

**Bergen, Norway**

**June, 23–26**

**2013**

**6th International  
Academic Conference**

**Conference proceedings**



**International Institute of Social and Economic Sciences**

**ISBN: 978-80-905241-6-3**

Published by IISES, 2013

<http://www.iises.net>

# 6th International Academic Conference

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**Published by:**

**International Institute of Social and Economic Sciences (IISES)**

Kamerunská 607, 160 00, Prague, Czech Republic

<http://www.iises.net>

**Text Editing:** Ladislav Chmela

**ISBN:** 978-80-905241-6-3

**Online version:** <http://www.iises.net/conferences/past-conferences/bergen-conference-june-23-26-2013/conference-proceedings/>



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**Nur Ainshah Abdul Mutalib, Haniza Yon, Nur Natasha Eliana Abdul Rahim, Nur Ayu Johar**

Psychometrics Lab, MIMOS Berhad, Technology Park Malaysia, Kuala Lumpur, Malaysia

## **Measuring Malaysian Pre-service Teachers' Instructional Competencies**

### **Abstract:**

Teacher quality is seen as a predictor to measure the foundation for good teaching in any educational institutions. Highly competent teachers in terms of instructional competencies are expected to have a positive impact on the quality of students being produced. Previous studies have indicated that a teacher's quality is the main determinant of the academic success of his or her students. Therefore, the purpose of this study is to assess instructional competencies among Malaysian pre-service teachers. The instrument developed for this study measures the competencies needed by teachers to select and integrate appropriate methods and techniques in planning and delivering lessons. These methods and techniques are divided into the following areas: Pedagogical Content Knowledge, Technological Content Knowledge, Technological Pedagogical Knowledge and Technological Pedagogical Content Knowledge. This instrument was administered to a group of pre-service science teachers in Malaysia to measure their instructional competencies in the four stated areas. Assessing teacher competencies plays an important role in ensuring that teacher quality is maintained, leading to effective student learning.

## **Melek Acar Boyacioglu, Engin Avci**

Melek Acar Boyacioglu, Selcuk University, Konya, Turkey  
Engin Avci, Firat University, Turkey

### **Classification of Banks on the Basis of their Capital Adequacy: The Case of Turkey**

#### **Abstract:**

Banks need to increase their resistance in order to reduce to a minimum the damages that economic crises may do to countries. In this context, the Basel Committee set forth a series of principles aimed at improving efficient risk management and market discipline in banks, increase the efficiency of capital adequacy measurements and in this way ensure financial stability by establishing an effective banking system. One of these principles concerns capital adequacy of banks, which are building blocks of the financial sector. According to this, banks need to have capital adequacy as a precaution against any risks they may be exposed to. The purpose of this study is to determine the banks in the Turkish banking sector that are similar or different in terms of their capital adequacy. In this framework, 45 banks were classified using the fuzzy c-means clustering on the basis of their capital adequacy ratios belonging to the year 2012.

**Keywords:** Capital Adequacy, Turkish Banks, Fuzzy c-Means Clustering.

**Published in IJoES 2(2), 2013: <http://www.iises.net/?p=8162>**

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## **Olukayode Adebile**

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### **Substituting Agricultural Products for Crude Oil in Nigeria: A Cointegration Analysis Approach**

#### **Abstract:**

Before the discovery of oil in 1956, Nigeria was famous for her agrarian economy. Cash crops like; palm-produce, cocoa, rubber, timber were exported. Cassava, a major source of carbohydrate is extensively cultivated as an annual crop in tropical and subtropical regions for its edible starchy, tuberous root. Agriculture employs about two-thirds of Nigeria's labour force, contributes over 40% of the gross domestic product (GDP) and provides about 88% of non-oil earnings. Unemployment has become the greatest challenge to national security in Nigeria with rates rising from 23.9% in 2011 to 21.1% in 2010. This study examines the economic contribution of agriculture using cassava production as proxy to Nigeria GDP and determines its substitutability for crude oil production in the country.

**Keywords:** Co-Integration, Long-Run Equilibrium, Cassava, Employment.

#### **1 Introduction**

Agriculture, also called farming or husbandry, is the cultivation of animals, plants, fungi, and other life forms for food, fiber, biofuel and other products used to sustain human life. Agriculture was the key development in the rise of sedentary human civilization, whereby farming of domesticated species created food surpluses that nurtured the development of civilization - International Labour Office (1999) in Wikipedia (2013). Agriculture generally speaking refers to human activities, although it is also observed in certain species of ant and termite NewScientist (2010), Hölldobler & Wilson (1990).

The history of agriculture dates back thousands of years, and its development has been driven and defined by greatly different climates, cultures, and technologies. Until the Industrial Revolution, the vast majority of the human population labored in agriculture. Pre-industrial agriculture was typically subsistence agriculture in which farmers raised most of their crops for their own consumption instead of for trade. Modern agronomy, plant breeding, and agrochemicals such as pesticides and fertilizers, and technological improvements have sharply increased yields from cultivation.

PIND (2011) observed that oil palm (*Elaeisguineensis*) is one of the most important economic oil crops in Nigeria. Cultivation of oil palm serves as a means of livelihood for many rural families and indeed the farming culture of millions of people in the country. The reference to oil palm as a crop of multiple value underscores its economic importance. Oil palm is made of essential components, namely; the fronds, the leaves, the trunk and the roots which are used for several purposes ranging from palm oil, palm kernel oil, palm wine, broom, and palm kernel cake.

As at early 1900, Nigeria was producing all palm oil sold in the world market and it was considered a dominant source of foreign exchange - Matthew (2009). Up until the 1960s, Nigeria was the world's largest producer of palm oil accounting for 43% of global palm oil production. Over-reliance on traditional production methods, excessive tapping of palm trees for palm wine and the Nigerian civil war, are factors that contributed to Nigeria's inability to meet up with the global rise in demand for palm oil.

Behrooz and Benjamin (2013) are of the opinion that before the advent of crude oil production in Nigeria, Nigeria's main stay was agriculture and was dominated by palm crude oil production. Nigerian palm crude oil production and exportation is ranked 4th in the world. The Nigerian economy has performed poorly since independence despite the huge mineral, material and human endowment, as well as the accelerating dynamics of the global economy.

In Adebile (2012), cassava (*Manihot esculenta*), is extensively cultivated as an annual crop in tropical and subtropical regions for its edible starchy, tuberous root, a major source of carbohydrates. It is a major staple food in the developing world and indeed Nigeria. Cassava leaves are rich in protein, vitamins, and minerals yet cassava is marginalized. Nigeria is the world's largest producer of cassava. Cassava is the most widely cultivated crop and provides food and income to over 30 million farmers and large numbers of processors and traders. The climatic conditions and the soil in Nigeria are suitable for its cultivation. Cassava has been used as an important and cheap feed in many European countries. Both the roots and the leaves are usable as food to livestock. It is estimated that approximately 4 million tons of cassava peelings useful as livestock feeds are annually produced as a by-product in Nigeria alone during processing of cassava roots. Therefore, cassava offers tremendous potentials as a cheap source of food energy for animals if adequately supplemented with other nutrients. Cassava is commonly used for feeding pigs, ruminants and poultry.

Henk et al (2007) opined that cassava flour can be used as partial replacement for many bakery and pasta products. Several sources report that at least 10% of the wheat flour used for baking can be substituted by cassava flour without change of taste or other qualities (Phillips et al, 1999; Grace, 1977). Cassava is one of the richest fermentable substances for the production of crude alcohol/ethanol. Ethanol can be made from various carbohydrate materials including cassava roots, cassava starch, and other starches or ingredients such as molasses. Dry chips may contain up to 80% of fermentable substances (starch and sugars). Grace (1977), reports that crude alcohol from cassava is used mostly for industrial purposes such as in cosmetic and pharmaceutical industries.

The objective of this paper is to examine cassava, an agricultural product as possible alternative to crude oil production in Nigeria using co-integration approach. To this end, interaction between volume of cassava produced, exchange rates and gross domestic product per capital is modeled. This is significant because a positive relationship will encourage government to diversify the economy which will invariably lead to more employment and more income to the government. The remainder of this paper proceeds as follows: Section II is for the reviews of past relevant researches. Section III presents the methodology adopted. Section IV shows the findings of the study and section V contains the discussion and recommendations based on the research.

## 2 Literature Review

According to Lenis et al (2009), the Nigerian economy is considered the second largest economy in Africa, after South Africa (Africa Research Bulletin 2006). Despite the fact that oil accounts for 95 percent of Nigeria's export revenues and 76 percent of government revenues, it has done little to alleviate poverty in the country (Ronchi 2007). Agriculture still remains a crucial sector, employing over 70 percent of the Nigerian labour force and serving as a potential vehicle for diversifying the Nigerian economy and enabling economic development. Nigeria has a broad range of agricultural commodities, with the main ones being cassava, maize (corn), cocoa, millet, palm oil, peanuts, rice, rubber, sorghum, and yam. Agriculture and oil contributed about 65 percent and 5 percent of Gross Domestic Product (GDP) respectively at Nigeria's independence in 1960, the sectors accounted for about 32 percent and 37 percent, respectively, in 2006 (World Bank 2006; US DOS 2009).

To Innocent (2008), agriculture, since independence, held the key to Nigeria's rapid economic transformation, poverty alleviation, stable civil and good governance as well as national and food security. Agriculture employs about two-thirds of Nigeria's labour force, contributes over 40% of the GDP and provides about 88% of non-oil earnings. The exploitation of the agricultural sector since the 1960s provided the main source of employment, income and foreign exchange earnings for Nigeria. This was due to focused regional policies based on commodity comparative advantage. The sector employed over 70 percent of the labor force, fed the population estimated at 55million and 60million in 1963 and 1965 respectively, guaranteeing the greater percentage of the food security of the average household. In the same period, export of cash crops earned 70 and 62.2 percent respectively, of Nigeria's total foreign exchange and contributed 56.7 and 66.4 percent of GDP in 1960 and 1965 respectively. The dominant position of the agricultural sector in this period in the Nigerian economy was therefore, not in doubt. The advent of commercial exploitation of oil resources, however, turned the trend against agriculture and its downstream industries from the rest of seventies onwards. It is estimated that about 75% of Nigeria's total land area amounting to 68 million ha has agricultural use potential while about 33 million ha is actually under cultivation. To Anyanwu et al (2010), agriculture has suffered from years of mismanagement, inconsistent and poorly conceived government policies, and the lack of basic infrastructure.

Cassava is Africa's second most important food staple, after maize, in terms of calories consumed. It is a major source of calories for roughly two out of every five Africans. It is consumed daily and sometimes more than once a day (Dostie et al 1999, Haggblade, 2003). Cassava growing belts fall within four agro ecological zones South East, South West, South- South, and Central states. The first three zones are within the humid tropics, with soil types that are rich in plant nutrients. Cassava production has potential to create employment opportunities for the unemployed labour force in the rural areas both in its cultivation, processing and marketing. Nigeria is the largest producer of cassava in the world. About 31.8 million tonnes are produced annually with internal demand put at about 48 million tonnes. Russia and the rest of Europe have now turned to Nigeria the acclaimed number one producer of cassava in the world following the inability of Thailand to sustain supplies of cassava chips (Ndubuizu, 2003).

Unemployment is the greatest challenge to underdeveloped and developing countries. Fajana (2000) in Oluseyi et al (2012) identified some major causes of unemployment in Nigeria, faulty manpower

planning and expansion of educational facilities that have unduly raised the expectations of Nigerian youths, the economic recession, the institution of NYSC, graduate attitude to some type of jobs especially in other location as well as search behaviour of employers and job seekers, use of capital intensive technology, wide rural- urban migration, formal – informal sectors differentials.

Frenkel and Ros (2006) investigate the effect of real Exchange rates on unemployment in Latin America and argue that real Exchange rates affect unemployment by indirectly affecting increase level of output. Halil (2006), investigated the impact of the Real Effective Exchange Rate (Reer) on Turkish Agricultural Trade using vectors autoregressive methodology and Johansen cointegration principle. He found that export cause REER, but REER cause import in the sense of Granger causality and that evidence of cointegration was found between these variables. REER has smaller effects on export and import in the short-run when compared to the long-run effects. In studies carried out by Oyejide (1986), Hughes and Penson (1985), there are marked increase in volume of agricultural exports over the years but the volatility, frequency and instability of the exchange rate movements since the beginning of the floating exchange rate raise a concern about the impact of such movements on agricultural trade flows. Chambers and Just (1991) noted that while some research found that exchange rates play a role in agricultural exports, still others found that the exchange rate has relatively small impact on the agriculture sector of the economy. Babula et al (1995) found no cointegration between exchange rates, price, sales, and shipments in regard to United States corn exports.

Obayelu et al (2010), estimated the response of aggregate agricultural output to exchange rate and price movements of food and export crops in Nigeria using Johansen cointegration technique and found that the variables are cointegrated. They found that there exists a linear deterministic trend in the data and that food and export prices as well as the real exchange rate jointly explained 57% of the variation in the Nigeria aggregate agricultural output in the short run and 87% variation in the long run. Total agricultural output responds positively to increases in exchange rate and negatively to increases in food prices both in the short and long run. The significance of food crop prices and exchange rate at 5% and 1% respectively both in the short and long run suggest that changes in these variables are passed immediately to agricultural output.

Behrooz and Benjamin (2013) used the Johansen-Juselius cointegration test procedure to evaluate the relationship between palm crude oil production and Nigeria's economic performance and found that neither palm crude oil production nor crude oil production was statistically significant in contributing to the economy. Both variables showed a weak short-run result but the cointegration between the variables indicate a long-run equilibrium relationship indicating that both the growth of palm oil and crude oil will contribute to the growth of Nigeria economy.

Adebile (2012) investigated the characteristics, trend, and the impact of the oil industry on the production of cassava from 1961 to 2010 using both descriptive and inferential statistical methods. The study concluded that the claim of a negative effect of the oil industry of the 1970s on cassava production could not be confirmed.

Anyanwu et al (2010) in their study considered the relationship between Gross Domestic Product and output of major stapled food crops of Nigeria between 1990 and 2001. Using correlation matrix, the result showed that there is a strong, positive and statistically significant relationship between GDP and these food crops except for wheat. Policies should therefore be put in place by the appropriate

authorities geared towards providing production incentives to the rural farmers to enable them produce more of these stapled food crops that have significant impact on the GDP of Nigeria.

Azeez et al (2012) examines the effect of exchange rate volatility on macroeconomic performance in Nigeria from 1986 to 2010. Using Ordinary Least Squared and Johansen co-integration estimation techniques they found that Oil Revenue and Exchange Rate are positively related to GDP while Balance of Payment (BOP) is negatively related to GDP. They also found a long-run relationship between these variables and GDP. Oil revenue and balance of payment exert negative effects on GDP in the long-run, exchange rate volatility contributes positively to GDP in the long run.

Oyovwi (2012) evaluates the effect of exchange rate volatility on economic growth in Nigeria on the basis of annual data from 1970 to 2009. He applied Co-integration analysis technique and Generalised Autoregressive Conditional Heteroscedasticity (GARCH) technique. He found that in the short run, economic growth is positively responsive to exchange rate volatility while in the long run, a negative relationship exists between the two variables. The long run dynamics show that increase in oil price depress economic growth in Nigeria. Thus, the income effect of rising oil price is not felt while the output effect is evidenced in factory closure and re-location to neighbouring countries.

Mahmoud (2012) compared the long-term and short-term relationship between GDP, export and investment during the years 1991-2008. Results show that there is a positive and significant long term relationship between gross domestic production, investment and export at 95% confidence level. He however found that the relationship of investment and export is an inverse one. In the short term, impact of investment and exports on GDP are positive. Effect of domestic production on investment is positive, but negative on export.

### 3 Methodology and Data

The data used in this study are from secondary sources. Data on: GDP (current US\$), Consumer Price Index (CPI) (2005=100) and exchange rate (official rate LCU/US\$) are obtained from NGA\_Country\_MetaData\_Agric 2013. For cassava production (Tonnes) data are obtained from FAO Statistics Division 2013. This paper uses the cointegration and error-correction models, to test the causal relationship between nominal GDPPC, volume of cassava produced, and exchange rate between 1980 and 2010. Granger-causality test were conducted to identify variables that have causal effect on GDPPC in particular. The existence of a long-run equilibrium (stationary) relationship among economic variables is referred to in the literature as cointegration. According to Granger (1988), standard tests for causality are valid only if there exists cointegration. Therefore, a necessary precondition to causality testing is to check the cointegrating properties of the variables under consideration. All variables used are in logarithm form.

Let  $y_t$  be a vector containing  $n$  observable variables, the general VAR formulation with  $p$  lags for  $y_t$ , can be expressed as:

$$y_t = \mu + \Pi_1 y_{t-1} + \Pi_2 y_{t-2} + \dots + \Pi_p y_{t-p} + \varepsilon_t \quad (1)$$

where  $\varepsilon_t$ , a vector of residuals, is assumed to be i.i.d Gaussian with zero mean and positive definite covariance matrix  $\Omega(\varepsilon_t \sim NI_p(0, \Omega), y_0, \dots, y_{-p+1}$  are assumed fixed).

If  $y_t$  contains variables that are cointegrated then the vector of differences  $\Delta y_t$ , defined as  $\Delta y_t = (1 - L)y_t$ , is stationary and there are some linear combinations of the variables in  $y_t$  that are stationary. Under these conditions, (1) can be expressed as a vector error correction model (VECM).

$$\Delta y_t = \mu + \Gamma_1 \Delta y_{t-1} + \Gamma_2 \Delta y_{t-2} + \dots + \Gamma_{p-1} \Delta y_{t-p+1} + \Pi_1 y_{t-1} + \varepsilon_t \quad (2)$$

Or,

$$\Delta y_t = \mu + \sum_{i=1}^{p-1} \Gamma_i \Delta y_{t-i} + \Pi_1 y_{t-1} + \varepsilon_t \quad (3)$$

Alternatively, under the cointegration hypothesis, Johansen (1991) demonstrated that the presence of unit roots leads to a reduced rank condition on the long-run matrix  $\Pi$  such that  $\Pi = \alpha\beta'$  so (3) can be expressed as:

$$\Delta y_t = \mu + \sum_{i=1}^{p-1} \Gamma_i \Delta y_{t-i} + \alpha(\beta' y_{t-1}) + \varepsilon_t \quad (4)$$

where  $\alpha$  and  $\beta$  are matrices of order  $n \times r$  and rank equal to  $r$  ( $r \leq p$ ). The columns of  $\beta$  are the cointegration vectors, which can be interpreted as long-run economic relations so that  $\beta' y_{t-1}$  is a  $r \times 1$  vector of stationary relations, while the columns of  $\alpha$  correspond to the loading factors and denote how each variable in  $y_t$  “corrects”. Johansen (1988, 1991) suggested a maximum likelihood procedure to estimate the cointegration rank  $r$ , and the matrices  $\beta$  and  $\alpha$ .

If there are more than two variables, then, Johansen-Juselius cointegration methodology (1990) must be implemented, because there may be more than one cointegration vector. Johansen-Juselius cointegration technique represents the same thing as a multivariate generalization of the Dickey-Fuller used for unit root test (Enders 2004).

### The Cointegration Test

Let

$$\Delta y_t = \pi y_{t-1} + \varepsilon_t \quad (5)$$

$$\pi = (A_t - I) \quad (6)$$

The rank of  $\pi$  matrix  $r$  represents the number of linear combination of variables included in  $\pi$  matrix or number of cointegrating vectors. The following is the two tests statistics which declare the rank of  $\pi$  matrix:

$$\lambda_{trace}(r) = -T \sum_{i=r+1}^n \ln(1 - \hat{\lambda}_i) \quad (7)$$

$$\lambda_{\max}(r, r+1) = -T \ln(1 - \hat{\lambda}_{r+1}) \quad (8)$$

where

$\hat{\lambda}_i$  = the estimated value of the characteristic roots obtained from the estimated  $\pi$  matrix.  $T$  = the number of usable observations.

## 4 Research Findings

### 4.1 Unit Root and Cointegration Test

All variables used in this study are integrated of order one  $\sim I(1)$ . Accordingly, it is suitable to use the Johansen's cointegration technique for the extraction of the long-term relationship between the variables. Granger Causality Tests as shown in Table 1 reveals that ports the Granger Causality pair wise test. It is observed that both the volume of cassava (LCAS) production and exchange rate (LEXH) Granger cause Gross Domestic Product (LGDPC). The causality is one-way in this case. From Table 2, both trace and max-eigenvalue tests indicate 1 cointegrating equation at the 0.05.

### 4.2 Vector Error Correction Model

The first thing is to determine the order of the VEC Model. VER (p) was run for p=1, 2, ..., 6. VEC (5) is selected based on the three criteria (Log likelihood, AIC and SIC). From Table 3, the error correction term is given as:

$$\tau_{t-1} = -0.672868*(LGDPC (-1) + 5.673263*LCASS (-1) - 1.309786*LEXR (-1) - 98.87917) \quad (9)$$

The focus of the analysis is on  $\tau_{t-1}$  term, as it provides an explanation on the extent to which the system under consideration deviates from the long-run equilibrium. The associated coefficients indicate the short- run disequilibrium responses of the model. Equation (9) has an economic implication that the last period's equilibrium error will affect the current period. If this residual equals zero, then the system is in equilibrium – Saunders et al (1999).

From the study it is found that LCAS, and LEXR granger cause LGDPC in a one way causality. The study indicates one co integrating relationship which implies that there exists a long-run equilibrium relationship between Gross domestic product per capital, cassava production, and the nominal exchange rate of the naira. The study reveals that only two variables (LGDPC and LCAS) are significantly adjusting disequilibrium see Table 3 in the appendix. The short run adjustment coefficient of -0.67287 by GDPC implies that about 67 % of disequilibrium is “corrected” each year by changes in LGDPC, about 22 % of disequilibrium is “corrected” each year by changes in LCAS, and about 11% of disequilibrium is “corrected” each year by changes in LEXR. The long run relationship reveals that cassava production has a positive effect on GDPC because a unit increase in cassava produced over last period production will increase GDPC by 5.673263 units. On the other hand, a unit increase in exchange rate over last period value will reduce GDPC by 1.309786 units. Figure 1 shows the behavior of the disequilibrium for a unit change in each of the variables.

### 4.3 Variance Decomposition

From Table 4, the variance decomposition table, both LGDPC and LCAS explained more than 97% of shocks emanating from each of them in the first period. Half of the shock to LEXR at the first period was borne by LCAS and 64% was also borne by LCAS in fifth period. At the tenth period, both LGDPC and LCAS shared 60% and 25% respectively of shocks due to LEXR. As time grows however, shocks from LCAS were borne by LGDPC (23% in first period and 65% in tenth period). This shows that shocks from both LCAS and LEXR were shared to LGDPC over the periods.

## 5 Discussions and Recommendation

In this study we have examined the impact of volume of cassava produced and nominal exchange rate variations on gross domestic product per capital between 1980 and 2010. Cointegration tests between these variables indicate that they are co-integrated. The cointegration test indicates one cointegration relationship which implies a long run equilibrium exists among the series. These results show that there exist of a stable long-run relationship between these three variables. The speed of adjustment parameters of 67% for LGDPC indicate a fast rate which implies that shocks to it are easily adjusted if appropriate policies could be put in place. An adjustment speed of 22% for LCAS indicates a slower but significant adjustment process. The speed of 11% for LEXR also is a slow one but statistically insignificant. This could mean a relative stability in the exchange rate market over the period. Figure 1 shows the pattern of adjustment to equilibrium level, the graph for LEXR is more or less a stable one oscillating close to zero, validating the insignificance of its adjustment to equilibrium. It is obvious from the figure that LCAS and LGDPC adjust disequilibrium from time to time. Since adjustment back to equilibrium position is basically done by LCAS and LGDPC it is advisable to put policy in place to encourage the production of cassava. It can be concluded that over a long period of time, agricultural products and nominal exchange rate variations have had very important implications for Nigeria gross domestic product per capital. The contribution of cassava to GDPC is high as revealed in the study. Price fluctuations and low quality of products will induce production and sales fluctuations. Inconsistent policy has adversely affected the Nigerian cassava industry so much that willing investors are discouraged while some in the business are folding up (Sanni et al 2009). If the residual is zero, Saunders et al (1999), the system is in equilibrium. From equation (9), this can be achieved if not less than 17.43 units of cassava is produced in the current period while the exchange rate remains unchanged. The government needs to educate farmers on the use of modern ways of farming in cassava production. Ways of preserving must improve so that wastages are minimized. This approach will reduce fluctuation that is harmful to the GDPC. Some agricultural products are seasonal and wastages increase. Government should buy excesses to prevent loss. Government could subsidize as it is done in the US and other developed countries to encourage farmers and lure the young ones into farming. The responsibility should be shared between the federal, state and local governments. In the US Agricultural subsidy is primarily governed by periodically renewed U.S. farm bills and governance is both a federal and a local responsibility with the United States Department of Agriculture being the federal department responsible. Truman et al (2004) noted that Nigeria's cassava transformation is the most advanced in Africa. However, the scope for increasing the use of cassava in Nigeria's industries is, to a large extent, determined by the development of an efficient and well-integrated production and marketing system. This will assure a steady supply of cassava products of stable, high quality standards

and appropriate price, and of specific properties required by domestic industries and export markets. Thus, public and private investments in research and development are required to develop cassava products for industrial usage, if well targeted, could offer good returns and prospects for the future of cassava in Nigeria.

Important policy conclusions can be drawn from this result, that our production strategy and domestic monetary policies have important effects on the Nigerian gross domestic product per capital in the long run. The government should adopt strategies that will motivate the agricultural sector, this will improve the standard of living of the average Nigerian and redirect energies from crime. Also, if our monetary policy strategy does not target lower inflation rate then our currency will be weaker which on the long run will have an adverse impact on the Nigeria GDPC. Nigeria to date is yet to diversify the productive base away from the continued reliance on a single industry, petroleum. There continues to be underutilization of industrial capacity, high unemployment rate and political anxiety.

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## Appendix

**Table 1: Pairwise Granger Causality Tests**

Null Hypothesis:	Obs	F-Statistic	Prob.
LCAS does not Granger Cause LGDPC	30	5.95038	0.0077
LGDPC does not Granger Cause LCAS		0.12315	0.8847
LEXR does not Granger Cause LGDPC	30	11.3445	0.0003
LGDPC does not Granger Cause LEXR		1.11937	0.3423
LEXR does not Granger Cause LCAS	30	2.47802	0.1043
LCAS does not Granger Cause LEXR		0.65283	0.5292

Test obtained at Lag 2

**Table 2: Cointegration Tests**

		Unrestricted Cointegration Rank Test (Trace)			Unrestricted Cointegration Rank Test (Maximum Eigenvalue)		
Hypothesized No. of CE(s)	Eigenvalue	Trace Statistics	5% Critical Value	Prob.**	Max-Eigen Statistic	5% Critical Value	Prob.**
None *	0.537994	31.72944	29.79707	0.0296	23.16535	21.13162	0.0255
At most 1	0.210486	8.564088	15.49471	0.4072	7.090137	14.26460	0.4785
At most 2	0.047944	1.473950	3.841466	0.2247	1.473950	3.841466	0.2247

Trace and Max-eigenvalue tests indicate 1 cointegrating eqn(s) at the 0.05 level

\* denotes rejection of the hypothesis at the 0.05 level \*\*MacKinnon-Haug-Michelis (1999) p-values

**Table 3: The Short-Run and Long-Run Coefficients**

Speed of Adjustment Parameters (Short-Run Coefficients)			
Error Correction:	D(LGDPC)	D(LCASS)	D(LEXR)
CointEq1	<b>-0.67287</b>	-0.22359	0.10654
Standard Error	(-0.1733)	(-0.08394)	(-0.44159)
t-Statistic	[-3.88274]	[-2.66363]	[ 0.24126]

The Cointegration Vector (Long-Run Relationship)				
Cointegrating Eq:	LGDPC(-1)	LCASS(-1)	LEXR(-1)	C
CointEq1	1.00000	5.673263	-1.309786	-98.87917
		(-0.91174)	(-0.23302)	
		[ 6.22244]	[-5.62085]	

Source: Author's Calculation, standard error in parentheses in ( ), t-statistic in [ ]

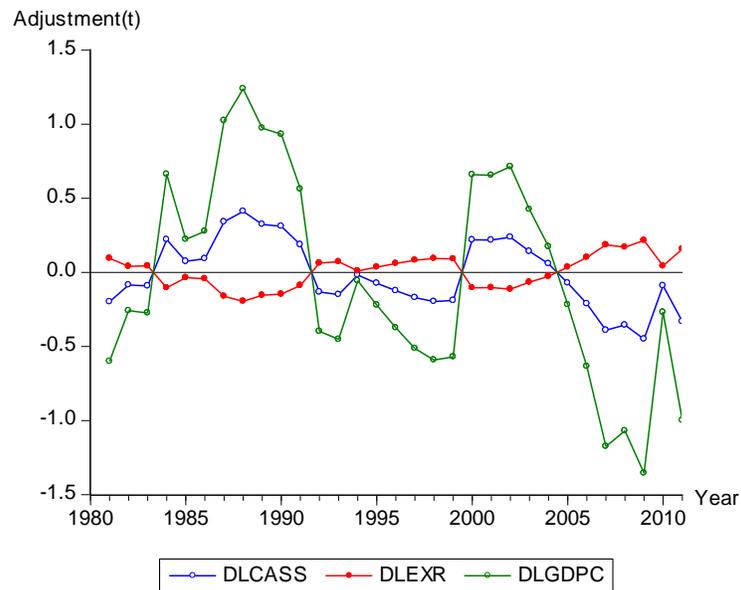
R-squared = 0.855507     Adj. R-squared = 0.525237

**Table 4: Variance Decomposition of the Variables**

Variance Decomposition Test					
Product	Period	Stand Error	LGDP	LCAS	LEXR
LGDP	1	0.129746	100	0	0
	5	0.685760	64.53882	22.23059	13.23060
	10	9.548665	63.00398	21.03459	15.96143
LCAS	1	0.062847	2.568621	97.43138	0
	5	0.215920	42.74492	47.32666	9.928423
	10	3.115540	65.37586	18.73534	15.88881
LEXR	1	0.330614	1.532635	50.68840	47.77896
	5	0.873483	19.37385	63.83514	16.79101
	10	4.988200	60.07243	24.73382	15.19376

Source: Author's Calculation.

**Figure 1: Graph of pattern of adjustment to previous error for every unit increase in the variables**



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### **Education in Third World Nations**

#### **Abstract:**

This abstract was aimed at the declining standard of quality Education in most Third World Countries and examined the extent to which it has affected citizens in different countries. In spite of the general belief that educational planning can contribute to an orderly development of education in Third World countries, a lot has not been done to identify the difficulties, challenges and dilemmas that the planners in these countries are facing. This paper gives ways of identifying notable problems and means on how some of the difficulties can be rectified/eliminated. There has been increase and urge for western education in recent time compared to two/three decades ago. Educational planning in Africa has increased due to increases in primary, secondary, and higher education matriculation. Four problems to adequate and quality Education are examined A. We cannot not leave out the increase of teaching professionals in recent years, B. Lack of adequate infrastructure and conducive learning environment, C. inadequate availability of fund by those in authority, D. Implications of religion, culture, tribe and belief.

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### **Promoting Extensive Reading Culture in Omani Schools**

#### **Statement of the Problem:**

Discussing any issue related to reading, bring this statement back to my mind "read the text and answer the following questions". This is the way I used to look at reading during my school years. There is always a clear purpose of reading a particular text which is connected to the main goal of learning English language. None of our English language teachers at school advises us to read a book simply because it is interesting and we will enjoy it. However, during my first days at college it was clear to me that the whole teachers were encouraging us to read as much as we can. They told us read for your own pleasure and enjoy the language you are learning. Actually what they were trying to do is pushing us toward another way of reading which is extensive reading. Since then I kept asking myself, why we were never encouraged to read extensively during school. It is really my pleasure to introduce school students to extensive reading which might make a difference in their learning English language.

#### **Abstract:**

This paper is interested in searching about Omani teachers' and students' perceptions about extensive reading and how to promote it in Omani schools. The ultimate purpose of this paper is to further the understanding of the benefits of carrying out extensive reading in English classes and find out the best ways to encourage students to read extensively. Also, this paper is searching for the issues which impeded the existence of extensive reading in English classes in Omani schools. In order to obtain comprehensive data mixed method was employed in this study through combining "interrelated questionnaire and interview" (Dornyei, 2007, p. 24). The data gathered by these methods were used to answer three questions which are 1) What are the students' and teachers' perception about extensive reading? 2) What are the factors that curb the implementation of extensive reading practices in schools? 3) How the current extensive reading practices in Omani schools could be improved? The findings of the study revealed that teachers and students perceived extensive reading positively and it showed their understanding of its possible benefits. However, there are a number of issues which impeded such positive practice. As well, the findings show the respondents agreement on some practical procedures to promote extensive reading culture in Omani schools.

