainstream Muslim groups are moderate,” the narrator says, “when in fact if you look a little closer you’ll see a very different reality. One of their primary tactics is deception.” The film was produced by the Clarion fund, a non-profit group linked to pro-Israel organizations.[59]

Paul Browne, Kelly’s spokesman, first denied that Kelly was a willing participant in the production of the training video. However, after “the filmmakers behind *The Third Jihad* provided the New York Times with evidence that Kelly had taken part in a 90-minute interview shot at NYPD headquarters in March 2007. Browne corroborated the claim, admitting that he had “recommended” Kelly take the interview.[59] “[ow the film came to be used in police training, and even for how long, was not clear. An undated memorandum from the department’s commanding officer for specialized training noted that an employee of the federal Department of Homeland Security handed the DVD to the New York police in January 2010.” Despite the fact that Browne described the video as a “wacky film” he said that “the Police Department had no plans to correct any false impressions the movie might have left behind. . . “There’s no plan to contact officers who saw it,” he said, or to “add other programming as a result.”[59]

After Michael Bloomberg became Mayor of New York in 2002, he appointed Raymond Kelly Commissioner of the New York Police Department. Kelly in turn created anew mission for the Intelligence Division in the NYPD. (e appointed David Cohen, a former CIA Officer as Deputy Commissioner in charge of the Office with a \$43 million budget and 400 police officers. One of the problems he faced was the (andschu case which was the result of the NYPD’s widespread unconstitutional surveillance activity to suppress free speech of various protest movements in the 1960’s and 1970’s.[60] The case was settled in 1985 when

“the city agreed to court established rules about what intelligence the NYPD could collect on political activity. Under the rules, the department could investigate constitutionally protected activities only when it had specific information that a crime was being committed or was imminent. Undercover officers could be used only when they were essential to the case, not as ways to keep tabs on groups. Police could no longer build dossiers on people or keep their names in police files without specific evidence of criminal activity.[60]

In September 2002 the city moved to change the rules supported by an affidavit signed by Cohen, based on his thirty-five year career analytical and operational work with the CIA. The city and nation were “under siege from enemies within,” terrorists could be lurking anywhere. (e stated, “They escape detection by blending into American society. They may own homes, live in communities with families, belong to religious or social organizations. They typically display enormous patience, often waiting years until their plans are perfectly aligned.” The (andshau rules were changed with no external monitoring of compliance.[60]

Cohen wanted to make the NYPD intelligence unit more like the CIA although it had failed to detect the impending fall of the Shah of Iran or of the Soviet Union. Consequently, he hired Larry Sanchez who was working for the CIA and continued to do so as an employee of the NYPD. Sanchez wanted to be proactive rather than reactive and with Cohen’s approval instituted profiling. *Sanchez “told friends and colleagues that the NYPD was taking its cue from Israeli officers’ methods of keeping tabs on the military-occupied West Bank, the swath captured from Jordan in the 1967 Six-Day War.”*[60] Len Levitt reported that,

the myth of Kelly’s much-hyped 15 plots that the NYPD supposedly stopped singlehandedly has been shown to be just that - a myth. . . All that his entire Muslim spying operation has unearthed are three mopes, two of whose cases the FBI wanted no part of. Kelly credited “Cohen’s intelligence work during the 2004 Republican National convention” at which time

to great fanfare the NYPD announced its first “lone wolf” terrorism arrest for plotting to bomb the Herald Square subway station. . . .The perpetrator was MatinSiraj, a Muslim man with an IQ, considered borderline-retarded, who was egged on by an informant to whom the police paid \$100, 000, and whose co-defendant, James El Shafay, had recently been released from a mental institution. . . El Shafay then testified against Siraj. He was convicted and sentenced to 30 years in prison.[61]