**Keywords:** Extensive Reading, Omani Context, Promoting, Benefits, Perceptions, Procedures.

**Published in IJoTE 1(1), 2013: <http://www.iises.net/?p=8400>**

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## **Exports and its Role in Economic Growth of Iran**

### **Abstract:**

Exports as the engine of economy and the key to survival countries in the global market play an important role in economy area. In the country economic development programs, implementing export development strategy is standards of practice and access to export mutations has been emphasized. This paper while reviewing the state policies in the field of export promotion and obstacles and problems in this area dealt with the impact of some macroeconomic variables on exports in Iran economic growth. The results indicate that export promotion has a significant impact on the country's growth so that, if the country volume of exports increased by one percent, Gross Domestic Product will rise 0/58 per cent.

**Keywords:** State Policies, Macroeconomic Variables, Economic Growth, Export Promotion, Iran.

### **1 Introduction**

In economic growth literature a particular attention has been paid to foreign trade as growth factor. Hence, the strategy of encouraging exports as a successful strategy has been considered by many economists. Researchers believe that the countries with open economies will surpass the introspective countries in economic growth (Razini and Ghobadi, 2004). Therefore, one of the issue that have been considered by researchers and debate in recent years is exports and its related problems and defects and shortcomings that exist in this area that many researchers considered monoculture and economic, social, political and cultural negative consequences and adverse in International Trade as the major problems in the developing countries and the third world (Taghavi and Mehdizadeh, 2004).

One of the fundamental aspects in economic policy is increase the share of exports in Iran and to improve its position in international trade and the global economy. In order to reduce Iran's economy dependence on exports of crude oil and turning toward multi-product economy in the export, export-policies orientation should be changed to favor items that are in their comparative advantage. And this, in turn makes inevitable the greater presence in global markets, particularly membership in the WTO where discipline, laws and stability in the country international economic relations and consequently the policies, programs, regulations, decisions and communication and domestic economic activity is the first and most important benefit of Iran membership in the WTO (Abrishami et al, 2004). Iran due to its unique geographical location has been located in one of the most favorable areas for convergence and regional economic integration. Because Iran, due to its unique position considered as a bridge between the Persian Gulf Cooperation Council countries and the CIS on the one hand and has been important

among the developing Islamic countries with the Union of Europe on the other hand and can play an important role (Sabbagh Kermani and Hosseini, 2004).

To raise economic growth, creating jobs, improving the balance of payments and inflation, the role of goods and services exports is critical and states use any policy to achieve more exports and drive out competitors. Government intervention whether in terms of domestic issues and foreign affairs is not hidden politics and is quite clear aspect, because they will earn more interest (Taghavi and Nematizadeh, 2004). Exporting goods to foreign markets with the objective of sustainable revenue and profit along with consumer satisfaction is accomplished. In situations where markets are competitive, aside from the features and capabilities of each country in the production and exportation of goods, identifying export markets and target markets is very important (Vali Beigi, 2006).

## **2 Theoretical Basics**

Export development programs are provided by government, commercial organizations and other organizations to help companies overcome the limitations and should play a key role in promoting international business activities. In Iran prior to the revolution, macroeconomic policy was rely on import substitution trade policy. But there was no serious attempt and support to provide this goal. After the revolution, in order to achieve self-sufficiency, import substitution thinking was continued (Zaribaf, et al, 2007). During the development program of the country, the development of non-oil exports always has been considered as one of the major programs and in Third Development Plan, access to Export rebound has been emphasis (Razini and Ghobadi, 2004).

Accordingly, the business strategy that was followed during the first program was the strategy of import substitution and export incentives with regard to the comparative advantages of the country (Zaribaf, et al, 2007). In the first development plan, providing policies such as the abolition of foreign treaties, unification of rate of exchange, buy currencies of non-oil exports to floating rate and facilitate to imports of goods that directly and indirectly are being used in the production of export goods was on the agenda (Razini and Ghobadi, 2004). In the second development plan, the main objective in line with the country trade policy was to reduce the economy's dependence on revenues from oil and non-oil exports over than before (Zaribaf, et al, 2007). Furthermore, elimination of customs cumbersome procedures and to facilitate the steps for clearance of export goods, applying appropriate methods in order to take advantage of special rates on trade communication and finally to develop appropriate customs tariff system was emphasized (Razini and Ghobadi, 2004)

Development plan pay attention to boom in non-oil exports. According to the boom export policy, production should to be carried out with the aim of export to foreign markets and international clients and should be have appropriate price, quality and packaging to attract foreign customers satisfaction and pave the way to develop dynamic export. Therefore, based on the program, in order to achieve boom export some measures were targeted as follows:

- A. Customs duties and commercial benefit of imported raw materials and intermediate goods used in production for export goods after issuance of the products will be refunded.
- B. Exported goods and services are exempt from taxes and duties.
- C. Exports of goods and services are exempt from any permit except for mandatory standards.

- D.** All are encouraged to export the commodity to extend services.
- E.** Export Development Fund for NGOs is supported by the state.
- F.** In order to support non-oil exports and engineering and technical services from 2000 in proportion to the increase in non-oil exports and engineering and technical services of foreign exchange and monetary resources from surplus revenues from oil exports should be disposal to the Bank as the state's share to increase Export Development Bank capital.
- G.** Establishment of any international exhibitions at home and abroad should be done in coordination with the Center for Export Promotion (Zaribaf et al, 2007).

In order to reduce the cost of exports, cost reduction of export products and competitiveness of them some practices has been done that among them can refer to exemption from payment of such taxes, allocate a certain share of credit to the export sector, reducing interest rates of extending credit to the export sector, reducing prepayment, to open documentary credit from 90% to 10%, exempt foreign exchange of exports from the provisions of the suspended state regulations, Subsidies and export awards (Razini and Ghobadi, 2004).

Develop a plan for achieving short-term and medium-term objectives always was in attention of the authorities and policy makers in developing countries (Samadi, 2002). Increase in exports can improve the specializing of exporting products which in turn may increase the productivity of the export sector (Wong Hock, 2007). But the main problem is that whether these policies have been successful in terms of economy to increase growth and development or in the compression of export promotion policies is less successful (Taghavi and Nematizadeh, 2004).

Several factors have an impact on exports and export demand shaping. These factors can be refer to internal prices, GDP of applicant country, wholesale commodity prices index, export prices, exchange rates, domestic production and costs to increased export and marketing (Amjadi et al, 2010).

Successful in exporting requires three basic steps:

- A.** Competitive products: When talking about competitive products, we mean to high quality and low price.
- B.** Identify target markets: Offering competing products without identifying markets needed for export these products can not fulfill export development alone. Therefore, the second step in the process of export is to identify target markets for competitive products.
- C.** Timely and accurate delivery: After identifying target markets, accurate and timely delivery of competitive products to determined markets will complete the export cycle. How activities (services) of marketing will play an important role in the process of export and marketing (Khaledi and Rahim Zadeh, 2008).

Today, due to the extent of global markets and the existence of social and economic differences between countries and between different groups of consumers, using a new and systematic method for identifying or so determine and prioritize target markets for export is account as requirements to achieve export boom target (Amjadi et al, 2010). Certainly, the economic policy-orientation toward develop non-oil exports was not easily possible and is faced with many problems. These problems

mainly after the revolution were smuggling, vast differences in the exchange rate in open market and banking networks, the necessity of obtaining foreign outsourcing alliance, monitoring on pricing, economic sanctions, international competition intensifies, reducing the production rate of some goods that over the year was in exportable inventory, problems related to the transport of goods, shortage of raw materials needed for industries, problems associated with poor quality of some exports goods and lack of compliance with standards of consumer markets and poor packaging and the like (Zaribaf et al, 2007).

Although many political activities in this area have been done, Iran's non-oil exports are face with the problems that the most important ones are:

1. Lack of economic infrastructure
2. Delays in developing and implementing strategies for industrial development
3. Existence of monopolies and unimportant private sector
4. Reliance on traditional target markets
5. Being irrelevant of goods imports with non-oil exports
6. Cultural perspectives and political problems
7. Failure to attract foreign capital
8. Degrade the quality of the goods produced within the country
9. Lack of attention to international standards and goods packaging
10. Persian Gulf countries
11. Inappropriate business open zones activities
12. No membership in trade arrangements (Zaribaf, et al, 2007).

Given that Iran country merely has been not difficult to discussing non-oil exports and more on issues such as employment, production and technology, general welfare and national income facing with many problems. Addressing GDP as the cycle will help to non-oil exports and non-oil exports will also increase GDP and in turn the recession and unemployment problems will be solved. Note that is important in this context is that look into production must a medium-term or long-term look. Thus, it naturally will require more effort, thought and patience until in future we have witnessed a boom in the economy and non-oil exports (Taghavi and Nematizadeh, 2004). Exchange rate fluctuations make difficult the prediction of monetary income derived from exports for exporters and naturally, make some difficulties to marketing, proper planning and determining export policy to them. Basically, at the one hand, due to unreliable to rates and risk arising from changes made impossible long-term planning and will halt or reduce export activity. On the other hand, these volatilities increase the Incentives for speculative currency transactions and damage to the health of the market (Asgari, 2008). It is true that real changes of exchange rate have more significant effect on the export demand than to unrealistic changes. In international economics and international trade theory, devaluation of the national currency of one country with raising exchange rate reduce the goods export price of one country in foreign

markets and in terms of its currency and consequently Thus, buyers and consumers based on the law of supply and demand bought more goods (Taghavi and Nematizadeh, 2004).

Dallas Studies (2001) showed that there is following relationship between exchange rate fluctuations and trade flow:

- A. Exchange rate volatility on exports volume and foreign direct investment decisions are effective and can reduce the volume of trade.
- B. In the long term persistence of exchange rate fluctuations, domestic manufacturers instead of buying from foreign sources to turn to domestic sources which will ultimately reduce the volume of trade.
- C. In fluctuations in exchange rates, if exporters and importers are risk averse, to reduce or avoid losses, they will reduce their business activities.
- D. Exchange rate fluctuations could be affected the trade through uncertainty in prices and profitability and reduce it (Asgari, 2008).

### 3 Literature review

Balassa (1977) considered the increase of exports in production as a factor of economic growth and suggested encourage exports policy. Motavasehi (1999) in a study examine the causal relationship between economic growth and export growth that according to the statistical analysis and the estimated model coefficients can be concluded that the effect of export growth on GDP growth is more than the effect of GDP growth on export growth. As a result, policies to promote export can factor to growth GDP in both short-term and long-term. Studies based on Taghavi and Nematizadeh (2004) on the impact of macroeconomic variables on non-oil exports conclude that these variables (GDP, exchange rate and inflation rate) has a direct effect on non-oil exports. Another study conducted by Samadi (2002) where significant negative impact of export instability, agriculture sector and mining industry and significant positive impact of export instability in oil sector and economic growth in the concerned sector were mentioned. Economists such as Heliner have stressed that in order to exploit the country from the benefits of export encourage should be achieve to a minimum level of development. Grossman and Helpman also believe that interference in commerce promote long-term economic growth. Lewis (1991) offers the evidence on the link between trade, economic policy and economic growth for 35 developing countries. He observes that taking policies to encourage exports in countries such as Korea, Taiwan, Singapore, Malaysia, and Thailand as performance increases growth rather than policies to restricting imports.

Based on extensive empirical evidence, Outward-orientation and openness to international trade over the past three decades cause to growth and development many developing countries including countries in East Asia. With regard to Iran approach toward this direction, this paper while reviews the state policy using macroeconomic variables in the field of export development, we examine some of the factors affecting export and economic growth.

#### 4 Material and Method

In economic theories, trade, especially exports had been known as the engine of economic growth. A significant part of the success of countries such as Malaysia, Singapore, China and South Korea can be attributed to the expansion of their exports in the last two decades (Khaledi and Rahim Zadeh, 2008). Studies in various countries show that all developing countries are faced with the problem of capacity optimal utilization. However, if foreign demand (exports) is shaping in a country economy, it is natural that unusable capacity can be used. Increase the production capacity to non-oil exports will affect on employment phenomenon, inflation and recession. Expansion of non-oil exports can also be useful for the state in political and social aspects (Mohammadnia, 2005).

In the present study, to explain the changes in GDP, in addition to the export volume, population variables, exchange rates and the degree of openness of Iran economy is considered. Thus the implicit function is:

$$\text{GDP} = f(\text{EXPO}, \text{POP}, \text{RATE}, \text{OPEN})$$

**GDP:** Gross domestic product

**EXPO:** Volume of export

**POP:** Population

**RATE:** Rate of exchange (US dollar)

**OPEN:** Openness degree of economy

Given the concerned variables scale, semi-log model is used to estimate that is as follows:

$$\text{LogGDP}_t = \beta_0 + \beta_1 \text{LogEXPO}_t + \beta_2 \text{LogPOP}_t + \beta_3 \text{RATE}_t + \beta_4 \text{OPEN}_t + U_{it}$$

t: The period from 2001 to 2011

One way to avoid spurious regression is to ensure that the data is static. Hence, before estimating the model, the statistical properties of the data to be analyzed in terms of stationary or the unit root.

The results of unit root tests for the variables in the model are described in the following table:

variable	ADF Test	critical values			Description
		%1	%5	%10	
<b>LGDP</b>	<b>-3.62</b>	<b>-2.94</b>	<b>-2.01</b>	<b>-1.59</b>	<b>stationary</b>
<b>LEXPO</b>	<b>-5.46</b>	<b>-6.30</b>	<b>-4.45</b>	<b>-3.70</b>	<b>Augmented- Dickey-Fuller test stationary - (Prob=0.02)</b>
<b>LPOP</b>	<b>-6.94</b>	<b>-4.30</b>	<b>-3.21</b>	<b>-2.75</b>	<b>stationary</b>
<b>RATE</b>	<b>-8.96</b>	<b>-4.30</b>	<b>-3.21</b>	<b>-2.75</b>	<b>stationary</b>
<b>OPEN</b>	<b>-4.50</b>	<b>-3.77</b>	<b>-3.19</b>	<b>-2.89</b>	<b>stationary</b>

As was observed, all variables are in stationary levels. So, after ensuring no spurious regression, the regression utilizing ols method has been estimated and the output is as follows:

OLS			variable
Prob	t- Statistics	Coefficient t	
0.00	9.98	0.54	LOG(EXPO)
0.00	8.71	0.56	LOG(POP)
0.70	-0.40	-0.0002	RATE
0.69	-0.42	0.42	OPEN
<b><math>\bar{R}^2 = 0.96</math></b>			$R^2=0.98$
DW=1.42			

As was observed, exchange rate and economic openness have not a significant impact on economic growth, so , in the next model, by removal of these two variables and insert the AR (1) results will be as follows:

OLS			variable
Prob	t- Statistics	Coefficient	
0.00	7.21	0.58	LOG(EXPO)
0.00	6.78	0.70	LOG(POP)
<b><math>\bar{R}^2 = 0.96</math></b>			$R^2=0.97$
DW=1.53			

Finally, the estimated equation is as follows:

$$\text{LOG (GDP)} = 0.58 \cdot \text{LOG (EXPO)} + 0.70 \cdot \text{LOG (Pop)}$$

Both exports and population variables are directly related to GDP and by prob=0.00, it can be argued that each of them is significant, while 97 percent of GDP change is justifiable by the independent variables. The results are based on classical assumptions and when these assumptions will be reliable that the assumptions are truth. Therefore, it seems necessary to examine these assumptions that are described in the following table:

Test	Statistics	Prob	Description
autocorrelation	<b>0.75</b>	<b>0.52</b>	<b>No-</b> autocorrelation
Variance Heterogeneity	<b>0.36</b>	<b>0.86</b>	Homogeneity of variance
Specification Error	<b>0.19</b>	<b>0.67</b>	<b>No-</b> Specification error
Normal Residual sentences	<b>0.99</b>	<b>0.61</b>	Normal Residual sentences

## 5 Conclusion

Increased exports has direct effect on foreign income in the countries and through this way, by supply of foreign exchange reserves in the countries, make possible the Investments necessary to put the economy on a path of growth and development. On the other hand, export promotion provides possible use of global market opportunities for domestic product growth and thereby enables units and manufacturing enterprises to get rid of the domestic market constraints and with the expansion of production scale in order to export to foreign markets, in addition to obtain the foreign currency income from the economic cost of production scale well enough to take advantage.

The results of the model estimate indicate that export promotion has a significant impact on the country's growth, so that if the volume of exports increased by one percent, Gross Domestic Product will rise 0/58 per cent. Meanwhile, one percent increase in population cause to increase 0/7% of GDP. Hence the development of exports is account as the engine of the economy growth of Iran.

## 6 Recommendations

For developing countries including Iran, it is recommended that with reduction of trade restrictions such as tariffs on the one hand and Export Development at the other hand as well as skilled labor as human capital for economic growth, some steps must be taken. Because trade liberalization through the reduction of tariffs and export development and by reinforce the professional and efficient forces and parallel to it, taking policies in line with the policy of trade liberalization, it is possible to achieve high growth in the economy. Thus, efficient use of existing capacity has been done and resources and production factors will be used with maximum efficiency in production. The only ways to save and develop of the country's economy is to expansion and increase the non-oil exports and Iranian markets alone can not response to the economy and employment. Economic boom strategy should be established in the country's export program and try to reduce economic risks.

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### **E-Government Applications in SSI: an Evaluation of the Application' Benefits to Citizens and Accountants**

#### **Abstract:**

The changes in society have also changed the administrative approach and expectations. This change in expectations has changed the position of the government, which serves for the common good of the individuals and provides services for both citizens and private sector. In addition, the emergence of information as the power in information society, has increased the demand for information. Eventually, governments have to develop new forms and methods of providing information and services as well.

Social security implementation is a service where citizens and stakeholders in private sector have expectations from the government. In this sense, social security service is an area, where the government serves not only to citizens, but also to health service providers, medical equipment and medicine producers and sellers, pharmacies and the accountants, who serve their clients about the subjects such as taxes and social security. Thus, Social Security Institution's web site, which is the electronic version of this common area, is crucial for both citizens and accountants.

Social Security Institution is in a good position in terms of information evaluation and efficient usage of it. The institution increases its service quality with many e-government applications. Many of the services provided by SSI are already electronic. This, not only decreases workload and waste of time but also gives an opportunity to access to the needed information in time. In this way, both citizens and accountants working for their clients' social security issues, take the advantage of the services provided significantly.

In this study, e-government, the position of e-government application in SSI, the benefits of these applications for the citizens and accountants will be dealt; the subject will be discussed through the literature and e-sgk web site.

**Keywords:** E-Government, Social Security Institution, E-Government Implementations, Opportunities for Accountants, Opportunities for Citizens.

**JEL Classification:** H11, H19, H42, I38

#### **1 Introduction**

With the information coming into power, change in the society and differentiation of society's expectations from government, not only transformed the government into a information-based one, but also transformed the individual perception of government from citizen to some kind of customer; and caused them to acquire, store provide and use information in order to satisfy their customers. As a result of this effort, the service provided by the governments have become digital, fast and efficient, so

that the concept of e-government have come forward instead of the classical understanding of administration.

All the public institutions, which perform the functions of government, could not stay away from this new approach. Because, e-government offers numerous amenities in terms of public service. Even SSI(Social Security Institution) taking the advantage of e-government, has developed its services to citizens, employees and the business world. It also facilitates the internal work and operations conducted by SSI. Because, the transactions being faced to in all circumstances related to social security in the working life, requires a powerful data base. E-government implementations have vital importance in terms of having knowledge about both whether citizens have right to benefit from a service and what the status of a citizen is according to social security regulations.

On the other hand, accountants, who process many actions in government agencies on behalf of taxpayers and employers, are major beneficiaries of e-government. In general, e-government implementations and in particular electronic transactions provided by SSI facilitate accountants' job and in addition provide a safe working environment for them.

In this study, SSI dimension of e-government implementations, which has changed the conduct of business and operations of accountants and citizens, and various evaluations on this subject, will be discussed.

## **2 The concept of E-Government and Its Emergence**

It will be tried to define the concept of state before the concept of e-government. The definition of state that is valid today, and the phenomenon, which caused the state to emerge, can be put forward using the advantage of Hegelian approach. According to Hegel, from the moment that people started to live together, the structure called civil society emerges. However, an objective need for a legitimate and powerful editor occurs in civil society, which is dominated by individual interests and conflicts. This neutral structure, which considers the interest of society rather than the interests of the individual of its own, is the state. According to Hegel, the state is mindful of the common interests of all parties in civil society, not that of an individual or party (Eryılmaz, 2002: 22).

The state has passed through some various stages in societal processes –hunter-collector society, nomadic society, agricultural society, then the industrial society and finally society beyond industry- to the present day (Çukurçayır and Çelebi, 2009: 60). From the perspective of the main theme of the study, the transition from hunter-collector society to industrial society is brought about by technological developments. This change of social structure and principles as a result of the development of technology providing the transition to the information society, has brought about unique forms of organisations. In information society, the most effective power is information. Information is considered the main indicator of development, and has an important position for executives as well as the individuals. Efficiency in acquisition, storage, distribution, interpretation and implementation of information determines the level of development. Recognising the necessity to have, use and provide information; public institutions have started to digitize their services; obtain, provide, evaluate and interpret information through internet and such equipment and structure, in order to make their systems effective and economic (Şahin, 2008: 36-38). At this point the concept of e-government emerges.

E-government, which government requires in order to maintain its administrative function, can be named as smart government or digital government. E-government is usage of information technologies for its internal functioning and services provided. Seamless and secure conducting of mutual obligations and services through electronic communication and transaction environments, by governments and citizens, is to be understood from e-government as a concept (Demirel, 2006: 84). With e-government, government is on internet. Now government is a faster and efficient structure, which is free from negative effects of bureaucracy and has changed its consideration about citizens.

Today openness of information and communication channels over the world, which has become a giant village as a result of rapid changes and developments in information technologies, causes every important event to effect faraway places, and makes the concepts such as national and international non-functional. The phenomenon, making this entire order top to bottom is information and ease of accessing it (Şeker ve Şeker, 2009:12). Government, which is in a progress of change and transformation but cannot get rid of administration function, sees information as the shining star of the global age. Government nominates itself to take its place among powerful government systems, which have the power of information and provide, evaluate and interpret it. That, which will allow it this opportunity, is e-government.

Accountants, who act as a bridge between, governments and the citizens and also taxpayers and the employers, have an important place, in terms of both governments and other stakeholders. Governments get the feedback about the regulations on taxation and social security through accountants. Taxpayers and employers realise the applications about themselves, which those regulations include, through accountants. In this regard, e-government implementations facilitate accountants' jobs significantly.

### **3 Structure and Characteristics of E-Government**

Different from traditional administration processes e-government includes some properties such as (a) high levelled usage of communication technologies, (b) impersonal nature of online environment, (c) ease of acquisition, interpretation and usage of information by various parties, (d) internal uncertainty of using technological structure and (e) currency of communication devices (Warkentin et al., 2002: 158). Therefore it can be stated that e-government includes problems and threats as well as opportunities.

For e-government to be more functional, expectations of stakeholders are important. Because, unlike often highlighted, e-government is not a “panacea” to resolve the long term congestions of the system. It should be known that, e-government is just one of points, where the administrative reforms should be made. E-government projects, which are focused to transparency and prevention of corruption, will be successful only when they are implemented together with more comprehensive administrative reforms (Bhatnagar, 2009: 93). However, despite not being a tool to resolve all problems on its own, e-government is a necessity for governments rather than an opportunity (Baqir and Iyer, 2010: 5).

On the other hand, e-government is a global phenomenon that affects both developed and developing countries, not only one country, but. E-government affected the countries in every corner of the world to varying degrees and it can no longer enough be explained by putting the emphasis on just a website.

Wireless networks and developing new technologies such as the new social media, are now becoming a part of the e-government (Reddick, 2010: VII).

It is understood that; technological development is one of the most important factors for having e-government as an element of administration. This development has raised the result of some transactions and operations to be presented in electronic form. In the process of e-government, governments digitise their services. But here arises a very important matter. Digitising services, is a means rather than goal of e-government, it is a factor of the revolutionary change, which e-government can emerge. Therefore, the digitising services should not be understood as a goal, it is a means for the goals. Attainment of this objective cannot be the end of the process of e-government. Government, digitising its services should complete the transformation, improve itself through these technologies, improve its skills about service delivery. Now citizens and other stakeholders should change and develop. Service recipients as much as service providers should keep pace with this transformation, must equip with opportunities, qualifications and skills (Tarhan, 2011: 31).

When the topics described above are evaluated in terms of accountants, any matter can be said to be true for accountants as a stakeholder. E-government implementations, beside the advantages, require a number of specific competencies. Because, the accountants must also have hardware, software and the ability to use e-government applications, in order to take the advantage of its benefits for their work and transactions. In the current information age, accountants' keeping pace with these changes is inevitable.

#### **4 E-Government Interaction Models**

Taken in terms of stakeholders, an e-government portal can be discussed through four sub-categories. While some authors prefer to use three sub-categories, others have used four or more sub-categories. In this study, the following quad analysis, which is shared by many authors (Uçkan, 2003: 47-48; Moon, 2007: 104; Şahin, 2008: 56; Ladner and Petry, 2009: 14; Yıldırım, 2010: 10) will be used:

1) *Government to Government (G2G)*: Applications included in this field, are the ones for mutual sharing of the information by the public central or local institutions and agencies to contribute to the efficiency of public services. In this way, for public institutions, especially in terms of situations involving emergency, it is possible to react more quickly and effectively. Stakeholders do not have access to these applications.

2) *Government to Businesses (G2B)*: These applications allow flow, activities, support of work, and partner interactions and supply chain applications. This service area involves saving time and money of the government, by conducting relationships with business world through web and obtaining the data about business world much. These applications also makes it easier to obtain information on the legislation and practices for a number of business organizations engaged in the public institutions.

3) *Government to Employee (G2E)*: Provides the opportunity to access personalized information of employees. This area includes the coordination of resources for effective usage. The difference of the services in this area from the G2G services is, concentration of them on the efficiency and effectiveness of the work especially in the backstage not the showcase.

4) *Government to Citizen (G2C)*: Demand, service, support and compensation practices for citizens are considered in this context. This type of refers to efficient execution of electronic communication services between government and the citizens and in this way conduction of transactions on the internet to able to get rid of waiting queues. On the other hand, citizens have knowledge of administrative procedures through these services.

Among these interaction models, in general accountants are interested in topics of G2B and G2C applications. These applications are useful for accountants, who follow up the taxpayers' and employers' business and operations about taxes and social security issues. In addition, citizens or employers, who are not taxpayers or employers, are directed to accountants when they face the situations such as individual construction businesses. Such businesses expands the customer base of the accountants, in terms of e-government.

## 5 Social Security in Turkey and SSI

Individuals are face to face with some physiological professional and financial risks within the normal life experience. In determining social security policies, the goal of reducing the impact of social risks on individuals, is the main element. In ILO (International Labour Organization) 's 102<sup>nd</sup> agreement dated June 28, 1952, these risks are indicated to be sickness, maternity, disability, old age, work accidents and occupational diseases, death, family loads and unemployment. Social security was needed in order to cope with these risks (Güzel-Okur-Caniklioğlu, 2009: 2-3). Social security is a right as well, while it is the need of an individual, due to being a member of the community.

The right to social security is assessed under the Labour Rights heading of 1961 Constitution, and in the Constitution of 1982 it has been referred to under the Social Security Rights<sup>1</sup>. Although individual right to social security and obligation of the government to fulfil this service were mentioned in both constitutional texts, a social security agency organization in real and modern sense could not be established until 2006. Social Security Institution, which was established with the Law No. 5502, issued in 2006, consists of an institutional president in the centre, social security provincial directorates in the provincial areas, social security centre directorates in some central areas under provinces, and health social security centre directorates. SSI has been formed by transferring personnel, facilities, and infrastructure of SSK (workers' social security institutions), Bağ-Kur (social security institution of tradesmen) and Emekli Sandığı (civil servants' social security institution) to the newly formed institution. SSI is the practitioner of Social Security and General Health Insurance Law (No. 5510), which came into force in 2008.

The current system has been re-structured on the basis of social security technique under the umbrella of a single institution. This situation is suitable for long-term interest of Turkey. However, social security agency will need to set up a technology infrastructure with major investment. On the other hand, as part of the technological infrastructure, well trained staff is also needed. Moreover the society

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<sup>1</sup> While in the 48<sup>th</sup> article of 1961 Constitution social security is secured by the Constitution by stating that "Everyone is entitled to social security. The state is charged with the duty establishing or assisting in the establishment of social insurance and social welfare organisations", 60<sup>th</sup> article of 1982 Constitution states that "Everyone has the right to social security. The State shall take the necessary measures and establish the organisation for the provision of social security".

was not clarified sufficiently about the reforms. Therefore, society should be enlightened in this regard (Balci İzgi, 2008:103).

Focusing on electronic infrastructure since the 1990s, SSI, which was awarded in 2003 with e-Tr award, is very successful in the dissemination of e-government applications. SSI, which attended to the first Best Practices Award Program programme of International Social Security Association (ISSA) with 5 projects in 2010, was awarded for the projects of Paperwork Reduction and Streamlining in SSI, Through Virtualization and Class A IT Infrastructure, Pharmaceuticals and Medical Devices Databank of Turkey and Medula System. Additionally, Databank project of SSI was added to best practices database. SSI was also awarded for the Health Transformation Project, among the European and Eastern European countries by the World Bank. Award was presented to the Social Security Administration President Mehmet Emin ZARASIZ on October 1, 2010. SSI having also the ISO 2000 Information Technology Service Management Standard certification is a good model for other public institutions and organizations of our country.

## **6 E-Transactions and E-Government Implementations of SSI**

Service and the information opened to the ones to be considered customers (citizens and accountants) through internet, by SSI can be summarized as follows:

*SSI Databank:* SSI Databank is accessible via the website, and contains information about working, retired, green card numbers, income and expenses and so on in terms of provinces, districts and regions in monthly and annual based statistics tables. This application is open to all insured groups, and other citizens.

*Salary Deduction Viewing:* Through this application, retirees, who think that there is a legal deduction or garnishment on their salaries, are able to display this deductions or garnishments with their descriptions via SSI web site.

*Health Care Operations Query:* This application displays the institutions and the costs of the paid health care services according to date range. Determining the health services billed but not provided is aimed by this way.

*Insured Loan Status:* This application is valid for only self-employed workers (tradesmen). Through the application, self-employed workers can learn the amount of their insurance charges, which are to be paid until the date of the.

*Approximately Retirement Pension Calculator:* This application gives the probable retirement salary for only the workers, who started working after the date of 01.01.2000.

*Open Retirement:* Open retirement is for only the civil servants, who had worked for public institutions but had left. With this application, civil servants, who starts to pay their insurance charges in 6 months after they end working for the public institution, can be retired as if they still work as a civil servant.

*Germany/Bulgaria Casualty and Annuity Payments:* Citizens, who had worked in Germany or Bulgaria and reside in our country, can be retired by paying the required insurance charges. This is for such applications.

*Army Service Debt:* Military debt provides the insured to pay the insurance charges for their army service period, if they had not worked during that period.

*Salary Preference:* This is a request transportation system, by which salaries of retired civil servants, can be changed from one to another. Via this system, the bank and its branch, which is preferred for salary paying, is determined from the date of request.

*E-Declaration:* This application gives opportunity to the employers to deliver the electronic documents containing working and missing days of the insured persons in the previous month, to SSI. E Declaration is a mandatory practice since 2004.

*Retirement Pension and Grant Calculation:* This application is available only to civil servants. By entering the data about them such as date of birth, gender, premature aging/disability and first day of working etc. employees can learn the amount of grant to be given and monthly salary to be put approximately.

*Retired Salary Information:* This is the system for the retired persons to see their current and past monthly salary. Entering the pensioner's T.R. ID number or social security registration number monthly salary of the retired citizen can be learned.

*Pension Record Query:* Using this application, civil servants can learn their social security or retirement registration number on the internet. Thus, the civil servants, can access their social security or retirement registration numbers without going to social security provincial directorates or social security centre directorates.

*Pension Tracker:* By running this implementation, the stage of retirement salary application made before and insured retirement pension number if allocated can be learned online.

*Retirement Registration Number Application:* The civil servant, who had not given a retirement registration number due to a glitch, can describe a retirement registration number for their own via this application.

*Retirement Age Calculator:* By using the retirement age calculator link on SSI web site, insured citizens can learn to what extent they are affected by changing the laws and the current conditions to be retired. With this application, retirement age calculation, which appear to be uncertain, because of the changing practices, is served to the citizens through an accessible application.

*Insured Beneficiary Inquiry.* This is the screen for questioning whether a given T.R. ID number belongs to a insured citizen or beneficiary one. With this application, those who receive SSI salary or health care can be determined.

*Document Tracking:* This is an application to see whether a written document or application given to a unit of SSI has been taken into transaction or where and in which stage of transaction it is. It is an important and model application in terms of accountability.

*Actual Service Period Hike Vision:* This is the system for the insured citizens, who work in a job that requires the implementation of actual service period hike, to see their actual service period hike by entering the requested data.

*Late Payment Hike Calculator:* By using the system, employers who have to make some late payments to SSI, can see the capital and interest of the payment before going to a unit of SSI, hence unnecessary surprises can be avoided.

*Service Debt Vision:* Debts of unpaid insurance charges such as army service periods, periods of working abroad, maternity unpaid leave periods and periods of internship for lawyers can be seen through service debt insurance vision application. By this application only paid periods can be seen together with other working time.

*Working Time Calculator:* By entering the insurance identification number or T.R ID number, the days of insured days, monthly distribution of these days and insured citizens' monthly amount of earnings can be learnt via the system.

*Pharmaceutical Contribution and Inspection Fee Deductions Vision:* Dates and reasons of the deductions for pharmaceutical contribution and inspection fees from the salaries of retirees and beneficiary ones as a result of the inspections and treatments of them can be seen by using this application.

*Optional Association:* Any individual can be insured and pay insurance charges of himself/herself, regardless of being a dependent worker of an employer or having a job requesting the employee to be insured, through this system.

*Disability Payment Vision:* This is a system, which gives the opportunity to see the payment to be given to an insured worker, who had given the requested documents to a SI unit and applied for disability payment.

*Disability Payment System:* This system is available to only authorized employees of SSI. Unlike other applications used by the employees, the system works through intranet not extranet. This system can also be reached via internet using security codes and keys.

*Employer Off-Period Certificate Input:* This application is used by employers to enter whether the insured workers worked during the disability leave decided by doctor, to the system by using the username and password given by SSI.

*Worthiness Inquiry:* This is the system, to learn whether an insured worker, retired or their beneficiaries the right to get treatment services on a given date, by giving T.R. ID number or health card number and insurance registration number.

*Online Deductions and Salaries Transactions:* Through the system public institutions apply the declarations for their employee via virtual environment. This implementation began with the Law No. 5510.

*Counselling Services:* Thanks to counselling services, it is aimed to help insured citizens, beneficiaries and employers about the issues such as new Social Security applications and hesitated points. In this way, the ready answers given to possible questions to be asked gives help to the ones searching for an important question which had been asked before by other citizens.

*Insured Step List:* Before the entry into force of Law No. 5510, insured tradesman, whose insurance charges were determined according their insurance step, could see according to which insurance step they had to pay their insurance charges.

*MEDULA System:* MEDULA system, which started to be used for the delivery of health services provided to the insured persons according to Social Insurance and General Health Insurance Law No. 5510 and their beneficiaries, and announced with the Communiqué No.1 with the date 15<sup>th</sup> December 2006, was established to conduct the transactions of beneficiary, delivery, receipt, inspection demand, payment and billing. With this system, contracted health care providers can see whether the general health insured ones they serve have the right to receive payment or to be provided the treatment decided. They are also able to prepare bills for the Institution and access information about the bills they had already sent. This system began to avoid duplicate entries significantly; great progress has been made especially in terms of pharmaceutical waste prevention and standardization of invoices and attached documents. One of the most important features about MEDULA is that; the system design, software and operation is made entirely by the employees of the institution. MEDULA system is model both for helping about the prevention of SSI and public resources from being waste and the being a model in terms of cost.

*Pharmacy and Optical Automation System:* With Pharmacy Automation System Pharmacists record the drugs given on behalf of SSI; Optical firms record the glasses given on behalf of SSI, to the automation system prepared by the Institution. So that, querying repeated purchases, wrong practices, and worthiness of the insured citizens of recipients by the requested date, are possible.

*Intranet (sgk.intra):* Intranet network used by SSI staff is worth mentioning together with these so much e-government applications provided to the citizens by SSI. With this system, SSI staff are able to see the information which can be accessed by the insured, beneficiaries, employers and other respondents on the internet. Differently, SSI staff can use inter-institutional applications such as MERNIS, vehicle inquiry and tax registration.

*Alo 170, Informal Employment and Information Line:* Alo 170 Informal Employment and Information Line, which became operational in 2008, is a free line for all citizens, to report their complaints, requests, questions and suggestions about issues related to Social Security Institution. Complaints often about the problems such as informal employment, collusive divorce, missing or lower insurance charges, non-compliance to workers' rights reaches to system. Complaints received by the Independent operator at the centre are converted to e-mail form and recognized in the relevant unit in minutes. The unit on the subject will be responsible for supervision and inspection of the complaints in question in terms of reflecting to the problem immediately. Considering that; there is an urgent need to identify about informal, this process can be better understood. Despite the good implementation of this system, the fewness of audit staff at the last point of the system, prevents the system established to give the expected results.

## **7 Conclusion**

E-government applications are demanded and adopted by the states in the current era of information society. On the one hand, e-government applications serving the principles of service quality,

effectiveness, speed, performance and reliability are widespreading, on the other hand, users of e-government applications are becoming more aware of the benefits and the goal is achieved.

SSI, which has a good position in terms of e-government applications, reduces negative bureaucracy, loss of time, corruptions and reduces unnecessary costs while improving the quality of service by using e-government applications. Another result to note here is that; our witnessing how an institution which was famous for its unwieldiness, and was the subject of many citizen complaints in the past, got rid of that appearance and redefined perceptions about itself through of e-government applications, e-government applications.

E-government implementations provided by SSI gain more importance in time, in terms of the opportunities offered by them. Accountants can conduct the jobs (giving workplace declaration, insured entrance and leaving declaration, monthly insuring and working document, general health insurance entrance declaration etc.), which they did before in paper form or by applying to SSI, now in their offices or homes. These opportunities provides time and cost savings to the accountants.

Additionally, working density, lack of e-readiness, loss of time, misunderstanding rights and obligations, being afraid of doing wrong of the citizens (and also taxpayers and employers), bring forward the need for accountants more. Especially the expertise and experience need for the jobs conducted, the bridge position of accountants between citizens and taxpayers and employers comes along again.

The ease of jobs and transactions provide many opportunities to the citizens together with the accountants as a matter of course. But an important point must not be forgotten. The ease of jobs and transactions of the institutions such as SSI emerges also as a threat for the job groups like accountants, whose job is mediation between public institutions and citizens. Therefore, e-government, which is an opportunity for the accountants in terms of ease of jobs, can be a threat in terms of job potential as well.

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### Arab Woman's Eloquence through History

#### Abstract:

My first objective behind this article is to shed light on the Arab woman's considerable role in the social, political, and cultural life, and show the evidence that she was entirely involved in all aspects of life. This huge contribution to the Arab culture was, and is still appreciated by all critics. This article is mainly directed to those who think that the Arab woman is oppressed or marginalized. To them and to others I say that's not true. The Arab woman has always been a true partner in social, economic and cultural activities. She always shouldered her burden with dignity and self esteem.

My second aim is to draw the listener or reader's attention to the rhetoric of Arab women.

Eloquence was an integral part of Arab life. Poets, speakers and story-tellers had high position in their societies. Women who got these talents were not less appreciated or less glorified.

**Keywords:** Eloquence, Khadija, Hind, Melancholy, Asmaa, Omama bint Al-Harith, Al-Khansa, Ignorance.

#### 1 Introduction

Arabs were renowned for their rhetoric, eloquence, and keenness in expressing themselves. That's why they attained high levels of fluency. A major evidence of this high standing of being able to use the language facilely and wittily is Allah's will to descend the holy Quran as a permanent eloquence miracle upon His prophet (Peace and prayers be upon him). He (Allah the Almighty, defied the Arabs to come up with something like the holy Quran in its eloquence, glamour and charm. This challenge is a witness of their great abilities and their complete possession of eloquence and figurative language.

Al-Jahiz, in one of his books, described the Arabs' eloquence and their ability to speak in all situations, by saying: "the ability to speak wittily is theirs. It's their primary concern. This can be easily noticed in their speeches and inside their chests..."<sup>1</sup>

Dr. Mohammed Amin acknowledged the Arab's wittiness. He says:"The Arab is smart, and his smartness shows in his language. He often uses indicative sight and refers to things indirectly. He is also intuitive, whenever you surprise him with a question; he is always ready to pay you back in kind"<sup>2</sup>

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<sup>1</sup> See: *Al-Jahiz' Messages* (رسائل الجاحظ), verified and explained by Abdus-Salam Mohammed Haroon: Al-Khanji Bookstore, Cairo, published in 1964.

<sup>2</sup> See: *Dawn of Islam* (فجر الإسلام), Ahmed Amin, Dar Al-Shirooq, 2<sup>nd</sup> edition, Beirut, 1999.

The Arab woman shares the Arab man his superior mind and witty speech. She has always been mindful, able to act and control things in a manner that bestowed upon her other people's admiration and respect.<sup>3</sup>

Moreover, the Arab woman attained high ranks and supreme positions. Her role was not limited to social and political aspects only. History recorded the names of many women who built their own lives, stories of distinguished success of women with strong personalities, sound thinking, eloquence, insight, courage, wisdom and intelligence.

Al-Aloussi says: "during the days of Ignorance (الجاهلية), there were Arab women, characterized by perfection and foresight. Their names and reputation decorated the pages of history. Some of them were famous for their sound judgment, common sense and the final say in settling conflicts".<sup>4</sup>

A lot was written about those wise women, their stories and the situations in which they silenced those who asked them. This shows that the Arabs respected people of knowledge regardless of gender. Wise woman phenomenon was a manifestation of early female contribution to knowledge many years before Islam. Circulation of their stories is another testimony of their genius that was understood and appreciated without linking it to a specific gender and not the other. These outstanding stories prove that the Arabs appreciated the knowledgeable woman and listened to her. They raised her in a higher position and dealt with her as a counselor or a judge who was always there to solve problems and settle conflicts.

If we take, for example, the proverbs and sayings as one of the approaches to wisdom and experience with life, Arab proverb books attributed dozens of wise words to Arab women. They stated eloquent words that became like proverbs. Authors who collected Arab sayings and proverbs told the stories and occasions of each proverb, and there is strong evidence that many of them were introduced by women...<sup>5</sup> (See Al-Midani Collection of Proverbs).

These proverbs and similar sayings uncover the Arab woman's cognitive activity, and that her wise words spread across her society and environment, without discrimination on gender basis.

The Arab library is full of reference books that witnessed the woman's cultural and thought activities before and after Islam. Authors of these books collected Arab women's catching statements and wise words. These women were gifted with unerring opinion and convincing argument in all political and social situations. Authors mentioned several examples of their eloquence when they were arguing with their husbands, many pages on woman's best qualities, and numerous counsels by mothers to their newly married daughters. In the Arab literature, there are many books on woman's poetry.<sup>6</sup>

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<sup>3</sup> See: Encyclopedia of famous Women (موسوعة شهيرات النساء), Khaleel Al-Badawi, Osama House for Publishing and Distribution, 1998.

<sup>4</sup> Mahmoud Sgukri Al-Aloussi, Top Reference on the Arab Society, (بلوغ الأرب في معرفة أحوال العرب), Dar Al-Kitab Al-Arabi Press, Egypt, 1<sup>st</sup> edition, 3/338

<sup>5</sup> See: Al-Midani collection of Proverbs, Al-Khariyah Press, Egypt, 1893.

<sup>6</sup> See: Women's eloquence (بلاغات النساء), Ahmed ben Tayfour, Basirati Publishing Press.

In this research, I am going to address examples of poems written by Arab female poets. The writers of these ballads were famous for euphemism, sound thinking and sagacity.

## 2 Woman's allegiance to her husband during hard times

The first and best example of a wife's obedience to her husband is that of Khadija bint Khuwailid ,”Queen of the women in paradise” as described by the prophet, may Allah be pleased with her.

One night, the prophet came to her shaking with fear after his routine contemplations in the cave of Hira (غار حراء). He rushed towards her shouting in fear “cover me up, cover me up!” she asked him what was wrong with him while kindly covering him up with his costume. She then said to him:”No! no! Be cheerful! I swear by Allah,I am sure your God will never let you down. You visit your relatives, you speak only the truth, you are trustworthy, and you earn your living, feed your guests, and help your people in hard times.”<sup>7</sup>

" كلا، ابشر فو الله لا يخزيك الله أبدا ، إنك لتصل الرحم وتصدق الحديث

وتحمل الكل تكسب المعدوم وتقري الضيف وتعين على نوائب الحق" <sup>8</sup>

These are beautiful words that give assurance, serenity and peace of mind. These words indicate her unshaken trust that God would take care of the prophet (that was before the Message), because she was a witness of his noble character, good attributes and honorable behavior. In fact he was famous amongst his people for all these qualities. This example reflects a good wife's role in comforting her husband during the crisis. She started comforting him with the negation “No! No!”, which has a magical effect on someone who is trembling with fear. This negation serves also as a preparatory stage to make him listen and conceive what she would say afterwards.

If we look at these words closely, we will discover that they contain four types of style:

The 1<sup>st</sup> style is negation and exclusion represented by the words:”No! No!” normally used to reassure someone in situations of doubt, fear and hesitation, and to increase his trust in God and that God will take care of him. The 2<sup>nd</sup> style is the words:”Be cheerful!” which imply good omen. When Khadija said that it's a sign of good omen, she hit the mark. It was like a calming injection to reassure the terrified soul.

The 3<sup>rd</sup> style is confirmatory, represented in the words:”I swear by Allah!” The 4<sup>th</sup> style is the absolute negation even in the future, represented by the word:”never!” By saying these words, she delighted him that Allah, the Almighty, will never disappoint him, and that he shall never be sorry as long as his heart is full of love for everybody. Khadija dealt with that case as a modern psychiatric would do. She explored his soul in a manner that reflects her deep thought on the human ego and God's wisdom behind that. She managed to calm him down with these four words without need to go in details.

These words reassured the prophet after his first experience with Gabriel, and made him eager to know the secret of the trust she planted in his heart. In only five sentences, she managed to mention all good

<sup>7</sup> See:Sahih Al-Bukhari, 4572, Fathul-Barinumbering, Ashaab Press, Cairo, 1<sup>st</sup> edition,1987

characteristics that the prophet was famous for. These, in fact, were the pillars that describe the features of a good leader. First, she described him as kind to his relatives, which could be in the form of material help, service or even just visits. Then she mentioned his truthfulness, and that he never lied in his life. He was always ready to help the poor and the weak. He was also generous, he used to donate to the poor, sick, orphans and the elderly like nobody else would do. She reminded him that he spared no effort to reach those in terrible conditions and drag them out hunger and poverty. Will God disappoint someone with all these qualities?

Khadija uttered these beautiful words without preciosity, lies or hypocrisy.

A wise wife should behave like this, with a loving heart and strong arm to help her husband in time of need, when he most needed the support.<sup>9</sup>

Surely Allah won't let down someone with all these virtues.

### 3 Strong Arab Women

The Arab women were also known for their eloquence and heroic and hard posture. In fighting circumstances, the Arab woman felt proud of herself and her tribe. If we turn the pages of history, we will see many examples of Arab women who weighed a thousand men. Many brave women played important roles during hard situations. They shared with the man all the risks, hardships and difficulties of life.

**Hind bint Otba** is one of those glorious women. She was confident, brave and eloquent. She was also a poet and a wise woman. She was proud of herself and lived for big ambitions. One day some Bedouins saw her with Muaawiya, her son. They noticed his genius and expected him a glorious future by saying: "If he lived, he would be the master of his people!" She wasn't satisfied with this praise, and answered back proudly: "May his mother cry him if he became a leader for his people only!"

One of Hind's famous ballads is the one in which she encouraged her people, the tribe of Quoraish during the fighting> she sang and other women were behind her hitting the tambourines:

"We are the daughters of Tariq      we walk on soft cushions  
With pearls around our necks      and perfume all over our bodies  
If you be brave we will embrace you and lay cushions for you  
If you run away we will leave you forever!<sup>10</sup>"

نحن بنات طارق	نمشي على النمارق
والدر في المخانق	والمسك في المناطق
إن تقبلوا نعائق	ونفرش النمارق
فراق غير وامق	أو تديرُوا نفاق

<sup>9</sup> See: Gratitude (صنائع المعروف), Mohammed Mussad Yagout, introduced by Freed Abdul-Khaliq, revised by Mohammed Saqr

<sup>10</sup> See: Women's Eloquence (بلاغات النساء), Ibn Tayfour

When she sang these words, the effect on the men was magical. They all pushed forward courageously and threw themselves in the middle of the enemy. She knew how to remind them about the importance of dignity, pride and self-esteem. She reminded them of their precious wives who were from noble origin, and accepted no less than the soft cushions to walk on. Their necks were encircled by real pearls and they smelt like nice musk. Women like those would marry only the leaders and brave fighters.

The words she chose are suitable for the situation. Hind wanted to inspire her men in this atmosphere of war. She related herself and her female friends to "Tariq" which is a star that appears late in the night. She spoke about the luxurious life they had, "We walk on the cushions" These words sound like a hammer in Arabic language: strong words and supreme meanings. The text is full of linguistic metaphor, antithesis and alliteration to urge men to sacrifice themselves. Artistic pictures that are used as metaphor "Pearls around our necks" to say that they were from rich families who maintained high ranks in the society.

#### **4 Motherhood and Bravery**

When the emotions of motherhood are moved, a new convincing style will flow softly to the son's hesitant heart. This heart will become stronger and firmer. The son will go defiantly, feeling his self-esteem, supported by the nearest heart to his, that's his mother's heart. This is quite clear in the dialogue between Asmaa bint Abi-Bakr and her son Abdullah Ibn Al-Zubair (May Allah be pleased with them).

This quiet dialogue was led by the affectionate proud mother, who saw in her son a brave hero, but still felt that she would lose him. These feelings are carried in all mothers' hearts, but rare are those who can express them. History books reported that Abdullah Ibn Al-Zubair came to his mother Asmaa bint Abi-Bakr to explore her opinion on his case with Al-Hajjaj Ibn Yousuf. Abdullah was in a state of war with Al-Hajjaj, and the latter promised him a lot of money, lands and luxurious life if he surrendered to him. The following dialogue took place between Abdullah and his mother:

Abdullah: How are you today, mom?

Asmaa: I don't feel well.

Abdullah (Jokingly): in death we find rest.

Asmaa: Do you wish me death?

Abdullah: No, mom, I swear by allah's name, but...

Asmaa: what after but? Listen to me Abdullah; I don't want to die before I see one of two things: to see you victorious over your enemies or you die and I consider you a martyr for the sake of God.

(He stayed silent for a while, then complained bitterly about his friends who left him, and about his enemies who offered him a lot of money if he gave up.

Asmaa: Do you intend to give up? Oh son! You know yourself better than anyone. If you are right and you advocate justice, be patient like your companions who died for that. You caused the death of your friends, how much are you going to stay after them? I swear by God death is better! A blow by sword in dignity is better than a lash in servility.

Abdullah: I fear they will profane my body after they kill me

Asmaa: A slaughtered sheep will not mind being skinned”

He approached her, kissed her on the forehead, and said:”I swear by God, that’s my decision and I will never concede it. I wanted to explore your opinion and you have sharpened my sight. Look mother, I will be killed tonight, don’t feel sorry for me and leave it all in God’s hands.

Asmaa held her tears, overcame her melancholy and said: “I hope to have good condolences. Go now; let me see what will happen”

She held him tight between her arms, raised her eyes to the sky and said: Oh my Lord! You are our sole refuge, I am happy with what You decide, give me patience and gratitude so that I can accept Your Judgment on Abdullah.

Later, Asmaa stood in front of her son’s crucified body and asked Al-Hajjaj “isn’t it time yet for this knight to get down?”

عبدالله: كيف تجدينك يا أماه؟

الأم: ما أجدني إلا شاكية.

فمازحها ولدها قائلاً: إن في الموت لراحة!

الأم: لعلك تتمنى الموت لي.

عبدالله: لا والله يا أماه ما أتمناه لكن.....

الأم: وماذا بعد لكن.... اسمع يا عبدالله لا أحب أن أموت إلا بعد أحد الأمرين إما أن تنتصر على أعدائك ، أو أن تموت وأحتسبك عند الله.

ساد الصمت بينهما قليلاً ثم أخذ يشكو لها بمرارة خروج أصدقائه عليه والأعداء عرضوا عليه المال والجاه إن هو استسلم.

الأم: أو تستسلم؟! يا بني أنت أعلم بنفسك إن كنت على حق أو تدعو إلى حق فاصبر عليه فقد قتل أصحابك عليه وأن كنت أهلكت نفسك وأهلكت من معك كم خلوك في الدنيا؟ القتل أحسن والله لضربة سيف في عز خير من ضربة سوط في مذلة.

عبدالله: أخاف يا أماه إن مت أن يمثلوا بجسدي.

الأم: وهل يضر الشاة سلخها بعد ذبحها.

فاقترب عبدالله وقبلها في جبينها وقال : هذا والله رأيي ما رجعت عنه ولكني أحببت أن أعلم رأيك فزدتني بصيرة فانظري يا أماه فإني مقتول في يومي هذا فلا يشتد حزنك وجزعك علي ولمي الأمر لله.

حبست الأم دموعها وتغلبت على ما يخالجه من آلام ثم قالت: إنني لأرجو أن يكون عزائي فيك حسناً ، أخرج حتى أرى ما يصير إليه أمرك.

ثم ضمته إلى صدرها وكانت الضمة الأخيرة ورفعت يدها إلى السماء وقالت:

" اللهم إنني قد سلمته لأمرك فيه ورضيت بما قضيت فقابلني في عبدالله بثواب الصابرين الشاكرين"

وقفت أسماً أمام جثة ابنها مصلوباً وقالت للحجاج:

أما أن لهذا الفارس أن ينزل؟

The Caliph ordered that the body to be taken down and buried. A few days later, Asmaa passed away, a good believer in Allah and in fate.<sup>11</sup>

In this scene of dialogue we see two characters with distinguished manners. The first is of the mother who has supreme and gracious nature. She wouldn't accept for her son less than heroism and martyrdom. She wouldn't accept servility or indignity.

Asmaa put her son between two contradictory choices, and expressed her own choice for him by saying:” A blow by sword in dignity is better than a lash in servility.” He turned the two pictures in his mind and chose the sword and dignity. Then she noticed some weakness in his words:” I fear they will profane my body after they kill me”. Her answer was typically unique, derived from the environment around her:”A slaughtered sheep will not mind being skinned”. Thus she managed to convince him to die with dignity for his cause.

When she saw him dead and crucified, Asmaa didn't show any signs of despondency or impatience. She showed the real character of the brave Arab woman. She didn't show any signs of despair or sorrow. That experience is too terrible for mothers and rare are the women who could stand it.

Ingenuity of her words and gestures appeared again as she held her tears, trying to hide her emotions. This can be noticed in two scenes: the first when he gave her his final farewell kiss. Asmaa managed to control her emotions. She held him tight between her arms and said:” Oh my Lord! You are our sole refuge, I am happy with what You decide, give me patience and gratitude so that I can accept Your Judgment on Abdullah.” What faith, what belief and what contentment with the fate designed by God's! the 2<sup>nd</sup> scene is her death a few days after he was killed. She couldn't bear parting or living after her son<sup>12</sup>

## 5 Tips from a Discreet Mother

The old Arab literature covered an aspect that was known as advice. This aspect was distinguished by the fact that it was derived from man's expertise with life. Those who wrote pieces of advice were wise men and women who knew life. They had insight and intuition. This kind of writing followed a specific style, with more emphasis on selection of words and meanings. They adopted short sentences that reflected great meanings and supreme values that would catch the reader's attention. The words were carefully chosen to leave deep effect on the receiver.

There are different types of advice depending on the subject and the receiver. There are pieces of advice told or written by kings, wise men and women, artistic writers and fathers. There are tips for war, marriage ...etc. the Arabic literature most famous precepts are those given by mothers, and known as (the directions for marriage). It is normally a mother addressing her beloved daughter on the threshold of marriage. The girl is raised in her family's house with specific moral values and different norms and tradition according to her environment and the society she lives in. when a young woman

<sup>11</sup> See: Success in Differentiating the Companions (الإصابة في تمييز الصحابة), Ibn Hajar Al-Askalani, the author: Ahmed Ibn Ali Ibn Hajar Abul-Fadl Askalani Al-Shafie, publisher: Dar Al-Jeel, Beirut, 1<sup>st</sup> edition 1412, verified by: Ali Mohammed Al-Bijawi

<sup>12</sup> The Beginning and the End (البداية والنهاية), Ibn Katheer, verified by Ahmed Jad, Dar Al-Hadeeth, Cairo

moves from her father's house to her husband's, she normally finds herself in a new home with traditions and behaviors that are drastically different from what she used to know. Here comes the role of the wise mother to set the broad lines for guidance in order to pave the way for a quiet and happy life. The mother always reckons on her own and other women's experiences with their respective husbands. She wants to guarantee the success and continuity of this new marriage. On the other hand, there are similar directions from fathers to their sons as well, especially when it comes to choosing the appropriate wife who must be from an honorable family, without any regard to the wealth.

A good example of these directions from a mother to her daughter is the advice by Omama bint Al-Harith to her daughter, Um Eyas prior to her wedding. This advice is considered one of the best in the Arabic literature.

Omama bint Al-Harith was a woman from the tribe of Bani- Shaiban. She was well-known for her eloquence, sound judgment, and sharp mind. Many wonderful sayings were attributed to Omama bint Al-Harith, which covered ethics and preaching. She lived in the era of Ignorance (before Islam). When her daughter was going to marry the king of Kindah, Al-Harith Ibn Amro, she gave her the following directions:

أي بُنْيَة! إن الوصية لو تُركت لفضل أدب تركت لذلك منك ؛ ولكنها تذكرة للغافل، ومعونة للعاقل. ولو أن امرأة استغنت عن الزوج لغنى أبيها وشدة حاجتهما إليها ، كنت أغنى الناس عنه ؛ ولكن النساء للرجال خُلِقن ، ولهنَّ خُلِق الرجال أي بنية! إنك فارقت الجو الذي منه خرجت ، وخلفت العيش الذي فيه درجت ، إلى وكر لم تعرفيه، وقرين لم تألفيه. فكوني له أمة يكن لك عبداً. واحفظي له خصالاً عشرًا يكن لك ذخرًا.

أما الأولى والثانية: فالصحة بالقناعة، وحسن السمع له والطاعة -

و.أما الثالثة والرابعة: فالتفقد لموضع عينه وأنفه ؛ فلا تقع عينه منك على قبيح، ولا يشم منك إلا أطيب ريح -

و.أما الخامسة والسادسة: فالتفقد لوقت منامه وطعامه ؛ فإن تواتر الجوع ملهية، وتتغيص النوم مغضبة -

- وأما السابعة والثامنة: فالاحتفاظ بماله ، والإرعاء على حشمه وعياله. وملاك الأمر في المال: حُسن التقدير، وفي العيال: حسن التدبير.

و.أما التاسعة والعاشر: فلا تعصين له أمراً، ولا تفشين له سرّاً؛ فإنك إن عصيت أمره أو عرت صدره، وإن أفشيت سره لم تأمني عذره ثم إياك والفرح بين يديه إذا كان مُهتماً ، والكآبة بين يديه إذا كان فرحاً. واعلمي: أنك لا تصلين إلى ما تحبين حتى تؤثري رضاه على رضاك، وهواه على هواك فيما أحببت وكرهت. والله يخير لك

“Oh! Daughter, If there is one wise person who doesn't need directions, it would be you, but we still need to remind those who may forget and support those who are already cute. If there was one woman who could do without marriage because her parents had enough wealth and needed her, it would certainly be you. But women are created for men, and men are created for them.

Oh daughter! You are leaving the atmosphere you knew, the nest you crawled in to a place you don't know and a partner you are not familiar with. Be his mistress and would become your slave. Remember to maintain ten tributes and he will be entirely yours forever.

- The first and second : to live a quiet life with contentment, and good listening and obedience
- The third and fourth: be careful about what he sees and what he smells. You should never let him see something awful, and you should always smell good in his presence.

- The fifth and sixth, respect the timings of his meals and sleeping. Making him wait for his meal will upset him, and disturbing his sleep will drive him crazy.
- The seventh and eighth, look after his wealth and take care of his children. The best way to deal with money is to use it wisely, and the best way to deal with his children is to treat them kindly.
- The ninth and tenth, don't disobey him in anything, and don't reveal his secrets. If you disobey him, you are starting his anger, and if you disclosed his secrets, he wouldn't mind double-crossing you.

Don't show signs of delight when he is concerned or signs of distress when he is delighted. Remember, you will never attain what you love unless you prefer his satisfaction to yours and his happiness to yours in all what you like or hate. May Allah grant you the best".<sup>13</sup>

These directions included a number of tips:

- Be content, obedient and satisfied with the little
- Take care of her beauty and look after her appearance and personal hygiene.
- Provide means of comfort for her husband at bedtime.
- Protect her husband's wealth and not squander it and not disclose his secrets.
- Exchange emotional feelings with her husband.
- The whole advice indicates wisdom and well knowledge of life
- It also reflects good possession of eloquence and linguistic skills

Omama bint Al-Harith started the advice to her daughter with a preparatory statement to make sure the girl was paying attention. She used the words "Oh daughter!" to tell her how close was she to her heart. She used the diminutive form of the Arabic word (daughter), and the diminution implies the mother's affection and love. It also indicates that girls will always need advice even after they grow up.

Omama bint Al-Harith praised her daughter by saying "If there is one wise person who doesn't need directions, it would be you," with the intention to soften her heart and make her ready to conceive the meanings.

She emphasized that marriage is a joint desire between the man and the woman "women are created for men, and men are created for men". Then she directed her daughter to happiness in her new marriage life, and told her how to win his heart and soul all together.

As we mentioned earlier, the mother followed the short sentence style and used her linguistic abilities to the best. She decorated the text with alliteration, rhyme, antithesis and opposites, a thing which enriched the text literally. We can see the use of opposites in words like delight and concern, love and

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<sup>13</sup> Women's Eloquence (بلاغات النساء)

hate...etc. As for the rhyme that can only be appreciated when we read the text in its original language.<sup>14</sup>

Omama concludes her advice by a prayer for her daughter, imploring to Allah, the Almighty, to grant her happiness.

This piece of advice has defied time and is still valid due to the following:<sup>15</sup>

- The mother prepared her daughter psychologically, picked up the right time and exploited all her mental and emotional skills. The result is an ever living advice that proved to be wise and eloquent.
- The element of suspense has played a role of drawing the daughter's attention. Omama uses words like (Oh daughter!) which are full of emotion and affection. A mother has always been the symbol of giving without waiting for any reward.
- Confidence building without being noticed by the receiver. The daughter was certainly worried about leaving home and living with someone she doesn't know. The mother gathers all her expertise in life and endeavors to sow the seeds of confidence in her beloved daughter. She knows that worry leads to dissatisfaction, and that's why she insists on alleviating this feeling of worry and enables her to accept the new life and react positively.
- The advice is gradual. It starts with reflecting the mother's love, then moves to short lessons on life. Omama does that intentionally to help her daughter conceive and remember all these important tips. We all know that a receiver will have a better understanding when he gets the information in small bits.
- The use of numbering system to facilitate remembering things for the receiver. The version of this story in the (Unique Collar)<sup>16</sup> is numbered. This indicates that Omama prepared herself for this moment, or her mind was so sharp that she could do that on the spot<sup>17</sup>

## 6 Al-Khansa- Poetess of Elegies and Wailing

When sorrow strikes, elegies become common. Arab elegiac poetry is one of the best types, and many poets and poetesses were well known for this kind of poems. The text is but a weeping picture, loaded with grief and helplessness. Tributes paid to the deceased are always abundant with anguish and pain. Whether it's prose or poetry, the author is keen on enumerating the deceased person's virtues and the hollowness he/ she left after passing away. For consolation, elegiac poems tackle also the issue of death

<sup>14</sup> Linguistic and Cognitive Dimensions of Omama's Advice, (الآفاق اللغوية والمعرفية لوصية أمامة) Dr. Ayoub Al-Attiya, an article in Majalat- Althaqafa Magazine, an electronic review issued by Palestinian writers.

<sup>15</sup> Clarity and Clearness (البيان والتبيين), Al-Jahiz, 1<sup>st</sup> edition, Dar Saab, Beirut, 1/61

<sup>16</sup> The Unique Collar (العقد الفريد) Ibn Abdorabbo Al-Andulosi, Dar Al-Kutub Al-Elmiya, Beirut, 1<sup>st</sup> edition, 1404h

<sup>17</sup> Linguistic and Cognitive Dimensions of Omama's Advice, Dr. Ayoub Al-Attiya, an article in Majalat- Althaqafa Magazine, an electronic review issued by Palestinian writers.

as something inevitable, and remind the listeners or readers to understand the lesson and renounce these worldly pleasures<sup>1</sup>

One poetess was the most famous for elegies, and considered the best in this arena, that's Tamadhör bint Amro, also known as Al-Khansa. When Sakhr, her brother died, she was so sad that she put on only black clothes the rest of her life. She cried him with the best of Arabic elegies.