Kelly and Cohen hoped the unit conducting the spying on Muslims, the Demographics Unit, “would serve as an early warning system for terrorism. And if police ever got a tip about, say, an Afghan terrorist in the city, they’d know where he was likely to rent a room, buy groceries and watch sports.” Assistant Chief Thomas Galati, the operations head of the unit, however, testified “that information that has come in has not commenced an investigation.” Although, “Dozens of members of Congress have asked the Justice Department to investigate the NYPD. Attorney General Eric Holder has said he was disturbed by the reports. But John Brennan, President BarackObama’s top counterterrorism adviser, has said he is confident the NYPD’s activities are lawful and have kept the city safe.”[62]While the extensive deployment of spies by the NYPD resulted in no arrests, it did effect another benefit. When Galati was questioned about the reason for repeated visits to a location in which no suspicious activity was reported, explained, “Sometimes these officers, when they go, they go to places that they may like the food and go back for that reason, and I know that that has happened. So multiple visits might indicate such an event.” (e repeated “. . .) am telling you that the reality is that I have talked to people that they have indicated that this is a place that they like to eat. So a repeated visit may be indicative of the like for food.”[63]

6. Occupy Wall Street

Javier Moreno, Editor, *El País*, “explain[ing] the decision to publish the [WikiLeaks] State Department cables,” in part addressed what he called “The incompetence of political elites.” He stated, in pertinent part, “the same political elite

that was incapable of properly supervising the international financial system, whose implosion triggered the biggest crisis since 1929, ruining entire countries and condemning millions of workers to unemployment and poverty. These are the same people responsible for the deteriorating quality of life of their populations, the uncertain future of the euro, the lack of a viable European project and the global governance crisis that has gripped the world in recent years, and which elites in Washington and Brussels are not oblivious to. I doubt that keeping embassy secrets under wraps is any kind of guarantee of better diplomacy or that such an approach offers us better answers to the problems we face.”[64]

Similarly, Peter Frankopan director of the Center for Byzantine Research at Oxford, analogizing the way the European Union is dealing with the financial situation in Greece, in his op-ed article in the *New York Times* “Bankers at the Gate,” wrote, “The way Europe has behaved over the current Greek crisis is scarcely less shameful than the way those crusaders behaved” 800 years before when “[t]he men of the Fourth Crusade, who had originally set off to fight for Christianity in the Holy Land, found themselves instead ransacking Constantinople, the capital of the Greek-speaking Byzantine Empire . . .” Their justification was the “enormous debts that had been racked up in the West.” (e added, “Few Greeks have a good word to say about the European banking system these days. They believe it’s the real reason for their current crisis, having pushed easy money on their politicians and now demanding a pound of financial flesh.” (e concluded, “If nothing else, that dark spot on the West’s historical record should be a warning to the bankers and politicians who would rather watch Greece fall apart than take responsibility for their own profligacy.”[65]

According to *Suppressing Protest: Human Rights Violations in the U.S. Response to Occupy Wall Street*,

In September 2011, waves of protests against mounting socioeconomic injustice broke out across the United States, capturing the attention

of the country. The Occupy Wall Street movement, inspired by similar protests around the globe, used the occupation of public space and mass demonstrations to call attention to a wide array of shared concerns. The movement also used public assemblies to debate concerns and promote direct democratic participation. Within weeks of their emergence, the protests dramatically expanded and deepened U.S. political discourse around the widening gap between rich and poor, bank bailouts and impunity for financial crimes, and the role of money in politics.....[66]

Protests have long been an important feature of American politics and have been essential to securing fundamental rights and freedoms. Yet the response of authorities has undermined foundational US democratic values, and often seemed to only reinforce Occupy’s core grievances. While federal prosecutions of economic crimes, such as mass fraud, are at a 20 year low, in just 10 months, public authorities across the United States have arrested more than 7,000 and physically injured Occupy protestors seeking social and economic reforms.[66]

The Occupy protests took place amid an extraordinary period of global social movement mobilization – Egypt’s Tahrir Square, Spain’s indignados , Greek anti-austerity protests, Chile’s students, Montreal’s casseroles, and many others have inspired and been inspired by one another. The US government has closely monitored protests in other countries, and has frequently publicly criticized other governments for violating their international legal obligations to uphold protest rights. As the Occupy protests entered the world stage, governments around the world also paid close attention to the U.S. authorities’ responses. Some countries, when pressed about their own mass arrests and beatings of protesters, have justified their actions by pointing to the highly visible and aggressive policing practices in the United States. Some other countries’ responses to protests have been far—and sometimes, incomparably—worse than U.S. authorities’ responses. Yet the restriction of protest in U.S. cities exposes the double standard inherent in

frequent U.S. government critiques of other governments for repressing their peoples' protest rights. [66]