Later on, four of her sons died but she didn't mourn them like she did with her brother. That meant he had status in her eyes than her sons.

Al-Khansa says in one of the best elegies in the Arab poetry:

قَذَى بَعِينِكَ أُمُّ بِالْعَيْنِ عَوَارُ  
 أُمُّ ذَرَفَتْ إِذْ خَلَّتْ مِنْ أَهْلِهَا الدَّارُ  
 كَأَنَّ عَيْنِي لِذِكْرَاهُ إِذَا خَطَرَتْ  
 فَيَضُّ يَسِيلُ عَلَى الْخَدَّيْنِ مِدْرَارُ  
 تَبْكِي لِصَخْرٍ هِيَ الْعَبْرَى وَقَدْ وَهَتْ  
 وَدُونَهُ مِنْ جَدِيدِ الثَّرْبِ أَسْنَارُ  
 تَبْكِي خُنَاسٌ فَمَا تَنْفَكُ مَا عَمَرَتْ  
 لَهَا عَلَيْهِ رَنْيْنٌ وَهِيَ مِفْتَارُ  
 تَبْكِي خُنَاسٌ عَلَى صَخْرٍ وَحَقَّ لَهَا  
 إِذْ رَابَهَا الذَّهْرُ إِنَّ الذَّهْرَ ضَرَّارُ  
 لَا بُدَّ مِنْ مَيِّتَةٍ فِي صَرْفِهَا عَيْرُ  
 وَالذَّهْرُ فِي صَرْفِهِ حَوْلٌ وَأَطْوَارُ  
 قَدْ كَانَ فِيكُمْ أَبُو عَمْرٍو يَسْوِدُكُمْ  
 نَعَمَ الْمُعَمَّمُ لِلدَّاعِيْنَ نَصَارُ  
 صُلْبُ النَّحِيْرَةِ وَهَابٌ إِذَا مَنَعُوا  
 وَفِي الحُرُوبِ جَرِيءُ الصَّدْرِ مِهْصَارُ  
 يَا صَخْرُ وَرَادَ مَاءٌ قَدْ تَنَادَرَهُ  
 أَهْلُ المَوَارِدِ مَا فِي وَرْدِهِ عَارُ  
 مَشَى السَّبِيْنَتِي إِلَى هَيْجَاءِ مُعْضِلَةٍ  
 لَهُ سِلَاحَانِ أَنْيَابٍ وَأَظْفَارُ  
 وَمَا عَجَوْلٌ عَلَى بُوِّ نُطَيْفٍ بِهِ  
 لَهَا حَنِينَانِ إِعْلَانٌ وَإِسْرَارُ  
 تَرْتَعُ مَا رَتَّعَتْ حَتَّى إِذَا إِذْكَرَتْ  
 فَإِنَّمَا هِيَ إِقْبَالٌ وَإِدْبَارُ  
 لَا تَسْمَنُ الذَّهْرَ فِي أَرْضٍ وَإِنْ رَتَّعَتْ  
 فَإِنَّمَا هِيَ تَحْنَانٌ وَتَسْجَارُ  
 يَوْمًا بِأَوْجَدَ مِنِّي يَوْمَ فَارَقَنِي  
 صَخْرُ وَلِلذَّهْرِ إِحْلَاءٌ وَإِمْرَارُ  
 وَإِنَّ صَخْرًا لَوَالِيْنَا وَسَيِّدُنَا  
 وَإِنَّ صَخْرًا إِذَا نَشْتُو لَنَحَارُ  
 وَإِنَّ صَخْرًا لَمِقْدَامٌ إِذَا رَكَبُوا  
 وَإِنَّ صَخْرًا إِذَا جَاعُوا لَعْقَارُ  
 وَإِنَّ صَخْرًا لَنَاتَمَّ الهُدَاةُ بِهِ

كَأَنَّهُ عَلَّمَ فِي رَأْسِهِ نَارُ  
 جَلْدٌ جَمِيلٌ الْمُحْيَا كَامِلٌ وَرَعٌ  
 وَلِلْخُرُوبِ غِدَاةُ الرَّوْعِ مِسْعَارُ  
 حَمَالُ أَلْوِيَةِ هَبَّاطُ أَوْدِيَةِ  
 شَهَادُ أُنْدِيَةِ لِلجَيْشِ جَرَارُ  
 نَحَارُ رَاغِيَةِ مَلْجَاءِ طَاغِيَةِ  
 فَكَأَنَّكَ عَانِيَةٌ لِلْعَظْمِ جَبَارُ  
 فَقُلْتُ لَمَّا رَأَيْتُ الدَّهْرَ لَيْسَ لَهُ  
 مُعَاتِبٌ وَحَذُهُ يُسْدِي وَنِيَارُ  
 لَقَدْ نَعَى ابْنَ نَهْيِكِ لِي أَخَا ثِقَةٍ  
 كَانَتْ تُرَجِّمُ عَنْهُ قَبْلُ أَخْبَارُ  
 فَبِتُّ سَاهِرَةً لِلنَّجْمِ أَرْقُبُهُ  
 حَتَّى أَتَى دُونَ عَوْرِ النَّجْمِ أَسْتَارُ  
 لَمْ تَرَهِ جَارَةً يَمْشِي بِسَاحَتِهَا  
 لِرَبِيَّةٍ حِينَ يُخْلِي بَيْتَهُ الْجَارُ  
 وَلَا تَرَاهُ وَمَا فِي الْبَيْتِ يَأْكُلُهُ  
 لَكِنَّهُ بَارِزٌ بِالصَّحْنِ مَهْمَارُ  
 وَمُطْعِمُ الْقَوْمِ شَحْمًا عِنْدَ مَسْعَعِهِمْ  
 وَفِي الْجُدُوبِ كَرِيمٌ الْجَدُّ مَيْسَارُ  
 قَدْ كَانَ خَالِصَتِي مِنْ كُلِّ ذِي نَسَبٍ  
 فَقَدْ أَصِيبَ فَمَا لِلْعَيْشِ أَوْ طَارُ  
 مِثْلَ الرُّدَيْيِّ لَمْ تَنْفَذْ شَبِيئَتُهُ  
 كَأَنَّهُ تَحْتَ طَيِّ الْبُرْدِ أَسْوَارُ  
 جَهْمُ الْمُحْيَا تُضِيءُ اللَّيْلَ صَوْرَتُهُ  
 أَبَاؤُهُ مِنْ طُوَالِ السَّمَكِ أَحْرَارُ  
 مُوَرَّثُ الْمَجْدِ مَيْمُونٌ نَقِيئَتُهُ  
 ضَخْمُ الدَّسِيعَةِ فِي الْعَرَاءِ مِغْوَارُ  
 فَرَعٌ لِفَرَعِ كَرِيمٍ غَيْرِ مُؤْتَشِبٍ  
 جَلْدُ الْمَرِيرَةِ عِنْدَ الْجَمْعِ فَخَارُ  
 فِي جَوْفِ لِحْدٍ مُقِيمٌ قَدْ تَصَمَّنَتْهُ  
 فِي رَمْسِهِ مُقْمَطَرَاتٌ وَأَحْجَارُ  
 طَلَقُ الْيَدَيْنِ لِفِعْلِ الْخَيْرِ ذُو فَجْرِ  
 ضَخْمُ الدَّسِيعَةِ بِالْخَيْرَاتِ أَمَارُ  
 لَيْبِكِهِ مُقْتَرٌ أَفْنَى حَرِيئَتُهُ  
 دَهْرٌ وَحَالَفَهُ بُؤْسٌ وَإِقْتَارُ  
 وَرِفْقَةٌ حَارٌ حَادِيهِمْ بِمُهْلِكَةٍ  
 كَأَنَّ ظُلْمَتَهَا فِي الطَّخِيَةِ الْفَارُ  
 أَلَا يَمْنَعُ الْقَوْمَ إِنْ سَالُوهُ خُلَعَتُهُ  
 وَلَا يُجَاوِزُهُ بِاللَّيْلِ مُرَارُ

*Is it a foreign body in your eye, is eye pain*

*Or your tears will continue because the home is empty*

*Whenever I remember him  
Flood of tears run down my cheeks  
The wailer cries Sakhr  
Although new tombs are dug everyday  
Khonas will never stop weeping  
She will be moaning tirelessly  
Khonas will continue to cry and  
She has all right to do so  
She is afflicted by the changes of time  
Death is for every man,  
That's the trick of the days  
Abu Amro(Sakhr) was amongst you and  
He was the master  
With his elegant turban,  
He answered callers for help  
He gives when others refrain,  
He is bold in war  
Oh, Sakhr, the one who was first to use water plac  
When people fight around it  
The lions walk to duel with the enemy  
He has two weapons eyeteeth and claws  
A she-camel who is looking worriedly for her lost kids  
She eats for a while, and then suddenly she remembers  
She runs back and forth  
She never puts on weight because of her eagerness to her kids  
She is not more eager than I when I departed with Sakhr  
Sakhr was our sustainer and our leader  
He slaughtered for us in winter nights  
He was a hero on horseback  
He would kill a camel to feed the hungry  
Sakhr was the guide for wise men*

*Like a mountain with fire on top  
He was patient, handsome, perfect and god-fearing  
But the first to instigate war  
He would hold the banners, descend in valleys  
He would head the meetings, and lead the armies  
He would slaughter the best of his she-camels  
He would help the widows and treat the wounds  
I see no one is blaming the changes of time  
I used to received news about his victories  
This time the news of his death came to me  
I stayed awake all night contemplating the stars  
Until they vanished in daylight  
His neighbor's wife won't see around  
When her husband is away  
Sometimes there's nothing to eat at home  
Yet he is there to feed the needy  
In hard times he would feed the poor  
Generous when food is little  
I preferred him to all my kinship  
He passed away and life is tasteless  
His bright face would lighten the night  
He is the son of honorable ancestors  
He inherited dignity and bravery  
A branch from an honorable tree  
Always proud of his fathers  
Today in a small tom he lies,  
Marked by standing stones  
His hands were free to give  
He was always first in good deeds  
He will be cried by those who knew him  
Especially those stricken by poverty*

*He wouldn't mind giving his garment*

*If someone needed it*

*No night travelers come across him*

*Without being invited to eat and spend the night.*<sup>18</sup>

In this elegiac piece, the poetess managed to show and confirm her literal abilities through the truthful word. The melody of agony is increasing endlessly coping with the waves of passion.

The tone rushes, revolts, decreases, and breaks down. There is blazing passion and deep rooted sorrow flowing from a wounded heart. Distress turns into wailing, pride and enumeration of her brothers virtues. Al-Khansa managed again to merge two passions: that of heartache and that of love.

She says at the beginning of her poem:

*Is it a foreign body in your eye, is it eye pain*

*Or your tears will continue because the home is empty?*

Her eyes were burning because she was crying bitterly for a long time. Her sight sense became weak, and the whole world was nothing to her despite the presence of her husband and sons.

She denounced the idea of leaving her beloved brother to spend the nights in a tomb, then she realized that c'est la vie. Al-Khansa was talking to herself as if it were someone else and this is the hardest pain looking for someone to console her but she sees no one. Our genius poetess was able to include all these flooding feelings in the first line, using the compositional interrogative approach as if she wanted to scold herself.

What's the reason behind the pain in her eyes? Is it due to a foreign body, a disease or the departure of her beloved brother? The scourge of parting with someone dear to your heart is unbearable. He left her pain in the heart and bitter memories to recall. Notice the use of the conjunctive (or) as if she is giving the listener the right to guess what happened to her. This, in fact, is evidence of her genius.

*Whenever I remember him*

*Flood of tears run down my cheeks*

What a painful memory! He left forever. Whenever she remembers him, tears rush down her cheeks. This is informative style for reporting, a beautiful style without any artificial words. The picture here is what Arab critics call a complete simile. She likened her tears to a flood. They are abundant. She didn't say like water or like rain, because water and rain could be in small quantity, as for the flood, it's always strong and running down from high mountains towards low lands, just like her tears running down from her eyes down to her cheeks.

*The wailer cries Sakhr*

*although new tombs are dug everyday*

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<sup>18</sup> Al-KHansa Collection of Poems (ديوان الخنساء)

We all weep our dear relatives or friends who pass away, but Al-Khansa cried her brother with pain and agony. She kept weeping him whenever she remembered him. Is there any chance to see him again? Not of course! There lies between them is a heap of soil that covered his body. Although she sees obsequies every day, the memory of Sakhr is always alive. This time she using the informative style to emphasize the meaning.

*She will be moaning tirelessly*

*Khonas will continue to cry and*

*she has all right to do so*

*She is afflicted by the changes of time*

Here, she looks for excuse and explains why she will not stop weeping the beloved one. Changes of time have stricken her hard by taking away her brother. She missed him a lot as he was dear to her heart. He brought her honor by his good deeds. Here again she personified the changes of time, and presented them like a human being who killed, stabbed and hurt other people. Notice the true emotions that flow sorrow and desolation to commemorate her brother.

After she asked her eyes to give abundant tears, she reminded herself that the deceased was not a mere brother, but the master of his people, chief of his tribe, characterized with boldness, generosity, dignity and handsomeness. In the Arab culture and traditions, the chief is often the eldest, but in this case Sakhr was not the eldest, he managed to become the leader and focus of attention thanks to his manly qualities. He, like the Arabs of his time, was looking for glory, and glory was always shown in the form of praise and being linked to good tributes.

*Death is for every man,*

*that's the trick of the days*

That's a fact shot directly in simple words by a gifted poetess. She states that death is a must, that the days change and we see in this life happiness and sadness, strength and weakness, that's the nature of life. These wise words remind us about death and that we had better do well in this short life before we regret it. We have to do good things that bring us closer to Allah, the Almighty.

" ماذا تكسب غدا وما تدري نفس بأي أرض تموت وما تدري نفس "

“No person knows what he will earn tomorrow and no soul knows in what land it will die. God is All-Knowing, Well-Informed.” (*Holy Quran, surah Luqman, verse 34*).

*Sakhr was our sustainer and our leader*

*He slaughtered for us in winter nights*

*He was a hero on horseback*

*He would kill a camel to feed the hungry*

*Sakhr was the guide for wise men*

*Like a mountain with fire on top*

Here, the poetess praised her brother and enumerated his good deeds. He was the sustainer, who had the habit of killing camels to feed his tribe.

He was brave in battles

*He gives when others refrain,*

*He is bold in war*

*Oh, Sakhr, the one who was first to use water place*

*When people fight around it*

*He was patient, handsome, perfect and god-fearing*

*But the first to instigate war*

These verses paint a picture of good qualities and traditions that were prevailing in the Arabian Peninsula before Islam. She praised him with these qualities because they were considered the best for every man. Arab tribe chiefs were actually servants to their people. They defended them and provided them with their needs. They looked after the poor and elderly. When it comes to fighting, as fighting was so common due to the scarce resources, they lead the armies and are always ready to give their lives for the sake of the tribe. The expression she created “a mountain with fire on top” has become a common Arab proverb.

She described him as handsome, pious, and a fomenter of war. He didn't fear men. He used to descend gloomy valleys at night, attend and speak loudly in tribal meetings, and lead his men in battles.

*His neighbor's wife won't see around*

*When her husband is away*

Even in the days of Ignorance that preceded Islam, Arabs had good ethics. It was shameful for a man to flirt with his neighbor's wife. A neighbor was expected to protect and take care of his neighbor's family during his absence, and that is exactly what Sakhr used to do.

*Sometimes there's nothing to eat at home*

*Yet he is there to feed the needy*

*In hard times he would feed the poor*

*Generous when food is little*

Yes, it's Sakhr who would feed the hungry and support the needy even if there was nothing to give. He was so generous that when someone asked for help and there was nothing to give at home, he would always find a way or another to provide assistance.

*I preferred him to all my kinship*

*He passed away and life is tasteless*

It was him who raised and protected me, that is why I preferred him to all my relatives. Now he is gone how can I live after him?

Throughout the poem, Al-Khansa managed to color the verses with eloquent words, surprising the reader by playing with syntax that has great effect on the listener or reader. She managed to communicate her weeping feelings to others in different forms. She didn't ignore the use of rhetorical aspects of the language that would open wide horizons for imagination, and made you live the tragedy as if it were yours<sup>19</sup>

## 7 Conclusion

These are some examples of the Arab woman's eloquent poetry and wise words. They prove that she dared to speak out and play her role in all political, social, intellectual, cultural and leadership arenas.

The Arab woman was, and still is, daring to speak the truth, not giving up to injustice. She was aware and wise, and this wouldn't have happened without the climate of freedom she lived. All these glorious pictures of Arab woman's life and her connection with the society in general are taken from texts written with golden letters to inform future generations how the Arab woman lived and was treated before and after Islam. These examples are just a drop from a sea that reflects our grand- grand mothers' talent and intelligence<sup>20</sup>

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**Assessing the Effectiveness of Institutional Information Dissemination Platforms in  
Ghana – Paper I**

**Abstract:**

Every institution has special arrangement to train its employees. Most of these training sessions require a key ingredient which is intellectual engagement. To achieve intellectual engagement, one needs to relate to the other party on appropriate platforms. The platforms must serve both parties on common grounds without many constraints. This paper reviews platforms available to selected institutions in Ghana. The paper gives a thorough analysis of the effectiveness of these platforms and discusses how best to improve upon them. This paper also highlights the need for a computerized platform and the possible integration of the other platforms for effective information dissemination. In this light, the paper continues with the analysis of the databases required to create a computerized platform for the various sections of the selected institutions.

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**Assessing the Effectiveness of Institutional Information Dissemination Platforms in  
Ghana – Paper II**

**Abstract:**

This manuscript is an extension of paper one. Paper two focuses attention on the design of a computer-based information dissemination platform that will make it possible for easy dissemination of information as well as for easy communication especially between the trainer and trainee or between the supervisor and subordinate within a selected institution (the teaching institution with a typical example as the University of Mines and Technology). This paper, aside helping the University, will serve as a guide to a majority and variety of institutions in Ghana to help them improve upon their information dissemination skills. The design is accomplished by means of thorough analysis of the platforms needed for effective information dissemination within the teaching institution and further design of the system using Visual Basic and other programming and design tools. This platform can be used as an official information dissemination platform within the organization. The programme can be used offline especially for a very small establishment where file sharing could be effectively done without the Internet. In the case of wide coverage within the organisation, an internet link is vital for optimum operation of the design and for successful communication. The computer design will include database for the storing of study materials and research materials. The computerized platform will be user friendly and flexible to use. Users will be given some administrative capabilities to modify some fields of the platform.

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### **Effects of Uncontrolled Fertility on the Nigerian Economic Growth**

#### **Abstract:**

Human fertility is a function of a variety of factors classified into proximate (direct) and distal (indirect) factors. A proper understanding of these factors is of paramount importance in tackling the problem of uncontrolled fertility, which commands enormous positive and negative consequences. This paper therefore isolated the determinants of population growth in Nigeria as caused by uncontrolled fertility, and ascertained the relationship between the population growth offshoot and economic growth in Nigeria. These were achieved by using data downloaded from the World Bank databank for a period of 51 years (1961-2011). Findings determined that high fertility and birth rate contributes positively to high population growth while further findings revealed that high population growth rate in Nigeria exerts negative consequences on the Nigeria's economy. These negative consequences can be appreciated by high poverty, inadequate housing, poor sanitation, low standard of living, high unemployment rate and inflation, high pressures on existing infrastructural facilities etc.

**Keywords:** Uncontrolled Fertility; Population Growth; Demographic Transition; Replacement Fertility; Economic Development.

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8314>**

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## **Marketing and its Impact on Intertemporal Analysis**

**Abstract:**

This Paper deals with the consumer theory of intertemporal choice, particularly with the impact of marketing on change of consumer intertemporal choice. The aim of the paper is to discuss and to show how marketing affect consumer intertemporal analysis. Important element of the paper is relationship between current consumption and future consumption through the Rate of Time-preference.

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## **The Relationship between Trust in Government, Trust in E-Government Website and Intention to Continue Using E-Government Implementations**

### **Abstract:**

When compared with classical government, e-government implementations provide many opportunities for both governments and citizens as a result of its advantages. On the other hand, e-government is an alternative and competitive to classical government structure. Additionally, citizens' adapting this alternative is due to some factors.

Citizens' trust in e-government applications affects their intention to continue using e-government implementations. Similarly, citizens' trust in government and e-government web site affect their trust in e-government. The position of government in e-government implementations as a provider and that of web site as an instrument, make one think that there is a relationship between citizens' intention to continue using e-government and these factors.

E-government concept, importance of trust in government and e-government web site in terms of intention to use e-government implementations will be dealt, and some dimensions of the issue will be discussed through the literature, in the study. In the field study part of the research, the results of the questionnaire study made in Konya will be put forward. In this sense, the aim of this study is to discuss the relationship between trust in government and e-government web site and intention to continue using e-government, through the sample of Konya.

**Keywords:** E-Government, Intention to Continue Using E-Government, Relationship between Trust in Government and Intention to Continue Using E-Government, Relationship between Trust in E-Government Web Site and Intention to Continue Using E-Government, The Case of Konya.

**JEL Classification:** H11, H19, H42, I38

### **1 Introduction**

Transition to information society, not only has changed the expectations of the citizens, but also forced governments to keep pace with information society and meet those changing expectations as well. From this perspective, e-government implementations lent a hand to governments, thus saving of time and expenditures could be realized.

However, taking advantage of these ease of e-government and providing more effective and easily accessible services to citizens; is due to citizens to' embarking to this modern vehicle and leaving the classical methods of information and service delivery. This orientation of the citizens towards e-government applications is determined by the trust of citizens in the provider and delivery platform of

these services. For the citizens to use e-government services, they must trust on both government and e-government web site, which is the delivery platform of e-government services.

In this context, the concept of e-government, trust in government and e-government web site and the intention to continue to using e-government will be evaluated through the literature, in this study. And the citizens' perception of trust in government, e-government web site and intention to continue to using e-government implementations will be dealt through the case of Konya. Additionally, the relationships between trust in government, trust in e-government web site and intention to continue using e-government implementations and the relationships of them with demographical characteristics of the participants will be tried to put forward using the survey results.

## 2 The Concept of E-Government

In recent years, ICT, which is developing in terms of quality and quantity, has increased the information generating, storing and providing capacity of governments. Governments in our day have economic, agricultural, social, political and scientific information in their hands, and they do not consider this information secret and share it with e-government users, as opposed to the classical bureaucratic understanding (Martínez, 2007: 20).

Effective use and control of information and in today's society, is becoming a key factor of development. Efficiency in acquisition, storage, distribution, interpretation and implementation of information, determines the level of development. Recognising the necessity to have, use and provide information; public institutions have started efforts to digitize their services, obtain, provide, evaluate and interpret information through internet and such equipment and structure, in order to make their systems effective and economic (Şahin, 2008: 36-38). At this point the concept of e-government emerges.

**Table 1: Definitions of E-government**

DEFINITION	SOURCE
Use of information and communication technology in administration of government in political and civil aspects	(Bouguettaya, Ouzzani, Medjahed and Elmagarmid, 2002: 39)
To reveal a better government usage of information and communication technologies, especially the internet	(OECD, 2003: 23), (Vrakas et al., 2010: 298)
A future vision as well as a fact of the day, which has the opportunity to transform and qualify administrative actions and political activities, and provide better service to citizens	(Cunha and Costa, 2004: 4), (Traunmüller and Wimmer, 2003: 3, 4). (Traunmüller and Wimmer, 2004: 2)
A lowest cost approach for integrated consolidated and innovative style of provision of the services	(BM, 2008: 3)
Automation of government processes in order to make government's administration capability and services more	(Garvin, 2009: XV)

effective and efficient	
An approach, which targets to deliver services to citizens easily and in time	(Ladner and Petry, 2009: 17)
Using ICTs, especially web based applications in providing information and services to faster, cheaper, easier and more effective access of citizens, business and other organisations (non-profit), to develop the services given and to widen the service base	(Baqir and Iyer, 2010: 5)

Despite the differences in the definitions they have common aspects such as (a) e-government is electronic not paper based (b) it is accessible 7/24 (c) it eases to provide information and services (Vrakas et al., 2010: 298-299).

Regarding the common points of these definitions we can say that; e-government is 7/24 usage of information and communication technologies, especially internet and web based applications, in order to provide ease to government in realizing its administrative function, in accordance with the political, economic, social and administrative needs of the era.

### 3 Trust in Government and E-Government Web Site

Many studies and researches have been conducted on e-government. Unlike many of the other studies, the aim of this study is, to put forward the relationships between trust in government, trust in e-government web site and intention to continue using e-government implementations. Like everything, which meet the expectations and sufficient positive information is had about, the usage of e-government will increase in time. However it should be noted that, the intention to continue using e-government applications, can only increase with the trust of citizens in e-government web site and government behind e-government platform.

#### 3.1 Trust in Government

Historically, democratic and citizen-oriented administrative approach has gained importance. In this regard, government and public institutions using the authority of government, have had to give importance to citizens' views, and they have looked for some ways to measure how they are perceived by the. One of the issues among these perceptions is the trust of citizens in governments and public institutions (Kutlu, 2003: 1).

Public trust in government is a perceptual reaction, which is affected by the view that determines attitudes towards the performance of government. This perception is a cognitive reflection of the data obtained on the performance of government. In other words, there is a positive relationship between individual's trust in government and the performance of government. On the other hand, this perception reflects the difference between the current reality and expectations of the people and the trust of the individuals, who are not satisfied with governmental activities, in government services is reduced. From this perspective, the trust perception of the public emerges as a subjective performance-oriented indicator (Moon, 2003: 3). It is seen that one of the factors that impact on trust in government is performance, which is the ratio of the expected and met needs.

If trust is damaged once, it is difficult to repair, and this repair will be slow. Therefore, institutions and policy-makers have to preserve the trust climate by overcoming difficulties such as; setting accessible goals, using sustainable practices, ensuring legitimacy and participation in shaping policies and continue responsible behaviour. Because, trust in government and institutions, depend on reputation of the institutions as well as public policies (Cheema, 2010: 4). In other words, whether powers, representing government, meet the normative expectations of citizens or not, determines the trust in government (Miller and Listhaug, 1990: 358).

However, government is unique in online transactions, laws and regulations are effective in designing this space. Government having such a legitimate power in that field can be seen as an obstacle for citizens in terms of citizens' lack of affect on government's actions, their dependency status. In this respect, trust can create a good alternative to direct citizens to online transactions (Warkentin et al., 2002: 158). However, as indicated, governments sovereignty on the space, where online transactions are conducted, make one to put emphasis on the need to trust government for the creating trust in that space.

Therefore, trust in the institution offering the service, is one of the factors that has impact on trust in e-government implementations (Srivastava and Teo, 2005: 723). To state it another way, the degree of citizens' satisfaction with the services provided and their trust, relates with who provides that service (Christensen and Læg Reid, 2005: 492).

### **3.2 Trust in E-Government Web Site**

Couldry (2007), states that the new media may be useful for governments to communicate with citizens. However, the usefulness of this method at the same time depends on citizens' insisting on face-to-face communication facilities or not (Couldry, 2007: 257). In computer-mediated communication, being deprived of the physical asset, and therefore a gradual decrease in the social and contextual information sharing, may be the case. This situation makes it difficult to create trust in online media and social networks (Pöttsch and Böhme, 2010: 381).

If we consider trust as willingness to be unprotected to something/someone, having the expectation that an important action will be realized, without thinking of watching or controlling the other side; (Mayer, Davis and Schoorman, 1995: 712) in the relationship between citizens and e-government, trusting party is the citizen, while trusted party is e-government web site. Because, e-government is the party, which is expected to meet the need or expectation and citizens are the ones who are required to trust, in this regard.

In terms of e-government, citizens' continuing to use e-government web site is very important. Lack of an alternative web sites, providing the services offered by e-government web site is, will lead them to traditional methods of services, not to another website (Teo, Srivastava, Shirish and Jiang, 2008: 101). In this regard, trust in e-government web site is vital for, adoption and usage of e-government services.

Although they know many of the potential benefits of interacting with government online, many of the citizens are concerned about the privacy an security of the information they share in e-government web sites (Cullen and Reilly, 2007: 3; Warkentin et al., 2002: 158). When one thinks about this situation in terms of e-government web site, it will be seen that information privacy will give prominence to

readiness of citizens, to trust e-government web site and to use the web site and their awareness of the site.

In an exchange process trust depends on counterparty's capacity (adequacy to show the expected performance), good will (desire to perform as expected) and honesty (actually perform the expected performance) (Erickson and Rothberg, 2010: 4). Therefore, to create a trust climate in the interactions of citizens with e-government web site, e-government web site should ensure the adequacy to show the expected performance and the institution providing the platform and its staff having that duty should show their will to meet the expectations.

#### **4 Intention to Continue Using E-Government Implementations**

E-government emerges as an important alternative to the traditional administration model. By the adoption of e-government applications, its replacing possible areas of traditional service delivery models, has led to an increase in the interest in e-government. On the other hand, in spite of the intense interest of the governments on e-government applications, the citizens at the same rate have not adopted e-government (Warkentin et al., 2002: 158). This condition leads governments to encourage citizens to use e-government applications, conduct a number of activities to increase the use of e-government. No matter how convenient and useful a system it is, e-government will gain functionality up to the extent it is used by the citizens.

Governments make investments on e-government regarding the benefits to be obtained from e-government applications. However, with growing interest in e-government, the question on how to increase citizens' adopting this model and usage of it, has become a current issue. Citizens trust is some kind of catalyst, in adoption of e-government implementations, which has become an important alternative for reducing costs and improving services, with reference to the traditional model (Warkentin et al., 2002: 157). In this regard, it will not be wrong to say that trust is a significant and affective factor on the intention to continue to using e-government implementations.

Intention to using represents the desire of the individual to perform the determined behaviour (Sahu and Gupta, 2009: 209). Accordingly, the intention to continue using e-government is the level of citizens' desire to use e-government implementations, which is the expected behaviour. The research on e-government and transactions carried out through online media shows that trust in the services provided, is effective on the willingness to use these services. Therefore, citizens trusting in e-government services will have higher willingness to use e-government services and to share information through e-government implementations (Alsaghier, and Hussain, 2012: 535-536).

#### **5 Field Study**

In this part of the study importance of trust in terms of e-government implementations will be highlighted, the aim and importance of the study will be dealt. In addition, findings of the survey and analysis of the data will be put forward, in order to make some general determinations about the citizens' intention to continue using e-government implementations and the effects of trust in government and trust in e-government website on this trend.

## 5.1 The Aim and Importance of the Study

For the fact that e-government can realise current administrative actions, it is both a future vision and a fact of the day. E-government has the opportunity to transform and qualify administrative actions and political activities, and to provide better service to citizens. E-government is not an administrative modernisation, it is also a powerful electronic transformation process, which gives chance to new ways of public governance. E-government is related to all fields of administrative progress, using information and communication technologies not only make public actions effective, quality and efficient but also it provides legitimacy (Traunmüller and Wimmer, 2003: 4).

Despite the implementation of e-government in many countries, in a good deal of countries, especially in developing countries- it has not achieved the expected interest and has not reached the expected positive output yet. Of course, the development and deployment of e-government implementations, does not require a result such as providing constant use of citizens. However, public service providers offering e-government websites to the usage of citizens, should overcome such a problem (Teo, Srivastava and Jiang, 2008: 100).

Therefore, the aim of this study is to try to measure citizens' intention to continue using e-government implementations and the effect of trust in e-government and trust in e-government website on their intention to continue using e-government. Another aim of this study is to put forward the effect of demographical factors on citizens' trust in e-government, trust in e-government website and intention to continue using e-government implementations.

## 5.2 Method of the Study and The Sample

Questionnaire method was used in the study. The theoretical and empirical studies of Carter ve Bélanger (2005), Srivastava and Teo (2005), Bélanger and Carter (2008), Carter and Weerakkody (2008), Teo, Srivastava, Shirish and Jiang (2008) and Colesca (2009a, 2009b) were used to determine the questions in the questionnaire form. The questionnaire was discussed with a smaller group of participants, in order to determine the final form of the questions.

The universe of the study includes the citizens living in Konya, who have used e-government implementations for at least once before. Participants were included in the sample according to simple random sampling method. 1500 questionnaires were distributed between 2<sup>nd</sup> of April 2012 – 27<sup>th</sup> of April 2012 and 1387 questionnaire forms were taken into consideration, which were duly filled, among the 1423 returned questionnaire forms.

## 5.3 Scope of the Study and the Survey

General framework of the study was determined in the light of the theoretical and empirical studies mentioned above. In line with the aim of the study, participants were asked close-ended questions, which were prepared according to 5 point Likert Scale, about trust in government, trust in e-government web site and intention to continue using e-government implementations. The answer of “1” means that participants “Totally disagree”, “2” means “Disagree”, “3” means “Partly agree”, “4” means “Agree”, and “5” means “Totally agree” in the given statements. It is tried to answer the questions below, through the survey study.

- Is there a significant relationship between demographical characteristics of the participants and the dependent variables? Is there significant differences between demographical groups, in terms of the dependent variables: trust in e-government web site and intention to continue using e-government implementations?
- Does the trust in government affect the intention to continue using e-government implementations?
- Does the trust in e-government web site affect the intention to continue using e-government implementations?

#### 5.4 Findings and Evaluation of the Survey Data

SPSS 16.0 (Statistical Package for Social Sciences) was used to analyse the data of the survey. To measure the internal consistency and reliability of the questionnaire Cronbach's Alpha test was used and the reliability of the survey was found to be 0,940. This shows that the questionnaire is reliable, due to Alpha is above 0,70. Table 1 shows the reliability analysis result.

**Table 2: Reliability Analysis of the Survey**

Cronbach's Alpha	N of Items
,940	68

As seen from the table, reliability coefficient of the questionnaire was found to be  $\alpha=0,940$ . Therefore, it can be said that the questionnaire is significantly consistent internally and the questions are suitable to measure the same structure. The data obtained from the survey was considered reliable to provide the aim of the study.

Frequency and percentage distributions of the demographical data were determined. The demographical characteristics of the participants are given in the Table 3 below.

**Table 3: Demographical Characteristics of the Participants**

AGE	Frequency	Percent	GENDER	Frequency	Percent
under 18 years	136	9,8	Female	695	50,1
19-25 years	430	31,0	Male	692	49,9
26-36 years	274	19,8	<b>EXPERIENCE</b>	<b>Frequency</b>	<b>Percent</b>
37-47 years	246	17,7	under 3 years	448	32,3
48-59 years	189	13,6	3-10 years	714	51,5
60 + years	112	8,1	10 + years	221	15,9
<b>EDUCATION</b>	<b>Frequency</b>	<b>Percent</b>	<b>INCOME</b>	<b>Frequency</b>	<b>Percent</b>
Literate	62	4,5	under 500 TL	367	26,5

Primary School	220	15,9	500-1000 TL	337	24,3
Secondary School	356	25,7	1000-1500 TL	286	20,6
High School	202	14,6	1500-2500 TL	257	18,5
Undergraduate	462	33,3	2500-3000 TL	90	6,5
Post Graduate	85	6,1	3000 TL and more	50	3,6

The table above implies that the vast majority of participants are internet users between the ages of 19-36, having undergraduate and secondary education. Ratios of male and female participants are close to each other. While income levels increase, ratios of the groups decrease. The situation about gender groups and income levels reflects the universe levels. In addition, when the groups according to internet experience are evaluated, the group having 3-10 years experience is observed to have the highest rate.

**Table 4: Trust in Government Frequency Analysis**

Statement	Mean.	Std. Dev.
I trust in the public institutions in Turkey.	3,19	1,018
I firmly believe that the public institutions accommodate my needs in the best way.	3,03	1,047
I think that public institutions are trustworthy.	3,14	0,996
I trust in a public institution to the extent that it is a respectable one.	3,46	1,032
Government fully serves in accordance with the interests of the citizens.	3,02	1,056
I am not afraid of interacting with government, because government fulfils its functions effectively.	3,12	1,035
I think that government will fulfil its duty, when I interact with it.	3,18	1,001
I think that government deserves my trust, because it fulfils its responsibilities.	3,11	1,056

The above table includes the mean values of the participants' level of trust in government. Table 4 points out that, participants' trust in government is at a level above the average and it is between "partially agree" and "agree" level. Accordingly, although it is not at a high level citizens trust in government in general.

**Table 5: Trust in E-government Frequency Analysis**

Statement	Mean.	Std. Dev.
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E-turkey web site is trustworthy.	3,26	0,917
I think that e-turkey web site is honest and truthful.	3,30	0,918
E-turkey web site deserves the trust of me and other citizens.	3,24	0,907

Table 5 shows that respondents tend to trust in e-government web site. Additionally, citizens' trust in e-government web site is higher than their trust in government itself. This situation points out a citizen profile ready to use the electronic applications of government.

**Table 3: Intention to Continue Using E-government Frequency Analysis**

Statement	Mean.	Std. Dev.
I prefer using e-turkey web site rather than giving up using it.	3,37	1,013
I prefer to continue using e-turkey web site instead of any alternative methods (face-to-face transaction).	3,37	1,065
I don not think to stop using e-turkey web site.	3,39	1,148

Table 6 indicates that respondents intend to continue to use e-government implementations. This supports our evaluation about higher levels of trust in e-government website than trust in government. Electronic information and services to citizens seem to be preferred to the classical government. It will not be wrong to say that citizens using e-turkey web site are satisfied with their experiences.

**Table 7: Correlation of Demographical Variables with Dependent Variables**

		Trust in Government	Trust in E-government Web Site	Intention to Continue Using E-government
<b>Age</b>	Pearson Corr.	0,022	0,010	0,017
	Sig. (2-tailed)	0,422	0,702	0,519
	N	1317	1363	1366
<b>Gender</b>	Pearson Corr.	0,022	,000	-0,010
	Sig. (2-tailed)	0,424	0,999	0,743
	N	1317	1363	1366
<b>Experience</b>	Pearson	-,086**	-0,030	0,028

	Corr.			
	Sig. (2-tailed)	0,002	0,235	0,309
	N	1314	1359	1362
<b>Education</b>	Pearson Corr.	-,135**	-,065*	0,009
	Sig. (2-tailed)	,000	0,016	0,742
	N	1317	1363	1366
<b>Income</b>	Pearson Corr.	0,011	-,000	,058*
	Sig. (2-tailed)	0,703	0,909	0,031
	N	1317	1363	1366

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

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

Table 7 was designed to show the correlations between demographical variables and trust in government, trust in e-government website and intention to continue to using e-government implementations. Due to one of our aims is to determine is there is a relationship between demographical characteristics and dependent variables, Pearson correlation analysis was performed with the data obtained. According to Elliot and Woodward (2007: 80-84), a significant linear relationship can be said to occur between two variables in Pearson Correlation, when the level of  $r$  is above 0,25  $p$  is below 0,05. In line with the suggestion, it can be stated that there is no significant linear relationship between demographical characteristics and trust in government, trust in e-government web site and intention to continue using e-government implementations.

**Table 8: Correlation of Dependent Variables**

		<b>Trust in Government</b>	<b>Trust in E-government Web Site</b>	<b>Intention to Continue Using E-government</b>
<b>Trust in Government</b>	Pearson Corr.	1	0,548**	0,415**
	Sig. (2-tailed)		0,000	0,000
	N	1317	1296	1300

<b>Trust in E-government Web Site</b>	Pearson Corr.	0,548**	1	0,510**
	Sig. (2-tailed)	0,000		0,000
	N	1296	1363	1346
<b>Intention to Continue Using E-government</b>	Pearson Corr.	0,415**	0,510**	1
	Sig. (2-tailed)	0,000	0,000	
	N	1300	1346	1366

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

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

According to table 8, in 99% confidence interval, there is a positive strong correlation between trust in government and trust in e-government web site. Also the correlations between intention to continue using e-government and trust in government and trust in e-government are positive and strong, in 99% confidence interval. In this sense, it can be stated that participants, who trust in government trust in e-government web site as well. Additionally trust in government and trust in e-government web site increases the participants' tend to continue using e-government web site.

**Table 9: Gender Groups One Way ANOVA**

	<b>Gender</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev.</b>
<b>Trust in Government</b>	FEMALE	659	3,13865	0,80104
	MALE	658	3,17287	0,74932
<b>Trust in E-government Web Site</b>	FEMALE	687	3,26492	0,79315
	MALE	676	3,26499	0,77825
<b>Intention to Continue Using E-gov.</b>	FEMALE	685	3,38929	0,88428
	MALE	681	3,37347	0,90062

Table 9 was prepared to show One Way ANOVA analysis of mean values of dependent variables, according to gender groups. In terms of trust in government, trust in e-government web site and intention to continue using e-government; there is no significant difference between gender groups.

To determine if there are significant differences between age, internet experience, education and income level groups, in terms of trust in government, trust in e-government web site and intention to use e-government, ANOVA test was conducted. The table below shows the differences between age

groups, according to mean values of the answers to the statement about participants' trust in government and e-government web site and their intention to continue using e-government web site.

**Table 10: Distribution of Dependent Variables According to Age (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust in Government</b>	Between Groups	9,082	5	1,816	3,044	0,010
	Within Groups	782,422	1311	0,597		
	Total	791,505	1316			
<b>Trust in E-government Web Site</b>	Between Groups	1,764	5	0,353	0,571	0,723
	Within Groups	838,637	1357	0,618		
	Total	840,400	1362			
<b>Intention to Continue Using E-gov.</b>	Between Groups	3,312	5	0,662	0,832	0,527
	Within Groups	1083,198	1360	0,796		
	Total	1348	1325	1300	1343	1338

There is a significant difference between age groups for only trust in government (sig.=0,010). The distribution of mean values of answers to the statements about trust in government is given in the table below.

**Table 4: Trust in Government According to Age (Scheffe)**

AGE	N	1
<b>under 18 years</b>	406	3,0699
<b>19-25 years</b>	258	3,1265
<b>26-36 years</b>	182	3,1353
<b>37-47 years</b>	234	3,2046
<b>48-59 years</b>	107	3,2745
<b>60 + years</b>	130	3,3250

According to table 11, mean values of the answers about trust in government increases while the participants' age gets higher. This situation shows that older participants trust in government more than the younger ones.

**Table 5: Distribution of Dependent Var. According to Internet Experience (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust in Government</b>	Between Groups	6,121	2	3,060	5,114	0,006
	Within Groups	784,560	1311	0,598		
	Total	790,681	1313			
<b>Trust in E-government Web Site</b>	Between Groups	0,879	2	0,439	0,712	0,491
	Within Groups	837,568	1356	0,618		
	Total	838,447	1358			
<b>Intention to Continue Using E-gov.</b>	Between Groups	1,101	2	0,551	0,690	0,502
	Within Groups	1084,432	1359	0,798		
	Total	1085,533	1361			

Regarding table 12 it can be stated that, there is a significant difference between internet experience groups according to trust in government (sig.=0,006). The distribution of mean values of answers to the statements about trust in government according to internet experience is given below.

**Table 6: Trust in Government According to Internet Experience (Scheffe)**

EXPERIENCE	N	1
<b>10 + years</b>	212	3,0654
<b>3-10 years</b>	675	3,1248
<b>under 3 years</b>	427	3,2494

Table 13 shows that mean values of the answers about trust in government increases while the participants' internet experience gets lower. In other words, participants having more internet experience trust in government less than the ones, having lower level of experience.

**Table 7: Distribution of Dependent Variables According to Education (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust in Government</b>	Between Groups	15,487	5	3,097	5,233	0

	Within Groups	776,017	1311	0,592		
	Total	791,505	1316			
<b>Trust in E-government Web Site</b>	Between Groups	7,986	5	1,597	2,604	0,024
	Within Groups	832,414	1357	0,613		
	Total	840,400	1362			
<b>Intention to Continue Using E-gov.</b>	Between Groups	4,492	5	0,898	1,129	0,343
	Within Groups	1082,018	1360	0,796		
	Total	1086,510	1365			

There are significant differences between education groups according to trust in government (sig.=0,000) and trust in e-government web site (sig.=0,024). Distributions of mean values of answers to the statements about trust in government and trust in e-government are given in table 15.

**Table 8: Dependent Variables According to Education (Scheffe)**

	<b>EDUCATION</b>	<b>N</b>	<b>1</b>
<b>Trust in Government</b>	<b>Post Graduate</b>	82	2,9573
	<b>Under Graduate</b>	442	3,0557
	<b>High School</b>	193	3,1535
	<b>Secondary School</b>	335	3,2138
	<b>Literate</b>	58	3,2586
	<b>Primary School</b>	207	3,3273
<b>Trust in E-government Web Site</b>	<b>Post Graduate</b>	83	3,1285
	<b>Literate</b>	62	3,1774
	<b>Under Graduate</b>	458	3,1961
	<b>High School</b>	201	3,2852
	<b>Primary School</b>	212	3,3192
	<b>Secondary School</b>	347	3,3593

Table 15 indicates that participants having lower levels of education trust in government and e-government web site more than the ones having higher levels of education. Considering the increasing education level in last years, one can say that; the data of Table 11 and Table 15 indicates that Turkish citizens' "*parens patriae*" understanding carries on its existence at least for the older people.

**Table 9: Distribution of Dependent Variables According to Income (ANOVA)**

		Sum Squares	of df	Mean Square	F	Sig.
<b>Trust in Government</b>	Between Groups	1,830	5	0,366	0,608	0,694
	Within Groups	789,675	1311	0,602		
	Total	791,505	1316			
<b>Trust in E-government Web Site</b>	Between Groups	2,145	5	0,429	0,694	0,628
	Within Groups	838,256	1357	0,618		
	Total	840,400	1362			
<b>Intention to Continue Using E-gov.</b>	Between Groups	9,431	5	1,886	2,382	0,037
	Within Groups	1077,079	1360	0,792		
	Total	1086,510	1365			

It is seen in Table 16 that; there are significant differences between income level groups according to intention to continue using e-government implementations (sig.=0,037), in 95% confidence interval. Distribution of mean values of answers to the statements about intention to continue using e-government implementations is given in table 17.

**Table 10: Intention to Continue Using E-government According to Income (Scheffe)**

INCOME	N	1
<b>500-1000 TL</b>	332	3,2570
<b>under 500 TL</b>	362	3,3564
<b>2500-3000 TL</b>	90	3,4259
<b>1500-2500 TL</b>	253	3,4414
<b>1000-1500 TL</b>	280	3,4726
<b>3000 TL and more</b>	49	3,4966

While the group with the most intention to continue using e-government implementations is the group having 3000 TL and more income, the group with the least intention is the group having 500-100 TL income. Although the contrast is not regular, the groups with higher income can be stated to have more intention to continue using e-government implementations.

## 6 Conclusion

E-government is 7/24 usage of information and communication technologies, especially internet and web based applications, in order to provide ease to government in realizing its administrative function, in accordance with the political, economic, social and administrative needs of the era.

Like everything, which meet the expectations and sufficient positive information is had about; the usage of e-government will increase in time. However it should be noted that, the intention to continue using e-government applications, can only increase with the trust of citizens in e-government web site and government behind e-government platform.

To create a trust climate in the interactions of citizens with e-government web site, e-government web site should ensure the adequacy to show the expected performance and the institution providing the platform and its staff having that duty should show their will to meet the expectations. The citizens' intention to using e-government can be achieved through their trust in both the government and e-government web site. This intention and therefore trust should be provided, because citizens have an alternative such as traditional way of administration to e-government.

To measure citizens' intention to continue using e-government implementations and the effect of trust in e-government and trust in e-government website on their intention to continue using e-government, a field study was conducted in Konya. By using the data obtained through the questionnaire, it was also tried to put forward the effect of demographical factors on citizens' trust in e-government, trust in e-government website and intention to continue using e-government implementations.

The results of the field study are:

- Citizens' trust in government and e-government web site are above the average level.
- Intention of citizens to continue using e-government implementations is above the average level and mean values are higher than the trust in government and e-government web site.
- There is no significant linear relationship between demographical characteristics and trust in government, trust in e-government web site and intention to continue using e-government implementations.
- Citizens trusting in government also trust in e-government web site. In addition, citizens, who have a higher level of trust in government and e-government web site, have a higher tendency to continue using e-government web site.
- In terms of trust in government, trust in e-government web site and intention to continue using e-government; there is no significant difference between gender groups.
- Older participants trust in government more than the younger ones.
- Citizens having more internet experience trust in government less than the ones, having lower level of experience.
- Citizens having lower levels of education trust in government and e-government web site, more than the ones having higher levels of education.

- Citizens with higher income have more intention to continue using e-government implementations.

In this context, governments have an important role on increasing the trust in e-government implementations and intention to continue using e-government. The results of the field study shows that trust in government gets lower in younger groups. In other words, government has a trust problem itself. This is a vicious cycle. Therefore it is clearly understood that governments should strengthen the structure of e-government, which increases the efficiency, effectiveness responsibility and thus legitimacy of governments, in order to gain back citizens' trust. Then it will be easier to direct their way to e-government implementations.

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## **Toty Bekzhanova**

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### **Kazakhstan's Development – From Raw Based Economy to Information Economy**

#### **Abstract:**

In the 1990 year Kazakhstan faced a serious crisis. After the disorder of the USSR the life level of the population drastically decreased, the state experienced political and economic crisis. It was important for the country to survive and maintain independence. For this purpose Kazakhstan leaders used natural resources exporting gas and oil. This tendency has still maintained nowadays. All this have formed raw-based economy, investments in which make about 60 % nowadays. It has led to dependence on world prices for energy supplies. Such economy has a range of crucial drawbacks, one of which is the extinction of natural resources.

The leaders of the state have faced a problem is to find a different way of economy's development. Having analyzed the world tendencies the government has decided to use the Internet. These technologies have created a new economy information economy. In the base of this economy lies not using natural resources as it was before but mastering information.

People say: Who masters information - masters the world.

Now this principle has become vital in modern economics. As a result there's a rearrangement of kinds of economic activity in the structure of economy. It leads to appearance of new brunches of economics that have new opportunities to develop the state's economy.

Information activity of economy can be divided into the following areas:

- distant work via the Internet
- the development of government service network
- electronic document circulation
- worldwide information space ( search engines: Google.kz, Yandex. kz)
- social networks
- development of educational programs via the Internet
- video watching via the Internet ( traffic jams on Yandex in major cities) in a real time mode
- development of e-trade:
  - running business via the Internet
  - development of mobile services and applications
  - mobile service.

Economy's information activity causes man's capital development.

By developing this trend the state can reach the following goals:

- decreasing of expenses on working places:
- integration into worldwide community:

For developing a new economic activity in Kazakhstan wide access to the Internet should be provided:

- to increase the number of factories provided access to the Internet, to avoid monopoly"
- to decrease prices on connecting subscribers and on maintenance"

It is widely known that in highly - developed countries such as Japan, South Korea, The USA, investments in development of man's capital is 60 % of all investments of the state. Development of information economy as one kind of economy leads to development of man's capital and to decreasing dependence on raw-based economy as well.

## **Sushil Bhatia**

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### **Ancient Problem: Modern Solution**

#### **Abstract:**

During the last ten years, according to U.S. News and World Report, tattooing has become one of the fastest growing categories of retail business. There are now estimated 15,000 tattoo studios in the U.S. Also it is estimated that one new tattoo studio opens everyday. Tattooing seems to be evenly spread through the United States with the west coast having the most per capita, with 20% of the population having at least one tattoo. Men and women have about equal share in this with 16% of the men and 15% of American women having at least one tattoo.

**Keywords:** Body Art, Tattoo, Tattoo Regret, Tattoo Removal, Natural Tattoo Erasing, Non Invasive technique.

#### **1 Introduction**

Over 66 million American have tattoos and about 20 percent want, or about 14 million, want to get rid of their tattoos or have what is called “tattoo regret.” The overall market for tattoo removal is about \$ 12 billion and is growing at the rate of 8-10 percent each year as the population matures.

The demand for tattoo removal can be expected to grow substantially over the next decade as the roughly 14 million young adults under thirty five currently wearing a tattoo mature. New tattoo inks arriving on the market that facilitate removal will add impetus to this demand, growing insistence on tattoo removal is also likely to expand research to develop more effective and lower cost methods of removing tattoos. If lifelong wearers of tattoo are found subject to health problems, removal would shift from what is now a cosmetic problem to a health problem.

Growing demand will create opportunities for a cadre of professionals who specialize in tattoo removal to address a national tattoo problem which presents a very attractive future.

#### **2 Background**

The art of tattoos has been present for a long time, and it has become increasingly popular. According to a survey done by Harris Polls at the beginning of 2012, 21% of U.S adults have at least one tattoo..

Among the respondents of the survey, adults who are most likely to have a tattoo are from 30-39 years old, followed by adults aged 25-29 (30%) and 18-24 (22%) (1)

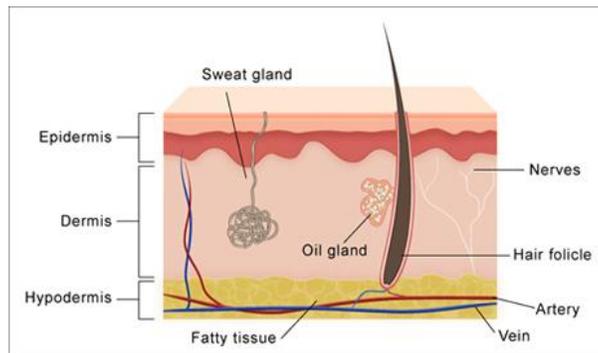
Among adults who have a tattoo, 86% of them have never regretted getting their tattoos. However, it does not necessarily mean that they do not regret the tattoos they have. Adults who choose to have a tattoo may not regret the decision, but they may want to get rid of the tattoo at some later point in life.

It could be that the motivation or the circumstances that compel them to get a tattoo might not be the same anymore. They might not be happy with the quality of the tattoo, or they simply want a new one. Therefore, the increase in tattoo popularity has driven up demand for tattoo removal procedures. Demand for laser tattoo removal has risen by at least 32% from 2011 to 2012 (2)

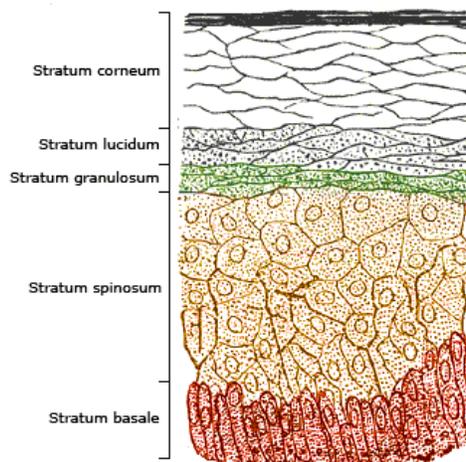
Internationally, tattoos, while age dependent (one must be 18 or older in US), are otherwise independent of factors like race, sex or ethnicity. Males used to have more tattoos than women in the early 2000s but, nowadays, the number of men and women with tattoos are roughly the same (3). People get tattoos for many reasons including aesthetics, media influences, fashion, uniqueness, group cohesion, spirituality, religion, cultural tradition, status, and cosmetic aid (3)

Adult human skin is about 2.5 mm thick. It consists of the epidermis, the dermis, and the subcutaneous fat layer (also called the hypodermis) as shown in figure 1. The epidermis is between 75 and 150  $\mu\text{m}$  thick. The epidermis contains five layers: stratum basale, stratum spinosum, stratum granulosum, stratum lucidum, stratum corneum (Figure 2). The bottommost layer is the stratum basale which has column shaped cells that divide and push cells into higher layers. The cells flatten out and die as they reach higher layers. The highest layer, stratum corneum, is made up of dead, flat skin cells. This layer sheds itself about every two weeks (4).

**Figure 1-** Layers of skin; <http://www.knowyourownskin.com.au/understanding-skin/layers-of-the-skin/>



**Figure 2-** Layers of epidermis; <http://en.wikipedia.org/wiki/Epidermis> (skin)

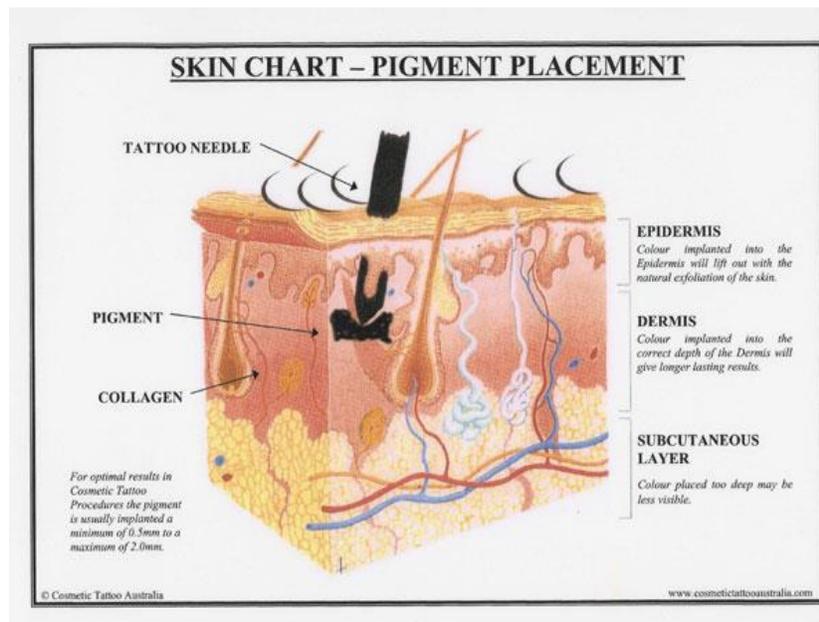


The dermis is usually less than 2 mm thick but may be up to 4 mm thick (Tobin). The dermis is considered to be the shock absorber. It contains fewer cells than the epidermis and gets its bulk from fibrous and amorphous extracellular matrix (ECM). The dermis consists of two layers: papillary and reticular layers. The upper papillary layer contains a thin arrangement of collagen fibers. Collagen plays a major role in tissue repair, migration, and adhesion. Collagens are critical in adhering the epidermis to the dermis. The lower reticular layer is made of thick collagen fibers arranged parallel to the surface of the skin. The dermis consists of many specialized cells. This includes hair follicles, oil glands and sweat glands. Blood vessels and nerves course through the dermis as well (4).

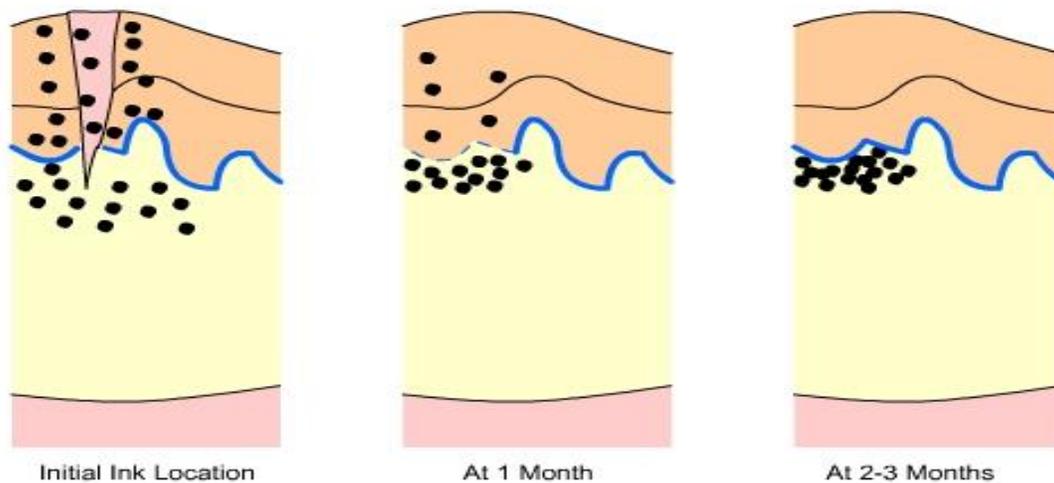
The subcutaneous tissue is also referred to as the hypodermis. This is the layer beneath the dermis. This tissue is a layer of fat and connective tissue. This tissue has the larger blood vessels and nerves. The hypodermis connects the skin to the muscles underneath.

When a person gets a tattoo, a small motorized needle is used to inject ink into the dermis. This is done at a speed of 50 - 3,000 times per minute (Figure 3). The ink is trapped in the dermis in a meshwork of fibroblast cells and collagen. Fibroblast cells maintain the structure of the connective tissue in the dermis. This forms granulation tissue which is collagen dense tissue. The body regards the ink as a foreign body and traps it under the skin. The needle creates small puncture wounds in the skin which the body heals with new skin cells. Ink particles are initially present in the dermis and epidermis. As the skin heals, ink in the epidermis flakes off as the stratum basale becomes the stratum corneum. After about 2 months, the ink in the epidermis has completely flaked off with the dead skin. The ink in the dermis clumps as the granulation tissue invades it and holds it in place so it cannot “invade” other parts of the body. The ink clumps together at the very top of the dermis. This process is shown in figure 4.

**Figure 3-** Ink/Pigment placement in the skin (<http://www.a-nu-yu.com/Images/skinchart.jpg>)



**Figure 4-** Ink particles in epidermis (above blue line) and dermis (below blue line) during recovery after getting a tattoo; <http://archives.evergreen.edu/webpages/curricular/1999-2000/humanbio/TattooInk.htm>



The color additives in tattoo ink pigments require approval from the Food, Drug, and Cosmetic Act. However this approval does not extend to injected use in the skin (5). Diluents and preservatives are added to the pigment to facilitate dyeing (5). Pigment manufacturers are not required to maintain their composition (6).

### 3 Tattoo Regret and Removal

A 2012 study in the United States concludes that among those with a tattoo, 14% regret getting a tattoo (1). A Dutch questionnaire in 2009 also showed that 14% of individuals with at least one tattoo experienced tattoo-related regret<sup>2</sup>. According to the United States Census Bureau, more than 300 million people populated the United States in 2012. 14% of the 21% of the population with a tattoo is more than 9 million people. The number of target consumers for a tattoo removal product is very high. A 2006 research study suggested that 12 million United States adults consider getting their tattoo(s) removed but do not go through with it (7).

Common reasons for tattoo regret include impulsiveness, health issues, professional reasons, size, and location on the body (2). Some people get tattoos when drunk or as an impulsive teenager and regret it when they get older. Some people may have a bad reaction to the inks in the tattoo. If someone wants to look professional, they may want to remove a tattoo that shows from underneath their clothes. The longer and more intense the time spent on the decision-making process corresponds to less regret (2).

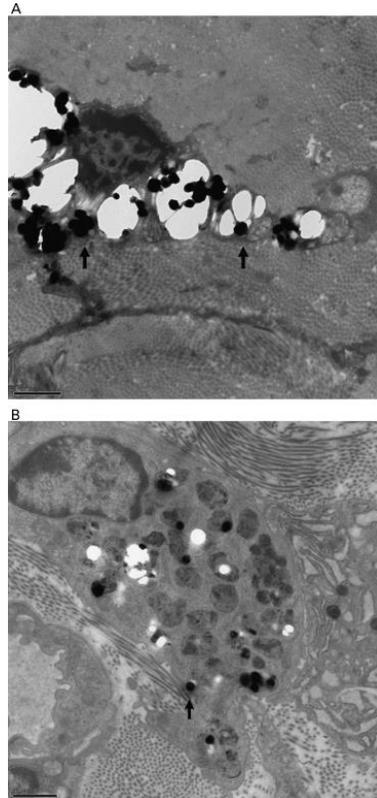
### 4 Current Methods of Tattoo Removal

According to the American Society of , the number of people undergoing laser tattoo removal by dermatologists increased 43% from 2011 to 2012.

Methods for removal of unwanted tattoos include lasers, dermabrasion, cryosurgery, and surgical excision (5,8). Laser tattoo removal is the most common removal method. Since the skin is a barrier

between a person and their external environment, most immune system stimulation happens here. In laser tattoo removal, the ink particles are shattered and are engulfed by tissue macrophages which are cleared by the lymphatic system or transepidermal elimination (5,8). Aggregates are broken down into smaller fragments, particles are pulverized into a solution of pigment molecules, and molecules may break up (9). This method is somewhat painful and may result in pigmentation of the skin. (Figure 5).

**Figure 5.** Tattoo pigments under an electron microscope. The arrows indicate the tattoo pigment size  
A. before treatment and B. after laser removal treatment. (10)



Available treatments for tattoo removal include a variety of lasers, dermabrasion, surgical excision, and topical products. Although these treatments are effective up to a certain extent, they are time consuming, expensive, and painful. Some will require multiple treatments. They can also leave cosmetically undesirable scarring. Therefore, there is room for improvement in these tattoo removal treatments.

Conventionally, mechanical and chemical methods may lead to undesirable skin damage, pigmentation changes, or permanent scars. Thus our goal is to evaluate current available tattoo removal methods and provide consumers with informative knowledge and alternative options if they decide to remove their tattoos. We have listed several currently available methods that claim to be able to remove tattoos effectively below:

## 5 Q-Switched Lasers

A laser that produces short and high power pulses. The reason why laser works beyond its ability to pass through skin's top layers is that the ink pigment itself absorbs the energy and starts to fragment.

Then the immune system of human bodies helps to remove these small pieces of fragment naturally. Q-switched laser can be delivered to target tattoo pigments at different wavelength⑥.

However, tattoo ink compositions are very complex and may vary between different manufactories. Therefore, inks that display similar color tone may have different absorption spectra. Ineffective treatment results or skin resistance to impulse light may occur; the worst outcome is paradoxical darkening. Green, yellow or any fluorescent tattoos are more difficult to remove because the corresponding wavelength is hard to produce. Complete laser removal requires many treatments sessions. Allergic reactions after treatments are possible. Treatments can be very uncomfortable in terms of causing intolerable pain.