But across the United States, abusive and unlawful protest regulation and policing practices have been and continue to be alarmingly evident. This report follows a review of thousands of news reports and hundreds of hours of video, extensive firsthand observation, and detailed witness interviews. In New York City, some of the worst practices documented include:

(1) Aggressive, unnecessary and excessive police force against peaceful protesters, bystanders, legal observers, and journalists; (2) Obstruction of press freedoms and independent legal monitoring; (3) Pervasive surveillance of peaceful political activity; (4) Violent late-night raids on peaceful encampments; (5) Unjustified closure of public space, dispersal of peaceful assemblies, and kettling (corralling and trapping) of protesters; (6) Arbitrary and selective rule enforcement and baseless arrests; (7) Failures to ensure transparency about applicable government policies; and (8) Failures to ensure accountability for those allegedly responsible for abuses. [66]

Suppressing Protest maintains that "These practices violate assembly and expression rights and breach the U.S. government's international legal obligations to respect those rights." Citing New York City, the report argues that "protest policing concerns are extensive and exist against a backdrop of disproportionate and well-documented abusive policing practices in poor and minority communities outside of the protest context." [66]

Even before OWS came into existence, in 2005, "NYPD Commissioner Raymond Kelly promised . . . Goldman Sachs . . . that the NYPD 'is committed to the development and implementation of a comprehensive security plan for Lower Manhattan...[including a] centralized coordination center that will provide space for full-time, on site representation from Goldman Sachs and other stakeholders.'" By June 2009, "alongside NYPD

personnel in the Lower Manhattan Security Coordination Center, where corporate and other security representatives from Lower Manhattan have been co-located with police . . ." Additionally, The surveillance plan became known as the . . . the Lower Manhattan Security Coordination Center . . . operates round-the-clock. [It is comprised of] 2,000 private spy cameras owned by Wall Street firms, together with approximately 1,000 more owned by the NYPD, are relaying live video feeds of people on the streets in lower Manhattan to the center. Once at the center, they can be integrated for analysis. [Additionally] at least 700 cameras scour the midtown area and also relay their live feeds into the downtown center . . . "The project has been funded by New York City taxpayers as well as all U.S. taxpayers through grants from the Federal Department of Homeland Security. . ." [67]

Additionally, The FBI referring "to the Occupy Wall Street protests as a "criminal activity" or even "domestic terrorism," spearheaded a nationwide law enforcement effort to investigate and monitor the Occupy Wall Street movement." It "coordinated extensively with private companies, including banks, that feared they could be affected by Occupy protests. Occupy, which took root in New York City's Zuccotti Park in September 2011 and spread to cities across the country, targeted corporations and other forces it believed to perpetuate social inequality. The FBI's investigation included the movement's manifestations in New York; Milwaukee; Indianapolis; Anchorage, Alaska; Jacksonville, Fla.; Richmond, Va.; and Memphis, Tenn., among others." [68]

As reported by Michael Hastings, in *Rolling Stone*, "As Occupy Wall Street spread across the nation last fall, sparking protests in more than 70 cities, the Department of Homeland Security began keeping tabs on the movement." The internal DHS report, entitled "SPECIAL COVERAGE: Occupy Wall Street," dated October 11, 2011, summarizes the background of OWS as follows,

The Occupy Wall Street (OWS) movement is a loose coalition of ongoing peaceful protests

taking place in cities across the United States. The OWS movement began with demonstrations staged in New York City's financial district, where protesters have taken up residence since September 17. The protests focus primarily on issues of economic justice, including corruption in the financial system, the government's handling of the global financial crisis, wealth disparity, and the role of corporate money in the U.S. political system. As a self-identified "leaderless resistance movement," OWS lacks an official set of demands and has co-opted support from participants seeking to bring attention to a wide range of social, economic, political, and environmental issues. The movement has drawn inspiration from recent protests in Europe and the Middle East, specifically citing "the Egyptian Tahrir Square uprising" and recent demonstrations in Spain. The first day of the protest drew approximately 1,000 protesters to Wall Street and the movement has grown considerably since, with an encampment of protesters occupying nearby Zucotti Square in Lower Manhattan. The OWS protests continued to gain momentum in the following weeks, sparking smaller demonstrations in major cities nationwide. Although the protests have been mostly peaceful, hundreds of arrests have been made by local police forces, mostly for trespassing, disorderly conduct, and obstructing traffic. . . .