## 6 Dermabrasion

Dermabrasion is a surgical invasive procedure that uses strong abrasive devices including a wire brush, diamond wheel or fraise, sterilized sandpaper, salt crystals, or other mechanical ways. Procedures typically require a [local anaesthetic](#) and typically remove the top to deeper layers of the epidermis, and extend into the reticular dermis, there is always minor skin bleeding. The procedure carries risks of scarring, skin discoloration, infections, and facial herpes virus (cold sore) reactivation. In aggressive dermabrasion cases, there is often tremendous skin bleeding and spray during the procedure that has to be controlled with pressure. After the treatment, the skin is normally very red and raw-looking. Depending of the level of skin removal with dermabrasion, it takes an average of 7–30 days for the skin to fully heal.

## 7 Surgical excision

Prior to the surgery, anesthetic will be injected to the tattooed area ③. The skin layer of the tattooed area is cut out to remove the tattoo. The open area is then closed with stitches. Moisturizing cream and sunscreen can be applied to the surgical area to prevent scar formation and to allow for adaption to the environment. Compared to other methods, surgical excision requires a short period of time to complete and does not require multiple treatments. It works best for small tattoos because it allows for precision, and it will be less painful as well as less dangerous. Several side effects include infection, skin discoloration, scarring, and pigment remaining in the skin.

## 8 Topical treatments

Products such as [Fadeplex](#), [TAT-Med](#), [Profade](#) and many other brands are currently available with affordable costs (12). Even though these products claim to exclude harmful chemical ingredients that FDA has banned, most of them still include variety types of whitening agents, alcohol or other ingredients that may cause skin allergy and inflammation. In addition, a full exfoliation is required before applying these products for better results. However, there is no significant scientific support behind these products. Consumers have to keep trying many products and wait for a long period of time without knowing whether the products are capable to erase their unwanted tattoos.

## 9 Our Approach:

In summary, all these evidence lead to the necessity of having a new non-invasive topical product that is natural, harmless and effective. Our invention NoTattz provides such an alternative option for consumers. It is 100% nontoxic and contains natural ingredients that suit for all skin types. We include natural ingredients such as ginger and turmeric that have been used as skin treatment in India and many other Asian countries thousands years ago. Our aim is to deliver active ingredients to the deep layer of skin and eliminate any skin irritation and burn. This product is designed and developed based on our patented technique (patent no.6,022,423) of breaking up and removing deeply embedded toner from a sheet of paper (13). We plan to use a similar approach to break the tattoo inks into smaller particles which will be absorbed into the body and eventually flushed out. Additionally, we introduce old Indian Ayurvedic techniques that have been used for centuries into our formula. Use of skin penetrators will help flow of tattoo removal solution into the skin and into the tattoo inks that need to be removed.

Further testing is suggested for continued improvement of the formulations.(14)

Our formulation takes into account factors like ethnicity, skin tone, eating and smoking habits of the person and provides detailed techniques of application and usage.

## 10 Labeling, Compliance and Regulations

Tattoo removal solutions are classified as cosmetics and thus do not fall under the FDA regulations.

According to FDA Cosmetics are defined as “ A cosmetic is a product, except soap, intended to be applied to the human body for cleansing, beautifying, promoting attractiveness, or altering the appearance.”

Our product (s) clearly fall under this category and meet all the necessary requirements.

FDA’s detailed guidelines governing claims (15), compliance (16) and regulatory (17) for labeling of cosmetics are available at FDA website.

<http://www.fda.gov/Cosmetics/CosmeticLabelingLabelClaims/CosmeticLabelingManual/ucm126438.htm>

<http://www.fda.gov/Cosmetics/CosmeticLabelingLabelClaims/default.htm>

<http://www.fda.gov/Cosmetics/GuidanceComplianceRegulatoryInformation/ucm074201.htm>

### Thanks to:

Emliy Fraser, Avery Yuan, Davidson Mcguffie and Candace DeRoin in helping gather data for this paper.

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- <http://www.fda.gov/Cosmetics/CosmeticLabelingLabelClaims/default.htm>
- <http://www.fda.gov/Cosmetics/GuidanceComplianceRegulatoryInformation/ucm074201.htm>

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**Point of Social and Education Development**

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### Emotions and Their Indications in the Glorious Qur'an Analytical, Linguistic and Rhetorical Study

#### Abstract:

Many people believe that heavenly books approach religious factors only, several disagree.

My first objective behind this article is show that the Glorious Quran took great care of human beings. It was not only concerned with the religious portions but also the social, physical and psychological portions. It mentions diverse stages or levels a human can undergo for instance the difficult situations Prophet Ya'qûb encountered.

My second aim is to illustrate the Quran's guidelines in different relations in the society such as, one between a father and son, between brothers, an individual with society and a society with an individual.

To conclude, the Holy Quran clearly explained all aspects in a human's life. Whether it was physical, social, or psychological, the Quran provided a luminous legitimate procedure to control or handle it.

**Keywords:** Allah, Benjamin, Edification, Huzn, Islamic, Jahiliyyah, Prophet Muhammad (PBUH), Prophet Ya'qûb, Rage, Shari`a, Prophet Yûsuf, Quran.

#### Keywords:

**Allah:** (English pronunciation: /'ælə/ or /'ɑ:lə/; Arabic: الله Allāh is the Arabic word for God (literally 'the God', as the initial "Al-" is the definite article). It is used mainly by Muslims to refer to God in Islam and Arab Christians. (Wikipedia, 2013) Page: 6.

**Benjamin:** Joseph (Yusuf) and Benjamin (Binyamin) were brothers with the same mother. Their mother, Rahil, first had Joseph. Then she died giving birth to Benjamin. Jacob (Ya'qub) paid special attention to those two sons, Joseph and Benjamin, due to that they lost their mother, and that they had a high degree of obedience and good manners. The other ten brothers envied those two because of this special attention they received from their father. (Islamicknowledge, n.d) Page: 12.

**Edification:** the instruction or improvement of a person morally or intellectually (Google,n.d.) Page: 10.

**Huzn:** (Arabic: حزن ) refers to sorrow or deep sadness. Page: 10.

**Islamic:** the religious faith of Muslims including belief in Allah as the sole deity and in Muhammad as his prophet. (Merriam-Webster,n.d.) Page: 6.

**Jahiliyyah:** (Arabic: جاهلية ḡāhiliyyah/jāhiliyyah "ignorance") is an Islamic concept of ignorance of divine guidance or the state of ignorance of the guidance from God or Days of Ignorance referring to the condition in which Arabs found themselves in pre-Islamic Arabia, i.e. prior to the revelation of the Quran to Muhammad. The root of the term jahiliyyah is the I-form verb jahala to be ignorant or stupid, to act stupidly. (Wikipedia, 2013) Page: 15.

**Prophet Muhammad (PBUH):** Abū al-Qāsim Muḥammad ibn ‘Abd Allāh ibn ‘Abd al-Muṭṭalib ibn Hāshim, also transliterated as Muhammad, was a religious, political, and military leader from Makkah who unified Arabia into a single religious polity under Islam. He was born in Makkah and died in Medina. (Wikipedia,2013) Page: 10

**Prophet Ya'qūb:** Ya'qūb, or Israel, known as Jacob, is a prophet in Islam who is mentioned in the Qur'an. He is acknowledged as a patriarch of Islam. Muslims believe that he preached the same monotheistic faith as his forefathers Ibrahim, Ishaq and Ismail. It is said that he was born in Canaan and died in Egypt. (Wikipedia, 2013) Page: 11

**Rage:** (Arabic: الكظم often called fury or frenzy) is a feeling of intense or growing anger. (Wikipedia, 2013) Page: 14.

**Shari`a:** (Arabic: شريعة šarī‘ah, "legislation"; sp. shariah, sharī‘ah; also قانون إسلامي qānūn ‘Islāmī) is the moral code and religious law of Islam. Sharia deals with many topics addressed by secular law such as crime, politics, and economics. (Wikipedia, 2013) Page: 9.

**Prophet Yūsuf:** Yūsuf ibn Ya‘qūb ibn Ishāq ibn Ibrāhīm is an Islamic prophet mentioned in the Qur'an, the holy scripture of Islam. (Wikipedia, 2013) Page: 1

**Quran:** The word "Quran," a verbal noun, is equivalent in meaning to "qira'ah," as both come from the verb "qara'a" which means "to read.". Quran literally means "a reading or reciting." However, the term "Quran" has been historically used specifically to refer to the book which was revealed to Prophet Muhammad (peace be upon him). The term "Quran" is mentioned in a number of places throughout the book in reference to itself. (Missionislam, n.d.)Page: 6.

### **Preface:**

All praise is due to Allāh; and blessings and peace be upon His messenger and servant, Muhammad who is the best among Allāh’s creation.

Throughout life, one goes through several situations across various fields, and faces many psychological and social difficulties with which actual life is overflowing, which makes it difficult to live at a uniform pattern. In some situations one feels happy, depressed, enraged or frightened and in each of them one expresses his/her feelings via different and various methods. Therefore, scholars were busy analyzing the feelings and emotions in order to enable the mind to control and utilize them with the aim of achieving one’s happiness. (Descartes, 1993, p. 8.)

So, why did Allāh<sup>1</sup> create such emotions? How would life look like without them? What is one’s mind is solely dedicated for thinking? (Mohammad, 2011, p. 237)

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<sup>1</sup> Allah (English pronunciation: /'ælə/ or /'ɑ:lə/; Arabic: الله Allāh is the Arabic word for God (literally 'the God', as the initial "Al-" is the definite article). It is used mainly by Muslims to refer to God in Islam and Arab Christians. (Wikipedia, 2013)

As psychologists held various definitions for emotions and formed difference and overlapping concepts for them despite being a common concept in psychology, this brief study has been conducted to look into the Islamic<sup>2</sup> and Quranic definition for emotions. It is also concerned with clarifying the Quranic illustration of emotions and their meanings.

The significance of this study lies in focusing on the concept of emotions in the Glorious Quran<sup>3</sup>.

The research is comprised of an index, preface, introduction, and conclusion, in addition to a list of the sources and references used. In the introduction, I will speak about the linguistic meaning of emotions and clarify their meanings in psychology. In the study, I will discuss the emotions mentioned in the Glorious Quran, explain their indications and analyze their significance with the aim of demonstrating the Islamic conception of emotions.

## 1 Introduction

The abstract deals with two main topics:

1. The linguistic meaning of emotions and their relevance and connection.
2. Emotions as defined by psychologists.

### Firstly: The linguistic meaning of emotions

Emotion is a noun that could be rendered into Arabic as "*infi'aal*". The verb is "*infa'ala*", and the infinitive is "*fa'ala*", meaning an act is being consummated. The main stem of the infinitive remained unchanged, while the inflection works by affixing other parts to the stem. (Ibn Manzour,1988?,pp.528-529)

René Descartes considers that all that which occurs or that happens anew, is by the philosophers, generally speaking, termed a passion, in as far as the subject to which it occurs is concerned, and an action in respect of him who causes it to occur. Thus although the agent and the recipient [patient] are frequently very different, the action and the passion are always one and the same thing, although having different names, because of the two diverse subjects to which it may be related. (Descartes,1993, p. 15)

### Secondly: Emotions as Defined by Psychologists

Psychologists presented various definitions for emotions. Some of them defined emotions as certain reflections of response to some situations, while others described them as severe psychological

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<sup>2</sup> The religious faith of Muslims including belief in Allah as the sole deity and in Muhammad as his prophet. (Merriam-Webster,n.d.)

<sup>3</sup> The word "Quran," a verbal noun, is equivalent in meaning to "qira'ah," as both come from the verb "qara'a" which means "to read." Quran literally means "a reading or reciting." However, the term "Quran" has been historically used specifically to refer to the book which was revealed to Prophet Muhammad (peace be upon him). The term "Quran" is mentioned in a number of places throughout the book in reference to itself. (Missionislam,n.d.)

disorders resulting from psychological situations or motivation demonstrated in man's behavior, sensational experience and internal physiological functions. (Abdel Hamid, 2002, pp. 166-167)

Emotions were also defined as psychological feelings or effects that are particularly attributed to the soul.<sup>4</sup> It was evident for psychologists that emotions have substantial impact on the soul. (Descartes, 1993, p.28)

Emotions were also described as readiness for an act, setting of priorities, upholding of plans, coupled with physical changes, expressions and passions. (Al-Rimawi, 2011, p.237)

Meanwhile, it is stated that emotions are a physical and psychological state accompanied with severe tension and physical discomposure that dominate the body's blood, respiratory and muscular systems.

Emotions were defined also as urgent and abrupt sentimental state, accompanied with physiological, organic and behavioral disorders, with which one can rapidly adapt with. (Al-Rimawi, 2011, pp. 256-258; Qattami, Y. and Ads, A. , 2002.pp. 217-218.)

Here, we realize the reasons for the differences among scientists' definitions of emotions. Despite being a human experience, emotions are hard to be defined. The previous definitions relied on the characteristics accompanying such emotions. (Al-Rimawi, 2011, p.238)

### Meaning of Emotions in the Glorious Quran

The Islamic *Shari'ah*<sup>5</sup> has been greatly concerned with mankind and cared most for them. The Glorious Quran includes several verses that deal with the nature of man. They described his various psychological states and demonstrated several emotions which he experiences, in addition to citing their deviation, means of remedy and prevention, and means of edification<sup>6</sup>.

#### These emotions include:

##### 1. Sadness:

Sadness is the antonym of gladness. The Arabic equivalent of sadness is 'ḥuzn', which is derived from 'ḥazan' that means a bumpy land. (Ibn Manzour, 1988?, pp.111-112) Thus, sadness usually entails uncomfortable and difficult conditions. In the Glorious Quran, sadness has been mentioned several times, both individually or accompanied with other feelings like fear. Quranic verses also indicated that sadness may be over past events, and may be over the future if accompanied with fear. They also demonstrated the physiological impacts of sadness and its gradual nature. According to the Quranic

<sup>4</sup> Rene Descartes said in *Passions of the Soul* that the principle of differentiation between the soul and body is based on a distinct idea about one's soul as a thinking entity while the body is an extended entity that could not think. The soul is therefore the thinking and the body is an extension. René Descartes, *Passions of the Soul*, translated by George Zinaty, p. 15.

<sup>5</sup> Sharia (Arabic: شريعة *sharī'ah*], "legislation"; sp. shariah, sharī'ah; also قانون إسلامي *qānūn 'Islāmī*) is the moral code and religious law of Islam. Sharia deals with many topics addressed by secular law such as crime, politics, and economics. (Wikipedia, 2013)

<sup>6</sup> The instruction or improvement of a person morally or intellectually (Google,n.d.)

verses, sadness may be short-lived and temporary, may be extended for a prolonged time, or may be experienced in the Hereafter.

Sadness has been referred to in the Glorious Quran in the verse that reads:

التوبة 92 [ (وَلَا عَلَى الَّذِينَ إِذَا مَا أَتَوْكَ لِتَحْمِلَهُمْ قُلْتَ لَا أَجِدُ مَا أَحْمِلُكُمْ عَلَيْهِ تَوَلَّوْا وَأَعْيُنُهُمْ تَفِيضُ مِنَ الدَّمْعِ حَزَنًا أَلَّا يَجِدُوا مَا يُنْفِقُونَ)

[

*“Nor (is there blame) on those who came to you to be provided with mounts, when you said: ‘I can find no mounts for you,’ they turned back, while their eyes overflowing with tears of grief that they could not find anything to spend (for Jihād)” [9:092].*

The verse referred to the weak and sick companions who departed from Prophet Muhammad<sup>7</sup> (PBUH) with their eyes flowing and pouring with tears for sorrow that they could not find the means to expend, for the [campaign] struggle. The word ‘hazanan’ provided two meanings in this verse. The first one shows the reaction and the second shows the reason for their reaction.

Allâh also says:

[ يوسف 12 ( قَالَ إِنِّي لَيَحْزُنُنِي أَنْ تَذْهَبُوا بِهِ وَأَخَافُ أَنْ يَأْكُلَهُ الذِّئْبُ وَأَنْتُمْ عَنْهُ غَافِلُونَ)

*“He [Ya'qûb (Jacob)] said: ‘Truly, it saddens me that you should take him away. I fear lest a wolf should devour him, while you are careless of him’.” [12:13] and says in another place:*

[ يوسف 84 (وَتَوَلَّى عَنْهُمْ وَقَالَ يَا أَسْفَىٰ عَلَىٰ يَوْسُفَ وَابْيَضَّتْ عَيْنَاهُ مِنَ الْحُزْنِ فَهُوَ كَظِيمٌ)

*“And he turned away from them and said: ‘Alas, my grief for Yûsuf (Joseph)!” And he lost his sight because of the sorrow that he was suppressing.” [12:84]*

The above verses show how sadness could gradually extend to a long period, which caused physical damages. In the first verse, Prophet Ya'qûb<sup>8</sup> felt sad for his son Yûsuf<sup>9</sup> might be away from him. His sorrow was mixed with fear that Yûsuf may be attacked by a wolf while being not attended to by his brothers who would be busy playing and racing. Ya'qûb openly demonstrated his sadness if Yûsuf is taken away by his brothers for he could not bear parting with him and because he wanted the brothers to stop insisting on taking Yûsuf. The word “layahzonani” is written in the present tense to demonstrate that the sadness he felt reoccurred every time he was separated from Yusef. The obedient son should avoid anything that may sadden his father.

<sup>7</sup> Abū al-Qāsim Muḥammad ibn ‘Abd Allāh ibn ‘Abd al-Muṭṭalib ibn Hāshim, also transliterated as Muhammad, was a religious, political, and military leader from Makkah who unified Arabia into a single religious polity under Islam. He was born in Makkah and died in Medina. ( Wikipedia,2013)

<sup>8</sup> Ya'qûb, or Israel, known as Jacob, is a prophet in Islam who is mentioned in the Qur'an. He is acknowledged as a patriarch of Islam. Muslims believe that he preached the same monotheistic faith as his forefathers Ibrahim, Ishaq and Ismail. It is said that he was born in Canaan and died in Egypt. ( Wikipedia,2013)

<sup>9</sup> Yûsuf ibn Ya' qûb ibn Ishāq ibn Ibrāhīm is an Islamic prophet mentioned in the Qur'an, the holy scripture of Islam.( Wikipedia,2013)

The second verse speaks about the state of Ya'qûb after he was inflicted by the departure of his second son Benjamin.<sup>10</sup> He turned away from his sons and stayed in seclusion (Al-Andalusi, n.d., p.49), with sorrowfulness renewed over Yûsuf. Ya'qûb was overwhelmed by renewed sorrow over the loss of his son Yûsuf<sup>11</sup>, until he lost his sight. The renewal of sorrow led to a damage in eyesight nerve. (Okashah and Okashah, n.d., pp. 29-30.; Ibn'Ashur, 1997, pp. 42-43; Al-Alusi, n.d., p. 40.) In this situation, Ya'qûb's passion was so strong it could almost be seen physically. Even though it is believed that a father's passion could never reach this strength. Prophet Ya'qûb suppressed his sorrow and did not complain to others, because he believed that his sorrow would not be ended except by the removal of the cause, i.e. the return of his son Yûsuf. Thus, Ya'qûb resorted to his Lord and complained to him with profound belief that his calamity would be ended. Allâh, Exalted be He, says:

[ يوسف 18 ] (وَجَاءُوا عَلَى قَمِيصِهِ بِدَمٍ كَذِبٍ قَالَ بَلْ سَوَّلَتْ لَكُمْ أَنْفُسُكُمْ أَمْرًا فَصَبِرْ جَمِيلًا وَاللَّهُ الْمُسْتَعَانُ عَلَى مَا تَصِفُونَ)

*“And they brought his shirt stained with false blood. He said: ‘Nay, but your own selves have made up a tale. So (for me) patience is most fitting. And it is Allâh (Alone) Whose Help can be sought against that (lie) which you describe.’”* [12:18]

[ يوسف 83 ] (قَالَ بَلْ سَوَّلَتْ لَكُمْ أَنْفُسُكُمْ أَمْرًا فَصَبِرْ جَمِيلًا عَسَى اللَّهُ أَنْ يَأْتِيَنِي بِهِمْ جَمِيعًا إِنَّهُ هُوَ الْعَلِيمُ الْحَكِيمُ)

*“He [Ya'qûb (Jacob)] said: ‘Nay, but your own selves have beguiled you into something. So patience is most fitting (for me). May be Allâh will bring them all (back) to me. Truly, He! Only He is All-Knowing, the All-Wise.”* [12:83]

Prophet Ya'qûb urged himself to be patient and entrusted his Lord, renewing his confidence in Him.

[ يوسف 86 ] (قَالَ إِنَّمَا أَشْكُو بَثِّي وَخُزْنِي إِلَى اللَّهِ)

*“He said: “I only complain of my grief and sorrow to Allâh”* [12:86]

Assistance should be sought from Allâh only. The psychological motives call for showing grief. The spiritual motives call for adhering to Allâh and being patient. Thus, there is a conflict between the two motives. His actions towards his sons guided the whole world to the perfect relationship between fathers and sons. So, if Allâh's help is not granted, one would not be victorious. [12:18](Al-Alusi, n.d., pp. 201-202.)

Allâh, Exalted be He, says:

[ يوسف 18 ] (وَاللَّهُ الْمُسْتَعَانُ عَلَى مَا تَصِفُونَ)

*“And it is Allâh (Alone) Whose Help can be sought against that (lie) which you describe.”*

The Qur'anic verses show afterwards that Allâh gave him eyesight. The verse reads:

<sup>10</sup> Joseph (Yusuf) and Benjamin (Binyamin) were brothers with the same mother. Their mother, Rahil, first had Joseph. Then she died giving birth to Benjamin. Jacob (Ya'qûb) paid special attention to those two sons, Joseph and Benjamin, due to that they lost their mother, and that they had a high degree of obedience and good manners. The other ten brothers envied those two because of this special attention they received from their father. (Islamicknowledge, n.d)

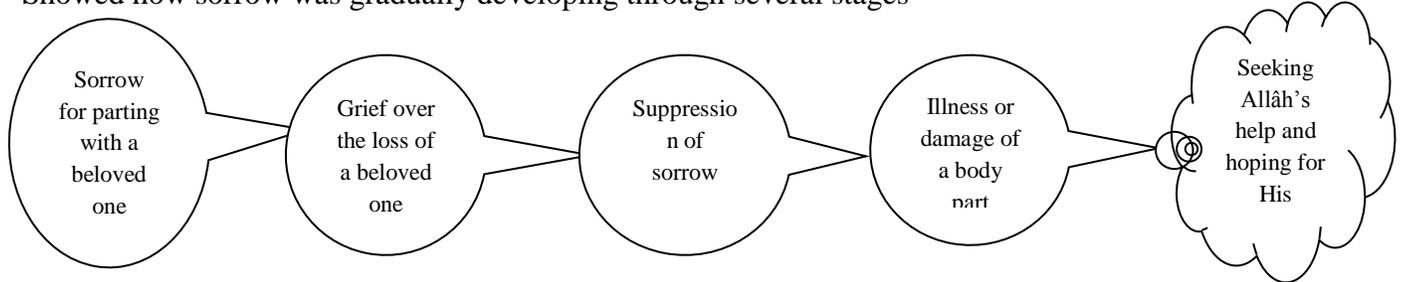
<sup>11</sup> It was narrated that Yûsuf stayed away from his father for eighty years, during which Ya'qûb's heart was filled with sorrow and his eyes with tears, till he lost sight. (Al-Alusi, n.d., pp. 39-40.)

[ يوسف 93 ((أَذْهَبُوا بِقَمِيصِي هَذَا فَأَلْفُوهُ عَلَىٰ وَجْهِ أَبِي يَأْتِ بَصِيرًا))

“Go with this shirt of mine, and cast it over the face of my father, he will become clear-sighted” [12:93]

We notice that the Qur'an:

Showed how sorrow was gradually developing through several stages



- 1- Highlighted the physiological impact of grief
- 2- Unveiled the physical and psychological remedy

## 2. Rage<sup>12</sup>:

As the Glorious Qur'an described Yûsuf as repressing his anger, it also mentioned the same description in various situations, as in the verse reading:

[ النحل 58 ((وَإِذَا بُشِّرَ أَحَدُهُم بِالْأُنثَىٰ ظَلَّ وَجْهُهُ مُسْوَدًّا وَهُوَ كَظِيمٍ))

“And when the news of (the birth of) a female (child) is brought to any of them, his face becomes dark, and he is filled with inward grief!” [16:8]

[ الزخرف 17 ((وَإِذَا بُشِّرَ أَحَدُهُم بِمَا ضَرَبَ لِلرَّحْمَنِ مَثَلًا ظَلَّ وَجْهُهُ مُسْوَدًّا وَهُوَ كَظِيمٍ))

and “And if one of them is informed of the news of (the birth of a girl) that which he sets forth as a parable to the Most Gracious (Allāh), his face becomes dark, and he is filled with grief!” [43:17]

[ آل عمران 134 ((الَّذِينَ يُنْفِقُونَ فِي السَّرَّاءِ وَالضَّرَّاءِ وَالْكَاطِمِينَ الْغَيْظَ وَالْعَافِينَ عَنِ النَّاسِ))

And “Those who spend (in Allāh's Cause) in prosperity and in adversity, who repress anger, and who pardon men; verily, Allāh loves Al-Muhsinûn (the good doers).” [3:134]

Restraining one's anger means that one is filled with anger but he represses it. Here, it is the repression of anger and not sadness. Such anger is triggered by the birth of a female child as in the first two verses, and thus it is a dispraised emotion. In the third verses, anger is repressed in the case of being wronged and violated, while is a desirable emotion. In the first two verses, the repressed anger is caused by the birth of a female child and may be against the wife who gave birth to a female. The repression of anger was not meant as a form of worshipping Allāh and was not accompanied with a hope for an end to its cause. It was spurred by fearing that one may be ridiculed or that one's weakness

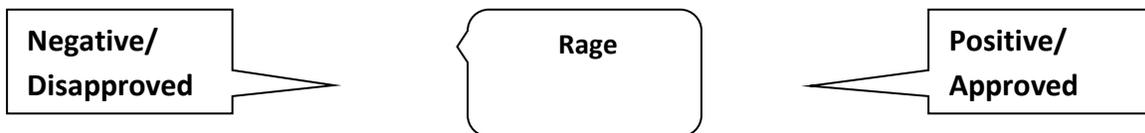
<sup>12</sup> Rage: (Arabic: الكظم often called fury or frenzy) is a feeling of intense or growing anger. (Wikipedia, 2013)

is shown. The verses describe the behavior of man in pre-Islamic era (Jahiliyyah)<sup>13</sup> and shows disapproval for such an emotion, as it is mentioned in a scornful and censured manner. Allâh, the All Mighty, says:

(وَإِذَا بُشِّرَ أَحَدُهُمْ بِالْأُنثَىٰ ظَلَّ وَجْهُهُ مُسْوَدًّا وَهُوَ كَظِيمٌ ، يَتَوَارَىٰ مِنَ الْقَوْمِ مِنْ سُوءِ مَا بُشِّرَ بِهِ أَيُمْسِكُهُ عَلَىٰ هُونٍ أَمْ يَدُسُّهُ فِي التُّرَابِ [النحل 58-59] [أَلَا سَاءَ مَا يَحْكُمُونَ])

“*And when the news of (the birth of) a female (child) is brought to any of them, his face becomes dark, and he is filled with inward grief! He hides himself from the people because of the evil of that whereof he has been informed. Shall he keep her with dishonor or bury her in the earth? Certainly, evil is their decision.*” [16:-58-59]

Accordingly, the Qur'an verses approved of and encouraged the repression of anger when the motive is noble and positive. However, it disapproved of and discouraged repression of anger when its motive is negative and hostile.



### 3. Gladness:

Linguistically, gladness is the antonym of sadness. It is when one feels light hearted and it may reach the level of vanity. (Ibn Manzour,1988?, p. 541) In the Glorious Qur'an, gladness refers to happiness, ease and cheerfulness, as in the verse:

[يونس22] (هُوَ الَّذِي يُسَيِّرُكُمْ فِي الْبَرِّ وَالْبَحْرِ حَتَّىٰ إِذَا كُنْتُمْ فِي الْفُلِكِ وَجَرِينِ بِهِمْ بِرِيحٍ طَيِّبَةٍ وَفَرِحُوا)

“*He it is Who enables you to travel through land and sea, till when you are in the ships, and they sail with them with a favorable wind, and they are glad therein,*” [10:22].

The bliss is overwhelming them till they become cheerful and happy.(Al-Alusi,n.d., p. 96; Ibn 'Ashur, 1997, p.136) Allâh also says:

[التوبة81] (فَرِحَ الْمُخَلَّفُونَ بِمَقْعَدِهِمْ خِلَافَ رَسُولِ اللَّهِ)

“*Those who stayed away (from Tabuk expedition) rejoiced in their staying behind the Messenger of Allâh;*” [9:81]<sup>14</sup>.

<sup>13</sup> Jahiliyyah (Arabic: جاهلية gāhiliyyah/jāhiliyyah "ignorance") is an Islamic concept of ignorance of divine guidance or the state of ignorance of the guidance from God or Days of Ignorance referring to the condition in which Arabs found themselves in pre-Islamic Arabia, i.e. prior to the revelation of the Quran to Muhammad. The root of the term jahiliyyah is the I-form verb jahala to be ignorant or stupid, to act stupidly. ( Wikipedia,2013)

<sup>14</sup> Those who rejoiced were the hypocrites who disobeyed the Prophet's order.

Joy may also refer to excessive happiness that is spurred by worldly causes, which may become vanity and haughtiness. Haughty persons are usually arrogant and heedless. Allâh, Exalted be He, disapproves of such a level of joy. He says:

[ الحديد 23 ] ( لِكَيْلَا تَأْسَوْا عَلَىٰ مَا فَاتَكُمْ وَلَا تَفْرَحُوا بِمَا آتَاكُمْ وَاللَّهُ لَا يُحِبُّ كُلَّ مُخْتَالٍ فَخُورٍ )

**“In order that you may not grieve at the things over that you fail to get, nor rejoice over that which has been given to you. And Allâh likes not every prideful boaster.”** [57:23]. This verse means that one should not be sad for missing worldly pleasures and should not also feel happy if he attains them. Whoever acknowledges that everything is predestined by the Creator should firmly believe that whatever he missed will inevitably be missed and whatever is attained will inevitably be attained. (Al-Alusi,n.d., p.187; Ibn 'Ashur,1997,pp.411-412) The All-Mighty Allâh says:

[ القصص 76 ] ( لَّا يُحِبُّ الْفَرِحِينَ ) إِنَّ قَارُونَ كَانَ مِنْ قَوْمِ مُوسَىٰ فَبَغَىٰ عَلَيْهِمْ وَأَتَيْنَاهُ مِنَ الْكُنُوزِ مَا إِنَّ مَفَاتِحَهُ لَتَنُوءُ بِالْعُصْبَةِ أُولِي الْقُوَّةِ إِذْ قَالَ لَهُ قَوْمُهُ لَا تَفْرَحْ إِنَّ اللَّهَ

**“Verily, Qârûn (Korah) was of Mûsâ's (Moses') people, but he behaved arrogantly towards them. And We gave him of the treasures, that of which the keys would have been a burden to a body of strong men. Remember when his people said to him: "Do not exult (with riches, being ungrateful to Allâh). Verily, Allâh likes not those who exult (with riches, being ungrateful to Allâh).”** [28:76].

He also says:

[ الأنعام 144 ] ( فَلَمَّا نَسُوا مَا ذُكِّرُوا بِهِ فَتَحْنَا عَلَيْهِمْ أَبْوَابَ كُلِّ شَيْءٍ حَتَّىٰ إِذَا فَرِحُوا بِمَا أُوتُوا أَخَذْنَاهُمْ بَغْتَةً فَإِذَا هُمْ مُبْلِسُونَ )

**“So, when they forgot (the warning) with which they had been reminded, We opened for them the gates of every (pleasant) thing, until in the midst of their enjoyment in that which they were given, all of a sudden, We took them (in punishment), and lo! They were plunged into destruction with deep regrets and sorrows.”** [6:44].

These two verses speak about those upon whom Allâh has bestowed many and various favors such as welfare, affluence and strength, but as part of a plot against them. Thus, they rejoiced insolently and forgot Allâh Who bestowed such favors, and they felt disrespect for their peers, belittled their rights and encroached upon them, as was the case with Qârûn and his people.(Al-Alusi,n.d., p. 151; Ibn 'Ashur,1997,p.230)

As has been previously stated, there are several types and degrees of gladness in the Glorious Qur'an:

- 1- A type of gladness that is spurred by worldly events, such as a certain situation. It is either transient or long-term. In addition, this type of gladness may be allowed because it entails no harm, or prohibited due to its excessive nature and because it is triggered by affection for worldly pleasures. The latter subdues the soul's interest in righteous deeds and religious morals. This type of gladness causes the soul to plunge and be immersed in pleasures and thus the soul turns away from psychological perfection. Thus, gladness turns into the ugly form of haughtiness.
- 2- A type of gladness that becomes a personal trait, in which gladness turns into exultation and extravagance until it becomes an inherent and natural trait as well as a fixed characteristic that

is stuck with the human soul and thus becomes a natural disposition.<sup>15</sup> In the Glorious Qur'an, Allâh, Exalted be He, expresses disapproval for such a type, as in:

[القصص 76] [لَا تَفْرَحْ إِنَّ اللَّهَ لَا يُحِبُّ الْفَرِحِينَ]

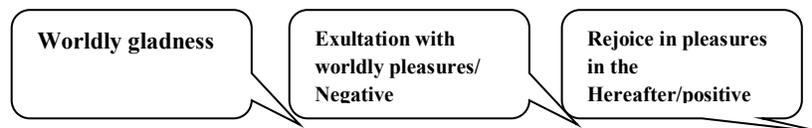
**“Do not exult (with riches, being ungrateful to Allâh). Verily, Allâh likes not those who exult (with riches, being ungrateful to Allâh).”** [28:76] (Ibn 'Ashur, 1997, pp.176-178)

3- The Glorious Qur'an also adds a new concept for gladness. It is this form of rejoicing that it is not worldly, as it takes place after death in the Hereafter. The believer is promised to be glad as a reward for his deeds in the worldly life. Allâh, Exalted be He, says:

[آل عمران 169-] [وَلَا تَحْسَبَنَّ الَّذِينَ قُتِلُوا فِي سَبِيلِ اللَّهِ أَمْوَاتًا بَلْ أحيَاءٌ عِنْدَ رَبِّهِمْ يُرْزَقُونَ (169) فَرِحِينَ بِمَا آتَاهُمُ اللَّهُ مِنْ فَضْلِهِ] 170 [

**“Think not of those who are killed in the way of Allâh as dead. Nay, they are alive, with their Lord, and they have provision. They rejoice in what Allâh has bestowed upon them of His bounty.”** [3:169-170].

Martyrs will experience a special form of life that is unknown in this world. It is not the life of bodies, flow of blood inside vessels, or pulses of the heart. It is an eternal life in which the believers experience the true pleasures, such as rejoicing over what is bestowed by their Lord, and rejoice for the sake of those who have not yet joined them, but are left behind (not yet martyred). That is why the verse reads, **“with their Lord,”** to indicate a special form of gladness. (Ibn 'Ashur, 1997, pp.122-123; Al-Alusi,n.d., p.166 ; Al-Andalusi,n.d.,p.207)



#### 4. Joy:

Joy is a feeling of great happiness. In Arabic, joy, or “surû” is derived from “sarrâ” which describes bliss and prosperity. (Ibn Manzour, 1988?, p.646) It is different from gladness.

Allâh, the All-Mighty says:

[الانشقاق9] [وَيَنْقَلِبُ إِلَىٰ أَهْلِهِ مَسْرُورًا]

**“And will return to his family in joy!”** [84:9]

[الإنسان 11] [فَوَقَاهُمُ اللَّهُ شَرَّ ذَلِكَ الْيَوْمِ وَلَقَّاهُمْ نَضْرَةً وَسُرُورًا]

**And “So, Allâh saved them from the evil of that Day, and gave them Nadhrah (a light of beauty) and joy.”** [76:11]

In the previous two verses, the believer is promised the bliss in the Hereafter. In the first verse, the believer returns to his family in a state of delight for his status and filled with joy. In the second one, the believer is given a light of beauty on his face. This beauty was mentioned specifically because it

<sup>15</sup> A natural or acquired habit or characteristic tendency in a person or thing. (Hyperdictionary, 2000-2009)

indicates the well being of one's skin, which is the result of the soul's joy, opulence and comfort. (Ibn 'Ashur, 1997, pp.103-197; Al-Alusi,n.d., pp.236-388) This is a physiological impact that is reflected on one's skin upon the state of being joyful. Allâh, the All-Mighty, has promised believers that they would be joyful in the Hereafter so that they would be patient and serious in his deeds. Thus, joy is an emotion that follows gladness. However, it has a longer impact and is more extensive and will have a higher reward. Joy is for no one except for those upon whom blessings are bestowed externally and internally. Joy was only mentioned twice in the holy Quran. "Surûr" was written as a noun and not a verb to show that it is continual, never-ending.

## 5. Anger:

Anger is the antonym of satisfaction. It is a human psychological feeling of which no soul is void. However, anger varies, as the anger of the created is inside their hearts and is intermingled with their souls. Anger is either lauded or dispraised; the former type is when it is based on religion and justice, while the latter type is when it is triggered for an unjust cause. Allâh's anger is inflicted upon those who commit sins and thus are punished. (Ibn Manzour, 1988?, p.646)

The Glorious Qur'an touched upon anger in several verses and expressed it in two forms:

First: One's anger for himself. In such a case, the believer is urged to be tolerant and forgiving.

Second: One's anger for religion and justice. In such a case, anger is encouraged and should be advocated.

Allâh, Exalted be He, says:

[الشورى 37] (وَالَّذِينَ يَجْتَنِبُونَ كَبَائِرَ الْإِثْمِ وَالْفَوَاحِشَ وَإِذَا مَا غَضِبُوا هُمْ يَغْفِرُونَ)

***“And those who avoid the greater sins, and Al-Fawâhish (illegal sexual intercourse), and when they are angry, they forgive.”*** [042:037]

[الشورى 39] (وَالَّذِينَ إِذَا أَصَابَهُمُ الْبَغْيُ هُمْ يَنْتَصِرُونَ)

And ***“And those who, when an oppressive wrong is done to them, take revenge.”*** [42:39]

Anger is stated in these two verses. In the first one, anger occurs in dealings among Muslims and they are indirectly prompted to follow anger with forgiveness and tolerance. Allâh calls for forgiveness, as he says ***“they forgive”*** in the progressive tense to indicate continuity.

Meanwhile, when it comes to anger against the enemies of religion, they [believers] take revenge if they are transgressed. (Ibn'Ashur, 1997, p.111) The All-Mighty says:

(وَلَمَّا رَجَعَ مُوسَى إِلَى قَوْمِهِ غَضْبَانَ أَسِفًا قَالَ بِئْسَمَا خَلَفْتُمُونِي مِنْ بَعْدِي أَعَجَلْتُمْ أَمْرَ رَبِّكُمْ وَأَلْقَى الْأَلْوَاخَ وَأَخَذَ بِرَأْسِ أَخِيهِ يَجُرُّهُ [إِلَيْهِ] الْأَعْرَافَ 150)

***“And when Mûsâ (Moses) returned to his people, angry and grieved, he said: "What an evil thing is that which you have done (i.e. worshipping the calf) during my absence. Did you hasten and go ahead as regards the matter of your Lord (you left His worship)?" And he threw down the Tablets and seized his brother by (the hair of) his head and dragged him towards him.”*** [7:150]

[ الْأَعْرَافَ 154 ] ( وَلَمَّا سَكَتَ عَنْ مُوسَى الْغَضَبُ أَخَذَ الْأَلْوَاخَ وَفِي نُسُخَتِهَا هُدًى وَرَحْمَةٌ لِلَّذِينَ هُمْ لِرَبِّهِمْ يَرْهَبُونَ )

And “*And when the anger of Mûsâ (Moses) was calmed down, he took up the Tablets; and in their inscription was guidance and mercy for those who fear their Lord.*” [7:154]

Mûsâ’s extreme anger was spurred by the need for advocating justice and his Lord. The first verse depicts how enraged Mûsâ was when returned to his people and found them committing disobedience and disbelief. He was strongly angry and deeply sorrowful when he found out that his people’s state was altered and corrupted. The verse uses personification. It states “the anger of Mûsâ (Moses) was calmed down” to show to what extent Mûsâ was angry. As if the anger was another person attached to Mûsâ. He feared that divine punishment would be inflicted upon his brother and people. Infuriated by the abominable act of his people, Mûsâ threw down the Tablets and seized his brother by his hair or beard out of belief that he did not exert much effort in preventing the people from committing such a sin. Thus, Harûn was quick to say what would soothe his brother’s extreme anger; he humbly beseeched his brother saying "O son of my mother! Indeed the people judged me weak and were about to kill me, so make not the enemies rejoice over me, nor put me amongst the people who are Zâlimûn (wrong doers)." [007:150]. Harûn reminded Mûsâ of their brotherhood mention the mother and not the father to soften his brother’s heart. (Ibn 'Ashur, 1997, p.67; Al-Alusi,n.d., pp.113-114)

The second verse depicts Mûsâ after his anger has subsided following his brother’s apology and justification. However, Mûsâ’s anger is not totally drained because the repentance of his people is not fully accomplished. Yet, the severity of his anger has abated. An angry person is usually self-incited to commit acts to extinguish the flare-up of anger. When anger is soothed, the soul calms down. ( Ibn 'Ashur,1997, p.71; Al-Alusi,n.d., pp.121-122) The feeling of anger should only be present for the sake of Allah. If a person wrongs someone he should apologize and justify himself.

Anger spurred by violation of justice is lauded

Anger triggered by a desire to revenge for oneself is dispraised. The Quran remedies it through tolerance

## 6. Fear:

Fear was mentioned individually in some places in the Glorious Qur'an and accompanied with sadness in other verses. As an example of the first type, The All-Mighty says:

[ قريش4] (الَّذِي أَطْعَمَهُمْ مِنْ جُوعٍ وَأَمَّنَّهُمْ مِنْ خَوْفٍ)

“(He) Who has fed them against hunger, and has made them safe from fear.” [106:4] The verse means that Allâh provided them with safety in the Holy Mosque in Makkah to offset the fear caused by their limited number. (Ibn 'Ashur, 1997, p.561)

Allâh also says:

[ آل عمران175] (إِنَّمَا ذَلِكَ الشَّيْطَانُ يُخَوِّفُ أَوْلِيَاءَهُ فَلَا تَخَافُوهُمْ وَخَافُوا اللَّهَ إِن كُنْتُمْ مُؤْمِنِينَ)

*“It is only Shaitân (Satan) that suggests to you the fear of his Auliyâ' [supporters and friends (polytheists, disbelievers in the Oneness of Allâh and in His Messenger, Muhammad [sal-Allâhu 'alayhi wa sallam]); so fear them not, but fear Me, if you are (true) believers.”* [3:175]

[ يونس83 ] (فَمَا أَمَّنْ لِمُوسَى إِلَّا ذُرِّيَّةً مِنْ قَوْمِهِ عَلَى خَوْفٍ مِنْ فِرْعَوْنَ وَمَلَئِهِمْ أَنْ يَفْتِنَهُمْ)

and *“But none believed in Mûsâ (Moses) except (some) offspring of his people, because of the fear of Fir'aun (Pharaoh) and their chiefs, lest he should persecute them.”* [10:83]

In the first verse, the Creator prohibits the believers from having fears from the supporters of Satan, as they should fear Allâh only. (Al-Alusi, n.d. p.129; Ibn 'Ashur, 1997, p.172) A person who truly fears Allah alone reaches perfection. If a person fears Allah alone he would know the consequences of disobeying him. This would make all his actions positive towards all his relations. If everybody was only afraid of God a perfect society would exist. In the second verse, Mûsâ's people feared Fir'aun, but still believed in him. (Al-Alusi, n.d., p.168; Ibn 'Ashur, 1997, p.259)

The Qur'an also mentioned fear along with grief in several verses, as in:

[ آل عمران170 ] ( فَلَهُمْ أَجْرُهُمْ عِنْدَ رَبِّهِمْ وَلَا خَوْفٌ عَلَيْهِمْ وَلَا هُمْ يَحْزَنُونَ )<sup>16</sup>

*“...They shall have their reward with their Lord. On them shall be no fear, nor shall they grieve.”* [2:274]

As for the reason why both emotions came together, it was said that fear is for the future and grief is over the past. Meanwhile, it was also said that both of them are for the future, but fear is for potential loss of a needed thing and grief is over possible missing of a beloved one. Thus, believers shall not fear that they might be harmed, or grieve over missing a beloved thing.

Fear was mentioned first in the verse because negating fear for what is ahead has a greater impact on the soul more than negating grief over what is in the past.

Accordingly, it can be safely said that the Qur'an mentioned both fear and grief accompanying each other and thus the particularity of each of them is valid for the other. (Ibn'Ashur, 1997, p.541)

Fear mentioned alone

Fear accompanied with  
grief

## 2 Tranquility:

Linguistically, tranquility means repose. (Ibn Manzour, 1988?, p.98)

Allâh, Exalted be He, says:

[ الرعد -28 ] (الَّذِينَ آمَنُوا وَتَطْمَئِنُّ قُلُوبُهُمْ بِذِكْرِ اللَّهِ أَلَا بِذِكْرِ اللَّهِ تَطْمَئِنُّ الْقُلُوبُ)

*“Those who believed (in the Oneness of Allâh – Islamic Monotheism), and whose hearts find rest in the remembrance of Allâh, verily, in the remembrance of Allâh do hearts find rest.”* [13:28]. One's

<sup>16</sup>وردت الآية بنفس اللفظ (قلوبهم) وبلفظ (قله أجزه عند ربه ولا خوف عليهم ولا هم يحزنون) في سورة البقرة 62، 277، 274، 262، 112، آل عمران 170

heart finds rests when it becomes assured and tranquil because of the remembrance of Allâh and supplication for Him through the recitation of His miraculous verses, contemplation of universal proofs that show His Oneness, belief in Him, discarding doubt and hesitation. All of these acts lead to the tranquility and rest in one’s heart.(Al-Alusi,n.d.,p.149) This is why the verb ‘find’ is in the present tense, as it indicates continuity and renewal whenever the remembrance of the Creator or contemplation of His universal proofs occurs.

It can be concluded that the Glorious Qur'an gave some additional meanings to emotions:

Sadness	Anger	Fear	Joy	Rage	Gladness	Tranquility
<p>1. It is one of the characteristics of the sound personality when it is spurred by justice.</p> <p>2. It may turn from a transient feeling into a characteristic of the human personality if it is victorious</p>	<p>1. It may be an individual and personal feeling and may be a collective feeling</p> <p>2. It may occur individually or accompanied with fear</p> <p>3. It has degrees and occurs gradually, beginning with pain, then distress and eventually illness and handicapping</p> <p>4. In some of its stages it may be a privilege of sound personality that does not demonstrate it except for those who are able to end it.</p>	<p>1.It may be for past events lest they should re-occur. It may also be for the future.</p> <p>2.It is associated with grief.</p> <p>3.It may occur individually with no other emotions</p>	<p>1- It is a higher degree than gladness and it not achieved except through continuous bliss.</p> <p>2- It impacts one’s skin.</p>	<p>It may be positive and praised or negative and dispraised. The first type is repressing one’s anger and preventing oneself from violating others.</p> <p>The second type is dispraised because anger may be suppressed in order to do the act in secret.</p>	<p>I may be in the worldly life and may be in the Hereafter.</p> <p>In the worldly life, it may be transient following an urgent situation.</p> <p>It may be extended for a long period.</p> <p>It may be prolonged till becoming a characteristic of one’s personality.</p> <p>Gladness is of two types:</p> <p>Positive in which there is no harm.</p> <p>Negative which means exultation and means indulging in pleasures and forgetting the One who bestowed them.</p>	<p>It refers to psychological stability and is not attained except with belief in Allâh and confidence in His Judgment</p>

Accordingly, emotions in the Glorious Qur'an can be defined as follows:

The other side of man (his self and soul, his internal self). In it lie man's intellect, belief and principles. It may be transient, prolonged or permanent. It may be accompanied with physical changes or nervousness. It may have personal or social characteristics

This research contains several role models of relationships between individuals such as:

- The relationship between Prophet Ya'qûb and his son Yûsuf.
- The relationship between Prophet Ya'qûb and his other sons.
- The relationship between Yûsuf and his brothers.
- The flawless treatment between a father and son.
- The proper way of expressing rage between individuals.
- The correct, wise, and polite way of expressing happiness in oneself and between others.
- When dealing with other people one should only be afraid of God. This would result in a perfect society.

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## **Cumhur Boyacioglu, Ibrahim Arslan**

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### **Character Merchandising and the Protection of Merchandising Rights in Turkish Law**

#### **Abstract:**

The adaptation or secondary exploitation of the names and images of famous personalities and fictional characters in connection with the manufacture and distribution of various goods and/or services with a view to creating in prospective customers a desire to acquire those goods and/or services because of customers' affinity with that character is called "character merchandising". The merchandising activity is rarely organized by the creator of the fictional character or the real person concerned. The various rights vested in the character are subject to different types of contracts. These contracts especially the exclusive license agreements enable third parties to be regarded as rightful users of the character. From the legal point of view, the various types of merchandising have to be differentiated as the scope and duration of legal protection may change in connection with the type of subject involved. Merchandising rights are not defined in Turkish law. But in many cases, there is a strong relationship between merchandising rights and intellectual property rights. In this article we would like to give a brief overview about character merchandising and legal problems arising from legal protection of merchandising rights in Turkish legal system.

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## **Nonlinear Pricing without Market Power**

### **Abstract:**

According to received Economic Theory, the implementation of price discrimination by a firm requires market power, at least in the short term. However, as already noted in recent economics literature, mere observation of reality, confirmed by empirical studies, shows that in extremely competitive industries the practice of price discrimination is verified, especially its second degree variant (Nonlinear Pricing), this phenomenon being more the rule than the exception.

This paper, departing from the review of recent contributions in the literature of economics and antitrust to the theme, explains theoretically the sustainability of second degree price discrimination in perfectly contestable markets (a generalisation of the notion of perfectly competitive markets i.e. those without any market power), thus explaining an empirical phenomenon not authorised by received Economic Theory. Nonlinear Pricing systems emerge as mechanisms that, in competitive environments, and with minimal central planning (centralisation of information), will allow greater social efficiency, constituting a "second-best invisible".

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**Environmental Management in Klonghae Floating Marketing, Hatyai District,  
Songkhla Province, Thailand**

**Abstract:**

The article has aimed to study environmental management in Klonghae floating market, Klonghae sub-district, Hatyai district, Songkhla province. Data collection was made by survey, participant and non participant observation and individual and group interviews. It was found that environmental management in Klonghae floating market consists of three parts" 1) before establishing floating market (2007) 2) period of time in establishing floating market (2008-2009) and 3) period of time of marketing operation (2009- present day) . In each period of time, there are better conditions of environmental management in Klonghae floating market- there is a clear environmental management in the area by gathered people to do conservative activities such as building weir to collect garbage, growing the trees along the canal, making effective microorganisms, using of natural ware to put the food selling in the floating market etc. It includes promotion and support environmental conservation activities from government and involving organizations continuously by using Klonghae Floating Market as strategy for adjacent area environmental conservation.

**Keywords:** Environment Management, Klonghae Floating Market.

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**The Effect of Cross-Listing on CEO Turnover**

**Abstract:**

This paper assesses the effect of cross-listing on CEO turnover *ceteris paribus*. The study uses a pooled data sample of 59 Canadian firms that cross-listed on U.S. stock exchanges over the period 2003-2005. For each firm, data is collected over a five year period that begins two years before the cross-listing year and ends two years after the cross-listing year thus, 295 is the full sample size and 2001-2007 is the full period of analysis. This study performs a logistic regression analysis and finds evidence that cross-listing does affect CEO turnover directly as well as indirectly through its effect on other determinant - i.e., the statistical significance of firm performance, board independence, board size, and CEO duality, varies across before and after cross-listing periods. As a result, whether a firm is a cross-listing firm or not should be considered in an analysis of CEO turnover.

## Giovanna Carloni

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### English Corpus Linguistics at University Level: a Cutting-Edge Project

#### Abstract:

Over the last few years, Content and Language Integrated Learning (CLIL) courses have been implemented at the University of Urbino, Italy. The CLIL approach entails teaching discipline-specific subjects through the medium of a foreign language and aims to promote content knowledge and foreign language development: “Content and Language Integrated Learning (CLIL) is a dual-focused educational approach in which an additional language is used for the learning and teaching of both content and language” (Coyle et al. 2010). To support the instructors involved in the CLIL internationalization project, a CLIL blended teaching framework has been devised the use of corpora has been allocated a pivotal role in the instructional model. Corpora have been employed to carry out corpus-driven analysis of the course materials when English was the medium of instruction. Corpus findings have been used to create syllabi, resources, and activities within a corpus-informed approach. To help students deal effectively with academic English, an array of lexico-grammatical features and genre-specific patterns of discourse has been investigated in course materials through collocational statistics. Course-tailored corpora have been searched to identify academic and content-specific vocabulary as well as the most commonly used lexical bundles in terms of stance expressions, discourse organizers, and referential expressions, as suggested by Biber’s work on academic registers (2006).

Corpus-informed discipline-specific materials and activities have been customized to make the English input provided to learners comprehensible (Krashen 1985). Corpus-driven findings have been deployed to pursue different purposes, such as devising content and language objectives, designing pre- while- and post-reading/listening activities as well as lecture-generated materials aimed to make course reading materials comprehensible. Keywords have been used in particular to create online customized interactive activities targeted to foster the acquisition of subject-specific vocabulary and clusters in a self-directed way. In keeping with the counterbalanced instructional framework advocated by Lyster (2007), corpus results have been used to implement language awareness activities. Corpus-driven data have thus been employed to devise course-tailored proactive form-focused instruction “involv[ing] pre-planned instruction designed to enable students to notice and to use target language features that might otherwise not be used or even noticed in classroom discourse” (Lyster 2007). In this context, corpus-generated data have been deployed to implement Data-Driven Learning (DDL) entailing, as Johns suggests, “three stages of inductive reasoning: observation (of concordanced evidence), classification (of salient features) and generalization (of rules)” (in McEnery et al. 2006). DDL is especially suitable to CLIL learning environments where students are expected to be actively involved in language awareness discovery processes. Moreover, CLIL language awareness needs to be carried out in a contextualized content-specific way. Discipline-specific concordances serve this purpose perfectly.

Through DDL, learners are envisaged as active learners, which is a key component of CLIL. Corpus-retrieved data have also been deployed to create activities aimed to enhance students' awareness in terms of genre-specific patterns of discourse. Therefore, these courses implement both a bottom-up phraseological and a top-down functional discourse-based approach - that is, "a more discourse-based pedagogic application of corpora, combining top-down and bottom-up approaches to text analysis" (Flowerdew 2009).

Within a CLIL theoretical framework envisaging learning as an active process, students'™ autonomous use of corpora has also been fostered. Learners'™ direct use of corpora has thus been implemented as advocated by Gavioli and Aston: "corpora should also be viewed as resources from which learners may learn directly" (in McEnery et al. 2006).

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**The Effectiveness of Central Bank Interventions in the Chinese Yuan to US Dollar Foreign Exchange Rate: A Markov Regime-switching Model under Unknown Interventions**

**Abstract:**

The effectiveness of the interventions of a country's central bank in her foreign exchange rates and foreign exchange rate expectations has been extensively studied. The typical model may be a Markov regime-switching model with time-varying probabilities of switching between two regimes of fundamentalists-dominated foreign exchange rate expectations and chartists-dominated expectations where such probability variations over time in turn stem from the switching between periods with central bank interventions and those without. The construction of such models calls for historical time-series information about whether interventions of the related country's central bank existed in each period, which might not be readily and fully available in the public domain for some countries. This work-in-progress report concerns the development of an alternative Markov regime-switching model to evaluate the effectiveness of central bank interventions in the Chinese Yuan (CNY) to US dollar (USD) foreign exchange rates under the circumstance of unknown interventions over time. In view of interventions being unknown, the two regimes are interventions at work and no intervention at work, and the two regimes differ in their inclinations towards fundamentalist expectations or chartist expectations regarding the rate of return on CNY investments and the variances of the errors in such expectations.

## **Tipamas Chumworatayee**

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### **The Effect of Reading Strategy Instruction on Thai EFL Adult Learners' Reading Strategy Awareness**

#### **Abstract:**

The purpose of this study was to determine the possible effect of the implementation of reading strategy instruction on Thai EFL adult learners' reading strategy awareness-raising. A total of 113 postgraduate learners taking a remedial reading course responded to the pre- and post-adapted version of Survey of Reading Strategies (SORS) (Mokhtari, Sheorey, 2002) by Zhang and Wu (2009). After the learners' existing reading strategy awareness was determined, they were explicitly taught reading comprehension strategies using a skills-based reader for one semester (14 three-hour sessions). Strategies selected for instruction were previewing and predicting, identifying main ideas and topics, using context to guess meaning, identifying supporting details, recognizing patterns of organization, making inferences, distinguishing facts from opinions, and identifying purpose and tone. Right after the strategy training, the learners' awareness of reading strategies was determined again. Analysis of the data which was based on three categories of reading strategies of the pre- and post-SORS (global, problem-solving and support reading strategies) consisted of descriptive statistics comparing the pre- and post-SORS overall mean scores, mean scores of the three reading strategy categories, and individual mean scores under each category. The t-tests for non-independent samples were then utilized to compare the differences between the mean scores of the pre- and post-SORS. Evidence of the reading strategy instructions effectiveness was seen in an increase in the pre- and post-SORS overall mean scores, mean scores of the three reading strategy categories, and mean scores of twenty-three individual reading strategies. The findings of the study revealed that, as a whole, the one-semester implementation of reading strategy instruction could raise the learners' awareness of strategy use in all categories of reading strategies. Although there was no significant change in the pre- and post-SORS mean scores of five individual reading strategies (two global, one problem-solving, and two support reading strategies), the learners reported a high use of all these strategies both before and after the strategy training. The findings of the study have pedagogical implications for teachers in the realm of EFL reading strategy instruction. To help learners to become independent readers, teachers should provide them with explicit reading strategy instruction. As this study demonstrates, learners benefit from receiving a direct explanation of strategies thus, teaching reading comprehension strategies explicitly is a key for success.

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## **Economics and Health Promotion**

### **Abstract:**

The Health promotion is being described as a process of illness prevention conducted by keeping the healthy lifestyle. It primarily provides more time to use and increase individuals human capital and maximize personal income. Individuals may employ two different ways to minimize their sick leave. Actively by the health promotion, or in the passive way by the treatment of and recovery after illness. Both alternatives of individual behaviour can be shown using the model of demand for health by Grossman (1972). The growing incidence of mostly incurable and chronic non-communicable diseases (NCD) rules out the passive approach as irrational choice. Adoption of proactive approach to health prevents behaviour with bounded rationality. The cause for this behaviour can be explained by the behavioral economics analysis, specifically by the effects of insufficient self-control, procrastination, framing, status quo bias or loss aversion effect. Economic interpretation of individual approach to own health offers significant improvement of the health promotion concept, its scope and efficiency.

**Paper published in IJoSS, 2013 2(3): <http://www.iises.net/?p=8360>**

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## **Russian Energy Transit in the Baltic Sea Region**

### **Abstract:**

This paper will critically analyze Russia's energy transit policy in the Baltic Sea region to offer alternate understandings of the consequences of Russia's energy transit for the Baltic states. Perhaps, Russia's aggressive nationalist transit policies reflect the fact that Russia no longer sees the Baltic states as a part of its sphere of influence. To find this out four case studies will be used to analyze Russia's energy transit policy in the Baltic Sea Region. Firstly, the 2003 closure to an oil pipeline in the port city Ventspils Latvia, secondly, the closure to an oil pipeline in Lithuania in 2006, thirdly, the Nord Stream pipeline, and lastly the construction of new ports in Ust-Luuga and Primorsk. The above mentioned policies, projects, or incidents will provide a complete understanding of Russian policy. The case studies will be carried out in using a theoretical framework based on Alexander Wendt's constructivist works as well as David Lake's works on hierarchy in International Relations. Looking at these cases from this theoretical framework, this paper concludes that Russia's social recognition of the Baltic states has changed. Russia has accepted the fact that the Baltic states were not willing to enter into a hierarchical relationship. Russian nationalist transit policies can be seen as a reflection of that understanding which represents an important step in Baltic-Russian relations. While this does not improve the energy security situation for the Baltic states, it should give a better understanding of their relationship with Russia which could eventually lead to a relationship built on trust and an improved security environment in the future.

### **1 Introduction**

This article will critically analyze Russia's energy transit policy in the Baltic Sea region to offer alternate understandings of the consequences of Russia's energy transit for the Baltic states. While much of the literature on energy security focusses on Russia as an unreliable energy supplier, dedicated to avoiding transit states and maintaining a monopoly of the transit routes to Europe. Russia's energy transit policies can also be understood in a positive light. Could Russia's aggressive nationalist transit policies be seen as a result of the fact that the Russia no longer sees the Baltic states as a part of its sphere of influence? The answer to this question would not drastically change the technical issues and challenges in energy relations between the two parties, but it would go a long way in helping the two parties better understand the framework of their relations. Better understanding now could lead to better trust which could lead to an improved security environment for everyone in the Baltic Sea Region.

Specifically this paper will use four case studies to analyze Russia's energy transit policy in the Baltic Sea Region. Firstly, the 2003 closure to an oil pipeline in the port city Ventspils Latvia, secondly, the closure to an oil pipeline in Lithuania in 2006, thirdly, the Nord Stream pipeline, and lastly the

construction of new ports in Ust-Luuga and Primorsk. These case studies will give us solid understanding of Russian energy transit policy in many aspects. The above mentioned policies, projects, or incidents will provide a complete understanding of Russian policy. The case studies represent energy from different sources (both oil and gas) it also goes into detail on many important topics in the transit sector: ports, pipelines and rail shipments. The case studies will be carried out in using a theoretical framework based on Alexander Wendt's constructivist works as well as David Lake's works on hierarchy in International Relations.

Ongoing gas disputes between Russia and Ukraine have highlighted the importance of energy security, specifically the need for stable natural gas and oil supplies. Energy transit in the Baltic Sea region is important on many levels. Russia's energy resources provide it with revenue and influence. Transit through the Baltic Sea region is one of the ways Russia is able to maximize its revenue and influence. Energy transit plays a key role in energy security. The transit that goes through the Baltic Sea Region is important and unique. It is important in terms of the amount of energy that is transported from Russia into other states in the EU, Germany for example. But it is also unique because there are different types of energy being transported. Oil is shipped on tankers across the Baltic Sea, and now natural gas is being shipped through the Nord Stream pipeline. When looking at other transit corridors they often will have only one source of energy being transited, such as gas through Ukraine.

Another aspect of the Baltic Sea region that is interesting is the number of states involved. There are small states, medium sized states and large states involved in the energy transit. Generally in international relations there are not many mechanisms for enforcing rules, but this is especially true of energy transit. There is no "energy NATO" (Kim 2008) currently in existence. The EU is in favor of some type of energy NATO, and Russia is opposed to it (Ibid). The Baltic states are key members of this region. Their former membership in the USSR, their current membership in the EU, and their critical locations on the Baltic sea for energy transit make them an important focus of EU-Russian relations.

Russia's desire to avoid transit countries, enabling direct transportation of the energy to the greatest consumers has been a concern to many, particularly the Baltic states. For example, one recent study showed that Estonia views Russia as a threat to its energy security and has enacted an energy policy aimed at limiting Russia as a threat (Tarus and Crandall 2012). Similar energy policies can be seen in the other two Baltic countries as well. Much of the literature on energy security has focused on Russia as an unreliable supplier of energy.

Despite the understandably negative literature on Russia's energy transit policies, taking critical big picture approach could highlight some positive developments that are reflected in Russia's energy transit policy. This work will build on a 2003 article by Juhani Laurila where Russia's transit strategies are analyzed and understood in a geopolitical framework. Laurila correctly came to the conclusion, that Russia avoids transit states and prefers instead to invest in its own infrastructure, despite the high costs. By readdressing this issue 10 years later, the new case studies will be able to be analyzed in depth. More importantly, a critical International Relations framework will be applied which will offer alternate understandings of the consequences of Russia's transit strategies for the Baltic states. This is extremely important, as it will give meaningful incites to Russia's relations with the Baltic states.

## 2 Constructivism and Hierarchy

The theoretical framework used to carry out the analysis of this paper will be a hybrid of Constructivism and the concept of hierarchy proposed by David Lake. Both of these theories have strengths, which together form a most efficient framework to analyze Russia's energy transit. Constructivism allows us to factor in the social aspect into our analysis and adding the concept of hierarchy enables us to better understand the relationship between the Baltic states and Russia which is reflected in the energy transit sector.

Energy security in the Baltic Sea Region is much more than just the reliability of Russia as an energy supplier, rather we can look at the social relationships and their evolution for understanding. This involves social recognition by all parties involved and unfolds over time in a process. An excessive focus on capabilities, rather than intentions is a weakness that constructivism overcomes. By looking at the situation as part of a process, rather than a snapshot of the current situation we can offer deeper understandings of what Russia's energy transit strategies mean for the Baltic states and what their long term intentions are.

One of the most famous Constructivist works is a 1992 article by Alexander Wendt "anarchy is what states make of it". In this article Wendt explains how the relations between states influence the system, not the other way around as neorealists believe. The four case studies will research whether Russia's energy transit policy is a result of the interactions of states, following the breakup of the Soviet Union. Russia's changing identity of who it is, and it's understanding of who the Baltic states are should be reflected in their energy transit policy. This will give a deeper understanding of Russian policy than systematic theories that assume that states actions are dictated by the international system.