The growing support for the OWS movement has expanded the protests' impact and increased the potential for violence. While the peaceful nature of the protests has served so far to mitigate their impact, larger numbers and support from groups such as Anonymous substantially increase the risk for potential incidents and enhance the potential security risk to critical infrastructure (CI). *The continued expansion of these protests also places an increasingly heavy burden on law enforcement and movement organizers to control protesters.* (Emphasis added.) As the primary target of the demonstrations, financial services stands the sector most impacted by the OWS protests. Due to the location of the protests in major metropolitan areas, heightened and continuous situational awareness for security personnel across all CI sectors is encouraged.[69]

7. The emphasis by the United States on training foreign police agencies in human rights does not apply to America

The United States Agency for International Development, issued *A Field Guide For USAID Democracy And Governance Officers: Assistance To Civilian Law Enforcement In Developing Countries*, January 2011 "intended to support USAID Democracy and Governance Officers as they consider police assistance programs in developing countries." It "reflects a solid knowledge of contemporary police strategies and management, as well as the particular problems of utilizing this knowledge in development missions. It highlights the importance of assessing conditions prior to formulating assistance plans. . . ."

The Field Guide contains "Annex 8: Department of State - Criminal Justice Sector Assessment Rating Tool" itemizing essential measurement indicators for various law enforcement functions. Among these is "1 Function: Officer Selection and Professional Training" including item "c" "Capability: Training Curriculum." included among the Measurement Indicators are two concerning human rights: Does the training program fully prepare officers to maintain rule of law and abide by judicial and prosecutorial directives? and, Is human rights training incorporated throughout the training curriculum for officers? Similarly, a measurement indicator for Function 4, Patrol Functions, is "When responding to calls do police abide by established laws and strategies that protect human rights and serve the best interest of the public?" Additionally, Function 7, Oversight and Internal Affairs item "a" "Capability: Office of Inspector General/Appraisal/Corruption Unit/Tracking of abuses" asks Is the Office of Inspector General utilized and generally effective in performing its mission? It identifies two human rights concerns "Are human rights abuses identified, investigated and tracked?" and Does HR abuse tracking follow a nationally established policy memorialized in the country's body of law?

Item "c" of Oversight concerns "Capability: Public Perception." The Measurement Indicators

for this factor are “Is there a high degree of public support (opinion) of the law enforcement program?; Is there evidence that the public generally feels secure?; Does the public believe that police are accountable for their actions?; Does the public believe the law enforcement departments are generally free from systematic corruption? [70]

Applying this criteria to the New York Police Department, as representative of police throughout the United States, raises doubts about the adherence to the Rule of Law. For example, in July, 2008, the Vera Institute of Justice in conjunction with the American Bar Association’s World Justice Project, and the Altus Global Alliance, issued a report entitled “Developing Indicators to Measure the Rule of Law: A Global Approach. The report was based on the study of four cities throughout the world. New York City was studied as representative of the United States, The report identified 60 “*Rule of Law*” indicators. Among the indicators are “Police are...held accountable to high standards of professional and ethical conduct. The document also reported the results of public and expert opinion on a number of topics including:

Q2. [Public] the police treat rich people better than poor people: 69% agreed and 17% disagreed with the statement;

Q3. [Public] the police treat people from all racial/ethnic groups equally: 18% agreed and 73% disagreed;

Q4. [Public] If police officers do abuse their power or engage in other forms of misconduct, they are held accountable”: 34% agree, 10% neutral, 54% disagree;

Q5. [Public] “The police in New York City do not abuse their power for personal gain”: 19% agree, 12% neutral, 66% disagree;

Q6. [Public] Police stop and searches, demonstrate Bias in Enforcement, disaggregated by key cultural groups More than twice as many blacks reported being stopped and searched in the previous year than whites (49% v 23%). Black respondents were stopped and searched an average of 7 times annually (compared to 0.74 times for whites);[71]

It is doubtful that any police department in the US could meet the USA criteria since none requires basic or ongoing training for entry level or above. To qualify as a police officer in New York State, for example, a candidate must satisfactorily complete the Basic Course for Police Officers totaling 639 hours of training. Included are 2 hours of Constitutional Law, 8 hours of “Counter Terrorism” and 2 hours of “Nature and Control of Civil Disorder” which requires a practical exercise, and 5 hours of “Cultural Diversity/Bias Related Incidents and Sexual Harassment.” Newly appointed first-line supervisors must complete 105 hours of training within a year of appointment in Leadership, Employee Assistance, The Role of the Supervisor, Legal Updates, Community Relations, Incident Management, Communications, and Crime Prevention, and Local Training Options.[72]

The actions taken by New York City regarding vagrancy, stop and frisk and surveillance of Muslims, like the Vera Institute report on the World Justice Project indicators is representative of the United States. For example, in commenting on the report of the United States for the purpose of showing compliance with the International Convention on the Elimination of All Forms of Racial Discrimination through its shadow report to the Committee on the Elimination of Racial Discrimination, the ACLU reported that “While more than 8 out of 10 individuals prosecuted by the U.S. government under the crack cocaine mandatory minimum laws is African-American, only one third of crack cocaine users are African-American.” It also emphasized that,

Incarceration in the U.S. is skyrocketing at an unprecedented rate. There has been a 500% increase in the U.S. prison population over the last 30 years, with 2.2 million people now behind bars nationwide. The U.S. has 25% of the world’s prisoners but only 5% of its population. As prisons and jails struggle with this frenzy of incarceration, minorities are bearing a disproportionate share of the consequences. As of 2001, one in six black men had spent time incarcerated in U.S. prisons and jails. If current rates of incarceration persist, one in three black

men can expect to spend some time incarcerated during their lives. Nationally, at the last decennial census in 2000, the population was 69.1% white, 12.5% Latino, 12.3% black, 3.6% Asian, and .9% American Indian. The 2006 prison population, in contrast, was about 46% white, 41% black, and 19% Latino.

This is in spite of the U.S. government's own research indicating that drug use and drug dependence among African-Americans and whites is relatively similar: 9.4% of whites reported a substance abuse/dependence problem in 2005, compared to 8.5% of African-Americans; 9.7% of African-Americans reported current drug use in 2005, compared to 8.1% of whites.[73]

Even the guidance provided by USAID is problematic because it does little more than use the term human rights without identifying what the term means. Nor would any American police department have to start from scratch since the United Nations, for example, has published "International (uman Rights Standards for Law Enforcement: A Pocket Book on Human Rights for the Police. The introductory note explains that "pocket book" is a product of its police training programme, and, is designed to provide a readily accessible and portable reference for police committed to the lawful and humane performance of their vital functions in a democratic society. It contains hundreds of relevant standards, reduced to common language and point-form, and drawn from over thirty international sources. Rather than directly reproducing the often complex provisions of international treaties and declarations, this publication has adopted a more "user friendly" format, with subjects arranged according to police duties, functions and topics.

Additional guidance includes, "both a comprehensive training manual for police, and a complementary trainer's guide, based upon the police training experience. . . .[74]

Christopher Stone and Jeremy Travis, in their 2011 essay "Toward a New Professionalism in Policing," observed that,

Many U.S. police organizations have realized important aspects of the new professionalism and many more have adopted its underlying values. The ambitions for accountability, legitimacy and innovation unite police organizations in disparate contexts: urban, suburban and rural, municipal, county, state and federal. With approximately 20,000 public police organizations in the United States, national coherence in American policing would be a signal achievement. We do not see this new professionalism fully realized in any single department. We know how difficult it can be to narrow the gap between these ambitions and many deeply ingrained routines and practices. Much policing in the United States remains, in these terms, unprofessional, but professional ambition is itself a powerful force and it is at work almost everywhere.[75]

Stone and Travis gave great weight to the views of Hubert Williams, former police commissioner of Baltimore and Patrick V. Murphy, former police commissioner of New York regarding the race based origins of the policing in the United States. Stone and Travis quote Williams' and Murphy's summary of the traditional interpretation of the origins of regular police forces in the United States they observed that,

Prominent police historian Samuel Walker has noted the difficulty of establishing dates marking the origins of American modern-style policing, that is, a system of law enforcement involving a permanent agency employing full-time officers who engage in continuous patrol of fixed beats to prevent crime. The traditional analyses, based on urban evidence, have suggested that such policing evolved from older systems of militias, sheriffs, constables, and night watches, and culminated in the "new police" of Boston in 1838, New York City in 1845, Chicago in 1851, New Orleans and Cincinnati in 1852, Philadelphia in 1854, St. Louis in 1855, Newark and Baltimore in 1857, and Detroit in 1865.

Williams, and Murphy add, however, "As [J.F.] Richardson [*Urban Police in the United States*. Port Washington, New York, National University Publications. 1974.] points out,

however, these analyses neglect that: [many other cities with] elaborate police arrangements were those with large slave populations where white masters lived in dread of possible black uprisings. Charleston, Savannah, and Richmond provided for combined foot and mounted patrols to prevent slaves from congregating and to repress any attacks upon the racial and social status quo. In Charleston, for example, police costs constituted the largest item in the municipal budget.

Additionally according to Williams and Murphy, Indeed, as both [Samuel] Walker [*A Critical History of Police Reform: The Emergence of Professionalism*. Lexington, Massachusetts, Lexington Books, 1977] and [P.L.] Reichel, ["Southern slave patrols as a transitional police type," *American Journal of Policing*, 7,2: 51-77], contend, there is a strong argument to be made that the first American modern-style policing occurred in the "slave patrols," developed by the white slave owners as a means of dealing with runaways. Believing that their militia was not capable of dealing with the perceived threat, the colonial State governments of the South enacted slave patrol legislation during the 1740's, e.g., in South Carolina:

Foreasmuch [sic] as many late horrible and barbarous massacres have been actually committed and many more designed, on the white inhabitants of this Province, by negro slaves, who are generally prone to such cruel practices, which makes it highly necessary that constant patrols should be established. [76]

Stone and Travis identify four principles of the New Professionalism: accountability, legitimacy, innovation and [national] coherence." They point out that these principles "are not new in themselves, but together they provide an account of developments in policing during the last 20 years that distinguishes the policing of the present era from that of 30, 50 or 100 years ago." Defining and national coherence they state: "innovation . . . mean[s] active investment of personnel and resources both in adapting policies and practices proven effective in other departments and in experimenting with new ideas in cooperation with a department's local

partners." National coherence, "mean[s] that the departments exemplifying the New Professionalism are participating in national conversations about professional policing. They are training their officers, supervisors and leaders in practices and theories applicable in jurisdictions across the country. They contrast this to the mid-century model of police professionalism,

Moreover, each of the three elements of so-called professional policing described here—its claim to technical expertise, its tactics and its management strategy — failed to produce adequate public safety. Rising crime and disorder in the 1960s and 1970s belied the technical expertise of the police, as did the repressive response to the civil rights and peace movements and the persistence of brutality on the street and during interrogations. . . .

Of all the problems created by terming mid-century policing "professional," none was more glaring than its dissonance with the experience of African-Americans and other racial and ethnic minorities.[75]

The description of the New Professionalism is more aspirational than real. In the wake of the riots and anti-war demonstrations in America during the 1960s and 1970s, the federal government has been providing funding and guidance to state and local police in order to develop professionalism to include a standardization in training, for example. By the 21st century, at an increasing rate, this has resulted in an increased militarization of local police. As summarized by RadleyBalko

Americans have long maintained that a man's home is his castle and that he has the right to defend it from unlawful intruders. Unfortunately, that right may be disappearing. Over the last 25 years, America has seen a disturbing militarization of its civilian law enforcement, along with a dramatic and unsettling rise in the use of paramilitary police units (most commonly called Special Weapons and Tactics, or SWAT) for routine police work. The most common use of SWAT teams today is to serve narcotics warrants, usually with forced,

unannounced entry into the home.

These increasingly frequent raids, 40,000 per year by one estimate, are needlessly subjecting nonviolent drug offenders, bystanders, and wrongly targeted civilians to the terror of having their homes invaded while they're sleeping, usually by teams of heavily armed paramilitary units dressed not as police officers but as soldiers. These raids bring unnecessary violence and provocation to nonviolent drug offenders, many of whom were guilty of only misdemeanors. The raids terrorize innocents when police mistakenly target the wrong residence. And they have resulted in dozens of needless deaths and injuries, not only of drug offenders, but also of police officers, children, bystanders, and innocent suspects.[77]

By the end of 2011, Michael Bloomberg, Mayor of New York, speaking at MIT, after NYPD officials were seen to pepper spray OWS protesters, boasted, "I have my own army in the NYPD—the seventh largest army in the world. This boast was factually wrong.[78] One of the Bloomberg-Kelly innovations, demonstrating the blurring of the line between the police and the military was the establishment of "(ercules Teams" whose mission is "the business of scaring people—[provided they] scare the right people."As described by *Popular Mechanics*,

No one sees them coming. There are no flashing lights, no sirens. The black Suburban simply glides out of Fifth Avenue traffic and pulls into a no-parking zone in front of the Empire State Building. Moments later, four men spill out in combat helmets and heavy body armor: Two carry submachine guns; the others, snub-nosed shotguns.

Camera-toting tourists stop jabbering and stare at this intimidating new presence, their faces a mixture of curiosity and fear. Even jaded New Yorkers, many of whom work inside the midtown Manhattan landmark, look impressed.

A stone's throw down the sidewalk, Abad Nieves watches the scene unfold. Nieves is a detective with the Intelligence Division of the New York Police Department (NYPD). Casually clad in

slacks and a black leather jacket, he monitors the response of people loitering in the area. Is anyone making notes or videotaping? Does anyone seem especially startled by the out-of-the-blue appearance of a heavily armed NYPD squad?

On this day, Nieves doesn't see anything overly suspicious, but he is pleased that the deployment created a strong impression. Known as a Hercules team, it makes multiple appearances around the city each day. The locations are chosen either in response to specific intelligence or simply to provide a show of force at high-profile sites.

"The response we usually get is, '(oly s---!'" Nieves says. "That's the reaction we want. We are in the business of scaring people—we just want to scare the right people."

The people the NYPD hopes to scare are the ideological brothers of the Islamic extremists who have successfully attacked New York City twice in the past 13 years. To stop these terrorists, the department fundamentally changed the way it protects the city after 9/11. [79]

Clearly the Bloomberg-Kelly approach to stop and frisk and the surveillance of Muslims indicates that the policy of the NYPD had regressed to that described by Williams and Murphy, in that, the legal order not only countenanced but sustained slavery, segregation, and discrimination for most of our Nation's history—and the fact that the police were bound to uphold that order—set a pattern for police behavior and attitudes toward minority communities that has persisted until the present day. That pattern includes the idea that minorities have fewer civil rights, that the task of the police is to keep them under control, and that the police have little responsibility for protecting them from crime within their communities.[76]

It is not surprising then the Bloomberg-Kelly approach to policing of minorities—namely a disregard for their constitutional rights—created a police based Praetorian Guard funded

and coordinated by the Obama administration applied to other “undesirables” as well such as Occupy Wall Street the “American Arab Spring”, as a result of a phenomenon analogous to “Force Drift.” Alberto Mora who was General Counsel of the Navy when he learned of the torture memos issued by the Office of Legal Counsel. Among his objections was that the military interrogators were typically young and had little or no training or experience in interrogations. Once the initial barrier against the improper use of force had been breached, a phenomenon known as “force drift” would almost certainly begin to come into play. This term describes the observed tendency among interrogators who rely on force. If some force is good, these people come to believe, then the application of more force must be better. Thus, the level of force applied against an uncooperative witness tends to escalate such that, if left unchecked, force levels, to include torture, could be reached.[80]

Conclusion

The National Academy of Science was asked to review the issue of profiling. Based on its study it warned that “The United States faces two real and serious threats from terrorists. The first is from terrorist acts themselves, which could cause mass casualties, severe economic loss, and social dislocation to U.S. society. *The second is from the possibility of inappropriate or disproportionate responses to the terrorist threat that can do more damage to the fabric of society than terrorists would be likely to do.*” (Emphasis added.)[81]

Neil Barofsky who was the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) for 16 months spanning both the Bush and Obama administrations wrote *Bailout*, which described his experiences and conclusions as SIGTARP. He also warned the Treasury about certain problems but these warnings were ignored and pointed to the emergence of both the Tea Party movement and Occupy Wall Street as helpful to raising awareness of the dangers that the largest banks posed to the United States. In the final paragraph of his afterward, however, he stated:

I now realize...that Treasury’s dismissal or our warnings has produced a valuable byproduct, the widespread anger that may contain the only hope for meaningful reform of our system. I now realize that the American people *should* lose faith in our government. They *should* deplore the captured politicians and regulators who took their taxpayer dollars and distributed them to the banks without insisting that they be accountable. They *should* be revolted by a financial system that rewards failure and protects the fortunes of those who drove the system to the point of collapse and will undoubtedly do so again. They *should* be enraged by the broken promises to Main Street and the unending protection of Wall Street. Because only with this appropriate and justified rage can we sow the seeds for the types of reform that will one day break our system free from the corrupting grasp of the megabanks. It is my anger that compelled me to write this book, and I hope that in some small way it can help put us on that path.[82]

As seen from the review of the training curricula of both entry level police officers and first level supervisors, there is nothing that informs anyone in the Police Department of the Human Rights obligations assumed by the United States. Consequently it should come as no surprise that in the case of OWS violations of constitutional and human rights on a mass scale occurred. The Rule of Law, if it ever existed, is no more.

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The bank-centered financial holding companies such as Citigroup, JP Morgan, and Bank of America could compete directly with the “big

five” investment banks—Goldman Sachs, Morgan Stanley, Merrill Lynch, Lehman Brothers, and Bear Stearns—in securitization, stock and bond underwriting, loan syndication, and trading in over-the-counter (OTC) derivatives. The biggest bank holding companies became major players in investment banking. The strategies of the largest commercial banks and their holding companies came to more closely resemble the strategies of investment banks. Each had advantages: commercial banks enjoyed greater access to insured deposits, and the investment banks enjoyed less regulation.

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[45] Compare NYPD Stop and Frisk to the *Code of Alabama* (Montgomery, 1852), Chapter 3, Patrols, the Slave Code, 235-236, in pertinent part,

§992. The patrol has power to enter, in a peaceable manner, upon any plantation; to enter by force, if necessary, all negro cabins or quarters, kitchens and out houses, and to apprehend all slaves who may there be found, not belonging to the plantation or household, without a pass from their owner or overseer; or strolling from place to place, without authority. . . .

§1008. No slave must go beyond the limits of the plantation on which he resides, without a pass, or some letter or token from his master or overseer, giving him authority to go and return from a certain place; and if found violating this law, may be apprehended and punished, not exceeding twenty stripes, at the discretion of any justice before whom he may be taken.

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"This comment is in no way meant to pass judgment on the Israeli people; it is simply an observation heard regularly in both Washington and Israel during interviews for this study, one that undoubtedly reflects the tough reality that this country has faced since its beginnings.

Israel feels little restriction on its willingness to apply "profiling" in its attempt to ferret out terrorists. Given its past experience, Israel is willing to discriminate against certain groups. Restrictions, particularly at the borders and upon entry to public transportation nodes, are noticeably geared toward certain races, ethnicities, and age groups. Israel does not have the constitutional constraints on its action, nor the history of civil liberty that the United States is built upon. From colored license plates to color-coded identification cards, racial profiling is a part of daily life in Israel as people try to identify the potential threats among them. . . .

Unlike the United States, which has a longer and stronger tradition of individual liberties, Israel is proud to admit that it uses profiling of individuals in its efforts to uncover terrorists. This is not just racial profiling; security personnel look at a number of indicators to determine whether a person is perceived to be a threat. For instance, there is a color-coded

license plate system that differentiates between Israeli Jews, Israeli Arabs, and Palestinians. On approaching a checkpoint the security guards will first check the license plate of an approaching car, then see whether the driver is alone or has passengers, whether the passengers include children, then check the identification card to see if the driver is an Israeli Jew, before making a decision on the physical look and demeanor of the driver herself. *While this may be done in the United States by local police forces, FBI, and border patrol agents, it is not publicly acknowledged due to concerns over personal liberties and political correctness. To better protect against terrorist infiltration and terrorist acts, the United States may want to give profiling a higher profile.* (Emphasis added.)

The Counterproliferation Papers Series was established by the USAF Counterproliferation Center to provide information and analysis to assist the understanding of the U.S. national security policy-makers and USAF officers to help them better prepare to counter the threat from weapons of mass destruction. Larsen was a retired Air Force Officer and Pravecek was an activity duty Air Force Officer. The paper contains a disclaimer that the views expressed are the personal views of the authors and not those of the United States Government or Air Force.

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