David Lake's concept of hierarchy in International Relations is also related to the social recognition concept of constructivism. This concept is most useful in explaining the dynamics of the energy relationship of the Baltic Sea Region, with a supplier and a consumer. Lake looks at sovereignty not in a legal aspect, but in a relational aspect. The concept of hierarchy is then when states agree upon or accept a relationship where one has authority over another (Lake 2009, 8). In other words state A tells state B what to do and state B has a duty to do it (Ibid.). State A has power over state B, but it also has responsibilities, in this case to provide cheap energy to states willing to submit to Russia.

Lake's theory shares many similarities to constructivism. States determine the nature of their relationship, which in turn determines events in International Relations. Lake shares constructivism's criticism of Realism that states cannot be treated as black boxes. In addition both Lake and Wendt take a state based ontology, however there is a key difference. Lake focusses on the relationship as it currently exists between states using positivist methods. A standard constructivist would look at the process of how the relationship is formed and where it is going, rather than just the makeup of the current relationship. Both of these theories together can

## 3 Methods

This article will use a combination of both theories to analyze the consequences of Russia's energy transit policies for the Baltic states. It will use a state based ontology, focusing on the progression of the relationships between Russia and the Baltic states in the energy transit sector. According to Lake,

security and economics are the fields best equipped in understanding whether relationships of hierarchy exist. Energy transit is a key element of energy security which fits in both of those sectors. As stated earlier, four case studies will be analyzed in detail. Firstly, the 2003 closure of an oil pipeline in the port city Ventspils Latvia, secondly, the closure to an oil pipeline in Lithuania in 2006, thirdly, the Nord Stream pipeline, and lastly the construction of new ports in Ust-Luuga and Primorsk.

These case studies all take place after Juhani Laurila's 2003 article and will enable us to address current trends in Russian energy transit strategies. The first two cases show how Russia has dealt with transit issues located in the Baltic states, and the last two deal with cases aimed at avoiding transit states.

Qualitative methods will be used to highlight trends in Russia's energy transit strategies and what they could mean for the Baltic states. A number of open source documents and academic articles will be used. While the empirical evidence gathered is not unique to this article, placing it together in this framework will produce a unique perspective. A particular focus will be given to how Russia's energy transit actions reflect Russia's understanding of the Baltic states.

#### **4 Latvia Lithuania cases**

In the last few years Russia has been accused of using its energy as a political weapon. This accusation has primarily come from the gas disputes with Ukraine where Russia has shut off gas on several occasions. Disputes with Ukraine have not been the only cases where Russia has acted rashly with a transit state. In 2002 Russia closed down an oil pipeline to Ventspils Latvia. Russia wanted to own a majority stake in the pipeline, but Latvia did not agree to the sale (Berg 2007: 152). In the aftermath of the rejection, Russia decided to stop shipping oil to the port of Ventspils.

Lithuania also had a dispute with Russia over energy transit. The Mažeikiai oil refinery plays an important role of refining Russian crude oil and then shipping it to pipelines for transit. After Russia lost out in an attempt at gaining ownership, Lithuania came to a deal with Poland, Russia shut down the Druzhba pipeline which ships the crude oil to the refinery (Torbakov 2006). Russia claimed that the pipeline was down for maintenance, and then later claimed that the pipeline would be too difficult to repair (Socor 2007). The oil would be rerouted to the Primorsk port. This move has significant ramifications for the region as well. In addition to increasing the cost of oil for several countries in the area, it will also channel oil away from Belarus as a transit country.

In both of these cases the official word from Russia was that the closure to the pipelines was due to technical reasons, most commentators think otherwise. The timing of both closers confirms Russia's energy transit strategy. Only after Russia was not able to gain ownership of the pipeline and refinery did they then shut down the pipelines and reroute oil to their own ports. These attempts of Russia's to gain control over key transit projects can be seen as an attempt to enter into a hierarchical relationship with the Baltic states, where Russia would have authority over them, at least in the energy transit sectors. The Baltic states' refusal to allow Russia access to the projects showed that they did not willing to enter into an hierarchical relationship.

## 5 Nord Stream

The Nord Stream Pipeline is a 1,200 km long dual flow natural gas pipeline that runs under the Baltic Sea, connecting Vyborg Russia and Greifswald Germany (Whist 2009: 77). The first phase of the pipeline became operational in November 2011 and the second phase will be operational by the end of 2012 (Nord Stream 2012). This project gives us a good idea of Russia's energy transit strategy towards Europe. When looking at the European energy market as a whole, there was certainly a need for another transit route of Russian gas to European consumers. European demand for natural gas is only growing and the Nord Stream pipeline increases the ability to import gas. This also provides another route for the gas which would increase reliability of Russian gas for Western European states. The pipeline will make transit of gas cheaper from the Yamal gas fields in the arctic (Chyong and others 2010, 10,38). These gas fields are much closer to the Nord stream pipeline than the Ukrainian pipeline where currently most of Russian gas is transported through. This will reduce gas prices for the consumer and raise profits for the producer.

What makes the Nord Stream pipeline interesting is not the decision to construct another gas pipeline to Europe but the route. There were other land pipeline proposals that would also fulfill the above mentioned reasons for an additional pipeline closer to the arctic gas. The Yamal 2 pipeline, through Belarus, and an Amber pipeline, through Latvia, Lithuania and Poland, were rejected in favor of the Nord Stream Pipeline (Whist 2009: 96). Many analysts believe that the costs of building and maintaining a land pipeline would have been cheaper, leading many to wonder why Russia chose the undersea route. Many are skeptical of Russia's intentions. It is easy to see that Russia will save on transit fees and avoid potential political headaches that a transit state could cause. This highlights two aspects of Russia's transit policy in the Baltic Sea region. Firstly, Russia wants to deal directly with the main energy consumers. Russia was willing to build an expensive underwater pipeline to avoid transit states. This makes a divide in the energy infrastructure and keeps small eastern European states separate from more important energy consuming Western European states. Secondly, this makes the important states in Europe more dependent on Russia for energy needs. Regarding the first aspect, Russia would be able to turn off the gas to Eastern Europe, via the Ukrainian and Belarusian pipelines, while keeping gas flowing to Western Europe, via the Nord Stream Pipeline. Under the current arrangement Russia cannot cut off the gas to Eastern Europe and continue to supply Western Europe because the gas goes through Eastern Europe.

There are several scenarios where Russia could choose to supply gas to Western Europe and not supply gas to Eastern Europe. One could stem from a political dispute where Russia would turn off the gas to punish or exert pressure on certain countries. One study has shown that Russia has used energy as a political tool more than 55 times since 1991 (Ibid: 99). There are various ways Russia can do this: "supply interruptions, explicit threats, coercive pricing and hostile take-overs of infrastructure or companies" (Ibid.). Given some of the political disputes Estonia has been in with Russia, and Russian reactions to those disputes, it is understandable that Estonia would be concerned with Russia's offensive capabilities in the energy sector.

Another scenario where Russia would cut the gas to Eastern Europe but not Western Europe has nothing to do with a political dispute. Many are concerned that Russia is investing too much in pipelines and not enough in gas fields. There is a concern that demand will outgrow supply (Ibid: 103).

Though demand dropped sharply during the global financial crisis, most expect demand to continue to grow in the future. European gas supplies are decreasing, while demand is increasing. Chinese and Japanese demand for Russian natural gas is also increasing. This could create a situation where Russia has to choose who to sell gas to in times of a gas shortage, as we saw this last winter (BBC News 2012). In this scenario they could continue to sell gas to Germany via the Nord Stream pipeline at full capacity while gas going through the Belarus and Ukrainian pipelines could be shut off or significantly decreased. For Russia, Germany would be a more important customer and would be a better business choice than Eastern European countries.

The Nord Stream Pipeline is a major infrastructural change in the gas transit sector. When looking at European energy needs as a whole the pipeline should not be seen as anything controversial. It provides another transit route to Europe which increases the transit capabilities to Europe. It also makes transporting arctic gas to Europe cheaper by decreasing the transport distance. However to many Eastern European countries, the pipeline gives Russia more opportunities to transport and not to transport gas.

In this section we brought out two scenarios where Russia could choose to transport gas through the Nord Stream Pipeline to Germany but not transport gas to Eastern Europe through Belarus or Ukraine. Both of these scenarios demonstrate Russia's energy transit policy. Russia aims at avoiding small transit states and aims at transiting energy directly to the consumer, in this case Germany. This type of expensive pipeline project binds Germany to Russia as an energy consumer, but it also binds Russia to Germany as an energy producer. It is true that there are many who would like to buy oil and gas from Russia, India, Japan, China to name a few. The expensive pipeline does mean that Russia is committed to selling energy to Europe for the future. This project also demonstrates Russia's strategy of avoiding transit states and thus minimalizing their leverage on Russia.

While the Nord stream pipeline has given some in the Baltic states cause for concern, when taking the previous events into account it can be seen as a logical step for Russia. The Baltic states rejected Russia's attempts to enter into a hierarchal relationship and so Russia decided to bypass them. Russia's decision to build the Nord stream pipeline can be seen as an action of acceptance by Russia. Russia obviously was not in a position to attempt a forcible relationship of domination and chose to move on.

## **6 Ust-Luga and Primorsk port construction**

While the Nord Stream pipeline has given Russia the ability to avoid transit states regarding gas transports, Russia has also been keen on avoiding transit states for oil transit as well. The breakup of the Soviet Union caused significant problems for Russia's energy transit sector. Major pipelines and infrastructure was located in new states, which meant that Russia had to pay them transit fees. This is especially true when looking at the Baltic States. Having Russia's energy transit infrastructure belonging to NATO member states represented a national security problem for Russia (Laurila 2003: 29). Two of the major projects that Russia has undertaken to change this situation are the construction of the Ust-Luga and Primorsk ports.

The Ust-Luga port will not reach full capacity until 2018, but it is already operational (Ust-Luga 2012). This will be accompanied with the construction of a new town which will be large enough for a

planned 34,000 people by 2015 (Ibid.). This port, along with the Primorsk port, was designed to reduce the dependency on Baltic ports for cargo transport. Ust-Luga is primarily an all-around cargo port, and Primorsk is mostly for oil (Ruutikainen and Tapaninen 2009: 37).

The interesting element at play here is the cost of construction of the port. It would have been more cost-effective to invest in existing ports to boost capacity; the construction of an entirely new port and the accompanying infrastructure is very expensive (Brodin 2003, 287). Russian ports are more expensive to maintain in the winter time compared with other Baltic Sea ports (Ruutikainen and Tapaninen 2009: 44). Russia aims at keeping its ports busy via railway tariff discounts (Ibid: 36) and the Primorsk port is also being subsidized by the state heavily (ibid: 37). The cost to transport energy to a foreign port via rail is much more expensive than to the Russian ports.

We can see that Russia's willingness to pay such a large price for energy transit projects shows that Russia wants to have a direct transport link to the Western Europe, invest in the St. Petersburg region, and bypass the Baltic States. The projects require large funds for construction and funds for the building up of infrastructure, including an entirely new city in Ust-Luga. They also require high maintenance costs in the winter, keeping the sea ice free. For Russia this is a price worth paying, it gives them more independence in the transit sector, both in east-west bound transit as well as west-east bound transit. The construction and expansion of new ports also confirms Russia's strategy of avoiding transit states.

## 7 Conclusions

This paper has analyzed several different case studies to give an overview of Russia's energy transit strategy in the Baltic Sea region. The collapse of the USSR left Russia's energy transit infrastructure in different states, as the importance of energy grew it became more important for Russia to have more control over the transit of the energy to Europe. Russia attempted to gain ownership of existing transit infrastructure, or enter into a hierarchical relationship, and failed. This was evident with the attempted purchase of the pipeline to the Ventspils port as well as the oil refinery in Lithuania. After the failed attempt Russia closed off oil supplies and rerouted through their own infrastructure. They increased their own ability to transit energy by building new ports and increasing output at others. This came at an enormous cost, which some have deemed not cost-effective. Russia will save on transit fees by having more transit flow through domestic ports, but these ports are harder to maintain in the winter time and required a large amount of upfront money.

While the pipeline closures in Latvia and Lithuania as well as the new ports in Ust-Luga and Primorsk dealt with oil, the Nord Stream pipeline dealt with gas. Both energy sources are extremely important for Russia. The underwater gas pipeline was also expensive to build, more so than an alternative land route. Again the pattern becomes clear; Russia is willing to pay more for to avoid transit states not willing to enter into a hierarchical relationship. In this case Russia was able to ship gas directly from Russia to Germany. These large infrastructure projects have restored Russia's ability to transport energy to the consumer. This is something that was lost with the collapse of the Soviet Union. In this sense it should not be surprising to hear Putin say that the collapse of the Soviet Union was the biggest geopolitical catastrophe of the last century.

What is most interesting about these case studies is not just the economics or the ownership of different pipelines. In a day and age where economics is more important than tanks or missiles, Russia is pulling out all the stops to be in control. While Russia is can still be seen as a threat to energy security, Russia's moves to bolster its domestic energy transit ability should be seen as a positive step in Russia-Baltic relations. Had Russia not accepted the Baltic state's rejection of the hierarchal relationship, it could have resorted to more extreme measures that would have tried to force a relationship of domination. This decision was certainly aided by the fact the Baltic states were members of NATO and the EU (making military and economic domination difficult), but despite the reasons Russia accepted the Baltic states' right to choose their own relationships. Russia's energy transit tactics can therefore be understood as an acceptance of the Baltic states as independent neighbors. This surely is an important step towards having good neighborly relations between the two parties. While, many in the Baltic states remain concerned about Russia as a security and energy threat, these developments should provide cautious optimism, not irrational fear and hostility.

In this paper it has been relatively easy to identify Russia's energy transit strategy in the Baltic Sea region, avoiding transit states. However ,it is more difficult to identify motives and impact from Russia's strategy. The bulk of the literature has identified Russia as a threat to energy security, but Russia's energy transit strategy should be viewed as a step in an evolving relationship. Having Russia accept the Baltic state's refusal to enter into a hierarchal relationship should be seen as a positive step in a process that can lead to goodly neighborly relations if both sides are willing to react to each other in pragmatic ways.

This is an important finding for the Baltic states that could influence their foreign policy in the future. When making decisions about security, for example whether to bend over backwards to gain political support from the US, they can take assurance from the fact that Russia is willing to accept their decisions regarding their relationships. Alexander Wendt was right, anarchy is what states make of it. In this case, it is what the Baltic states and Russia make of it.

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## **Projection of the International Tourism Demand of Antalya**

### **Abstract:**

Being the 4th destination of the world that attracts the tourists the most, Antalya has a critical importance in the tourism sector of Turkey. In this study, it was aimed to project the international tourism demand aimed at Antalya, which is the determinant of the Turkish tourism, accurately. In this sense, Tourism Demand Model of Antalya was analysed with the approach of Vector Autoregressive Model (VAR) for the annual data of 1980-2010 and suggestions were tried to be developed for branding the Turkish Tourism.

**Keywords:** Tourism Demand, Projection, VAR Analysis, Antalya.

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**The Arab Uprising and its Implications for the US Foreign Policy in the Middle East in 2013**

## **Onur Emre, Ahmet Selamoglu**

Onur Emre, Yalova University, Turkey  
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### **Initial Step of Recruitment: Discriminate Through Job Postings**

#### **Abstract:**

Some quality statements in the employment ads that are unrelated to the job in question or that are impossible to derive it from the text on the ad, can victimise individuals or groups in terms of discrimination through their native or acquired characteristics. Such practises obstruct all job - seekers, especially disadvantaged groups to engage in the labor market. These kinds of practises are limited with universal and national laws, and they also reflect the cultural characteristics and values of the society, individual assumptions and stereotypes. A job advertisement with a non - job related and non - realistic context, generates ineffective recruitment practise by creating a pool of applicants that fail to meet the expected applicant composition. This research examines Kariyernet between the dates 29.03.2010 and 15.04.2010, Yenibiris between 19.03.2010 and 20.04.2010 and reaches 183 job advertisements out of 306, which include a valid job description. 96 discriminatory statements are noted in 72 ads and these ads are classified according to the subjects of discrimination and based on industries and positions. Discrimination based on age, sex, level of education and physical appearance are noted. While some ads include direct restrictions, others contain indirect expressions.

**Hadi Ghaffari, Ali Younessi, Ali Changi Ashtiani, Naser Borujerjian**

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## **Role of Economic Institutions in Economic Development: A Critical Examination**

### **Abstract:**

Economists have long argued the fundamental importance of economic institutions for economic growth. Recent empirical studies have reconfirmed such arguments. This paper tries to critically evaluate the currently dominant discourse on the relationship between institutions and economic development, which argues that institutions that maximize market freedom and most strongly protect private property rights are the best for economic development. We have come to the conclusion that paradigm, simplicity of the relationship between institutions and development, limitation of theories, ignorance of the influence of economic development on institutions, appropriate economic policy, poor understanding of how institutions change, ignorance of costs of establishing and running institutions, optimistic view about the prospects of institutional change, institutional differences across countries and etc. are the most important critics.

**Keywords:** Institution, Economic Institutions, Economic Development, NIE.

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### **Evaluation of Public Performance Management by Civil Servants: a Field Study**

#### **Abstract:**

Limited public resources on the one hand and the increase in citizens' expectation of better quality public services on the other have led public performance management to be a common issue. An expectation has arisen with the implementation of public performance management in public and institutions and organizations that there will be reductions in public expenditures and public satisfaction will be ensured. Realization of this expectation depends on the support that employees who will implement public performance management lend to the application of public performance management. In this present study, first general information will be given about performance management and public performance management. Then, how civil servants, who will implement public performance management, view this process and evaluate the theories, principles and criteria that come along with it will be analyzed using the questionnaire method.

**Keywords:** Public Administration, Performance Management, Civil Servants, Public Service, Field Study.

**JEL Classification:** D24, D29, H11, M52, M54

#### **1 INTRODUCTION**

Since the early 1980s, a multi-faceted transformation has begun to occur in the world. This transformation was expressed in the discourse of the transition from industrial society to information society, from mass production to flexible manufacturing, from the world of nation-states to globalized world, , from short term to long term, from hierarchical organizations to network organizations, from representative democracy to participatory democracy (Büyükkılıç and Coşkun, 2002: 38). New world order, brought up structural adjustment and market reforms, reduced the role of the state in economic life and started the privatization efforts in the whole world. All of these developments has highlighted the need for a reform in the public sector. Because, the restructuring necessitated the implementation of certain policies. Implementation of these policies has led to changes in the mechanisms of not only private sector alone, but also of public institutions, and it has become necessary for public institution to operate more efficient, effective and economical and offer better quality of service (DPT, 2000: 11).

This requirement also brought up performance management of public. Thus, with the measurement of the success of public administration, understanding and developing it and effectiveness, efficiency and thriftiness has been intended to be achieved as well (Eren and Durna, 2007: 108).

## **2 THE CONCEPT OF PERFORMANCE AND PUBLIC PERFORMANCE MANAGEMENT**

Performance is a concept, which determines the obtained those as a result of a generally purposed and planned event quantitatively and qualitatively. To determine the performance level, the outcome of the event should be considered. The measure, which the evaluation is based on, should understandable, explicable, concrete and objective. Such as good and bad, poor and enough, successful or unsuccessful, first or tenth (DPT, 2000: 74).

Performance management is a form of management, which refers to combining the continuous improvement of the performance of all employees in organizations with common goals, and carrying out planning, managing and controlling functions the other functions of management. (Akal, 1996: 50).

After this general review, we can summarise the basic objectives of performance management as follows: Ensuring that every employee shares corporate objectives by degrading them to staff base, observing the contributions of employees to the success of the organization, ensuring mutual understanding of expectations by both managers and employees, discovering the individual and institutional capabilities, revealing individual and institutional competencies, basing performance review on concrete and measurable goals, make assessments about the functioning of the organization individually and organisationally. (Halis and Tekinkuş, 2003: 175).

Although the basic philosophy of performance management is the same in public and private sector, it may vary because of cultural and political reasons emerging in implementation. The most important of these differences is the public interest priority of public organizations. In addition, another difference is the failure or difficulty in measuring the outputs of goods and services of the public. (Halis and Tekinkuş, 2003: 169-170). Thanks to public performance management, production of effective public goods and services is carried out by ensuring that suitable persons do the right job at the right time and at the right quantity and quality.

## **3 PUBLIC PERFORMANCE MANAGEMENT MEASURES**

In terms of private sector, performance measurement is a tool providing evaluation, control and development of the production process to achieve the goals. This tool is also used to compare different organizations, units, departments, and employees with each other. Thus, an opportunity arises to see whether organizations, managers and employees serve the general purposes as a whole. The same situation applies to public agencies and organizations providing services to citizens. Therefore, performance management criteria can be utilized in order to provide better service to citizens (Öztürk, 2006: 85).

Bilgin (2004b: 35), divides public performance criteria into two groups as criteria for the organization of (productivity, efficiency, and economy) and the criteria for the target audience (transparency, legality and accountability).

### **3.1 Measures for Institutions in Public Performance Measurement**

Public institutions and organizations setting appropriate performance indicators for themselves and decide how to measure this performance by using these established indicators, is an underlying idea of

performance measurement. However, measuring the performance of public institutions and agencies is not very easy, especially in terms of the results (Öztürk, 2006: 85).

### **Measure of Productivity**

Briefly productivity is, deriving the maximum possible output from specified ingredient or obtained that output with minimal input. Productivity measure allows us to get information about whether the sources are benefited to the end (Demirkaya, 2000: 51). For the evaluation of productivity, a clear and definite relationship between inputs and outputs needs to be defined (Kaya and Aral, 2000: 13). Private organizations often use the element of profit as a measure of productivity. However, in public institutions providing cheap and high quality service to the public is the prior to the goal of making profit (DPT, 2000: 75). In the provision of public goods and services, determining the inputs and outputs is not so easy in practice. In this process, it is really difficult to determine the monetary value of the outputs (Kılavuz and Yılmaz, 2005: 275).

### **Measure of Efficiency**

The content of the concept of efficiency is wider than the concept of productivity. It is a performance dimension determining the degree of achieving the defined goals and strategic objectives for public institutions, as a result of their actions in order to reach those goals and objectives. Efficiency does not show a physical input-output relationship as in productivity, in other words, it does not examine the transformation process of input to output. Therefore, the program, which reflects a lower output, can be more effective than another one reflecting a higher output (Kubalı, 1998: 36).

### **Measure of Economy (Thriftiness)**

Economy measure is one of the main criteria that always preserves its importance in performance management. Whether you are in the private sector or in public institutions and organizations or even in institutions for social purposes, economy criteria is considered to be the basic criterion for performance (Bilgin, 2004b: 37). Economy, require the production of goods and services in the most optimum scales. This provides to obtain the maximum products and benefits from each means of production (Özer, 1997: 74).

## **3.2 Measures in terms of Target Audience in Public Performance Management**

### **Measure of Legality**

The legality measure means that, production of goods and services by public institutions and public actions is lawful (Bilgin, 2004b: 39). To realise this measure linked to real dimensioned establishment of state of law with its all institutions and organizations and gaining the habit of behaving in accordance to law, more than its being written in the text of the constitution (Aliefendioğlu, 2001: 30-31). In an effective public performance management, laws must be general in terms of scope and application, they must be made by a legal authority, must be precise, clear, accessible, consistent, and obeyable (Karabacak, 2003: 65).

### **Measure of Transparency**

Transparency is government's realizing and performing its decision-making processes and decisions in an open and shareable form to other stakeholders (Toksöz, 2008: 8). In public performance management, transparency, must take place in order to ensure the free flow of information. To do so, it

is needed for the people to be able to easily access their institutions and procedures at any time they need. (Tortop et al, 2007: 563).

### **Measure of Accountability**

Accountability is in an institution staffs' being ready to give a response about using their authority and responsibilities and putting forward the necessity to take over the responsibility in any failure (Samsun, 2003: 16). For individuals to account, they should be in a position of administration and for that reason, should be able to be recalled to give a response about an action taken or a decision given. The prerequisite this is, a certain degree of openness and transparency in the decision-making process (Kesim ve Petek, 2005: 45).

It has been tried to give information about a number of concepts and measures in the context of performance management and public performance management, so far. In the case study stage next, thoughts and evaluations of civil servants, which were obtained by questionnaire method, will be tried to interpreted.

## **4 AIM AND METHOD OF THE STUDY**

### **4.1 Aim of the Study**

The aim of this study is to determine the view of the public staff – the implementers of public performance management- about public performance management, which is the public version of performance management that came up with the process of globalization, and found wide implementation area especially in the private sector.

### **4.2 The Process**

Research was conducted on civil servants working in related and affiliated institutions of Ezine District Governorate of Çanakkale. Questionnaire forms were distributed to the related and affiliated institutions of Ezine District Governorate got back. 60 questionnaires were distributed to the staff, but only 54 of them returned. Before proceeding to the implementation phase of the survey, were a pre-test study was conducted on sufficient number of participants. Using the pre-test, clearness of the questions and expressions has been tested and the necessary changes were made to eliminate misunderstandings, so the expression validity was provided.

### **4.3 Method of the Study**

General screening method was used in the study. For achieving the goal of the study, data were collected through a survey. While preparing survey questions, written literature on public performance management were used. In addition, especially the study of Bilgin (2008), titled: "Public Performance Management: The governor and District Governors Performance Measurement Survey" and the book of Bilgin (2004b) titled: Public Performance Management and his other works were used.

### **4.4 Data Collection**

In data collection, three-part questionnaire developed by the researcher was used. The first section consists of four questions, including personal information. The second part consists of thirty-four

questions, prepared for the assessment of the basic concepts, measures and principles of public performance management. The third chapter consists of four open-ended questions to assess public performance management, which takes place in the second part. Questionnaire technique, which is directed by the respondent, is taken as a base.

#### 4.5 Universe of the Study

Universe of the study includes, civil servants working in related and affiliated institutions of Ezine District Governorate of Çanakkale.

#### 4.6 Data Analysing Method

Data provided with the participation of 54 government officials and the managers in the survey were analyzed by statistical methods. Software package for Windows SPSS 13.0 was used for classification and analysis of the data. In the analysis, frequency, percentage, and Chi square techniques were used.

Measurement variables to be used when testing the hypotheses of the study consist of dependent and independent variables. Demographic characteristics that make up the first part of the questionnaire are independent, questions on public performance management of that make up the second part of the questionnaire are dependent and the third part questions are independent variables.

### 5 FINDINGS OF THE STUDY AND EVALUATION

#### 5.1 Demographical Characteristics of the Participants

13 of the participants in our study were female with a percent of 24.1%, while 41 men constituted 75.9% of our research sample. 13% of respondents are between the ages of 20-30, 50% aged 31-40, 35.2% 41-50 years, and 1.9% 51-60 years old. 18.5% of the participants have manager status, while 81.5% of them are officers. 11% of those surveyed have worked for 1-5 years, 13.0% between 6-10 years, 31.5% between 11-15 years, 17.7% between 16-20 years and 27.8% are have worked for 21 or more years.

#### 5.2 Evaluation of Some Concepts on Public Performance Management

Today, to achieve the expected benefits through public performance management, the staff to implement it, need to adopt the concepts and principles brought up by public performance management. Under this heading, how the public staffs evaluate some of the concepts put forward by the public performance management and the implementation issues of them will be tried to put forward, using some questions and propositions.

**Table 1: Which one is more important for the success of your institution?**

Values	Frequency	Percent
High Quality in Service	22	40,7
Achieving Basic Goals	9	16,7
Legislative Harmonisation	13	24,1

High Production of Goods and Services with Less Consumption	6	11,1
Production of Service with Low Consumption	4	7,4
Total	54	100,0

For traditional public administration approach, accuracy, regulatory compliance and regularity of the transactions appear to be the criteria used as measure of success. However today, as well as productivity, efficiency and thriftiness; criteria such as citizen satisfaction and quality of services are considered as the criteria for success (Eren and Durna, 2007: 111). Looking at the table above, we can see that 40.7 percent of participants evaluate high service quality criteria, as the most important criterion for the success of the institution. This reveals that public staff put greater emphasis on the quality of service they offer, thus on citizen satisfaction. Achieving the basic purposes, which we consider as efficiency, has 16.7 percent. This result suggests that participants put greater emphasis on higher quality of service, thus citizen satisfaction. In addition, 24.1% of those surveyed stated that regulatory compliance is more important for the success of the institution. This leads us to think - though to a certain extent- civil servants maintain the importance of the traditional administration approach.

**Table 2: Which measure, affecting the performance of the institution, is more important?**

Values	Frequency	Percent
Personal Factors	6	11,1
Leadership	4	7,4
Team Factor(Working together)	26	48,1
Environmental Factors	6	11,1
System Factor	12	22,2
Total	54	100,0

An objective individual performance management, has great importance in terms of both setting performance goals and standards of administrative decisions of public institutions and agencies, and measures to be taken regarding the motivation of the staff (Bilgin, 2007: 81). Measures can be taken to develop the success of the staff, by determining the strengths and weaknesses of them through individual performance application. In addition, by learning about the evaluation of personnel on their degrees of success, their effort to performance improvement is achieved (Ergun and Polatoğlu, 1992:288). However looking at the assessments of the respondents the situation seems different. According to respondents' evaluations, it has emerged that, the most important factor affecting the performance of public institutions and agencies is to team factor in other words working together, with a percent of 48.1%. In addition, 22.2 percent of the respondents' evaluated the system factor as the most important factor affecting the performance of the institution. The same rate (11.1%) of them evaluated individual and environmental factors to be the most important. Here, conspicuous situation is the 48.1 percent –nearly half of the participants- evaluating team factor as the most important factor affecting

institutional performance. 11.1 percent of the participants assessing that individual performance is more important, shows that public servants do not give enough attention to personal performance. In addition, the rate of those who see leadership factor important is 7.4 percent. This shows that leadership is not seen much effective among the factors affecting the performance of the institution.

**Table 3: The overall performance of the institution is determined by the performance of branches or units, rather than the performance of the staff.**

	Frequency	Percent
Totally Disagree	2	3,7
Disagree	10	18,5
Have No Idea	7	13,0
Agree	27	50,0
Totally Agree	8	14,8
Total	54	100,0

On the table above, it is seen that the rate of those, who give the respond of “totally agree” or “agree” to the idea that: the performance of public institutions and agencies is determined by the performance of branches or unites rather than individual performance, is 64.8 percent totally. In addition, rate of the respondents, who disagree, or totally disagree (do not support) the stated idea is 22.2 percent. The rate of the respondents having no idea is 13 percent.

**Table 4: Individual performance of the staff is the most important performance in the institution.**

.	Frequency	Percent
Totally Disagree	3	5,5
Disagree	5	9,2
Have No Idea	1	1,9
Agree	30	55,5
Totally Agree	15	27,8
Total	54	100,0

For public institutions and agencies to have high performance, it is required for them to work with individuals having high performance skills and competencies (Bilgin, 2004a: 46). Through individual performance management, institutions can work efficiently and successfully. Through individual performance, it gets easier to establish a connection between institutional goals and employees’ goals. For this reason, individual performance appears to be an important factor in the performance management process.

According to Table 4 the total rate of the respondents who “totally agree” or “agree” that individual performance is more important than the other performances for public performance is 83.3%. The rate of the ones that disagree, and totally disagree is 14.7%. The participants have highlighted the importance on individual performance, with their assessments in this direction.

When the responses given are compared with Table 3, supporters of unit or branch performance is 64.8 percent, and supporters of individual performance 83.3 percent. In Table 2, it has emerged that the most important factor affecting the performance of public institutions and agencies is team factor (48,1%), in other words the factor of working together, according to the evaluations of the respondents. At this point, it is seen that participant of the research do not manifest a clear position on team performance and individual performance.

**Table 5: Individual performance of the staff must be evaluated by himself, colleagues and even citizens, whom he/she provides service for.**

	Frequency	Percent
Totally Disagree	3	5,5
Disagree	8	14,8
Have No Idea	5	9,2
Agree	21	38,9
Totally Agree	17	31,5
Total	54	100,0

The ones working in 360-degree assessment system are, not only evaluated by their managers but also by the colleagues working in the same level, managers of the other sections, by the ones they serve and by the employees themselves. So the staff is evaluated by everyone, whom the employee is in relation with for the sake of the task he/she is in. Thus, the effect of the information collected from many people may be more effective than the results collected from a single source (Turgut, 2002:62). This system of evaluation emerges as an alternative to the traditional evaluation system.

In Table 5 are the thoughts of the participants, who were asked to assess 360-degree performance evaluation system to be used public performance management. The sum of those who totally agree and agree with this evaluation system is 70.4 percent. Thus, it is seen that, their thoughts are positive on the idea of being responsible to citizens, about the duties that they realize, which came gained currency with new public management approach.

### 5.3. Evaluation of Measures on Target Audience in Public Performance Management

#### Measure of Transparency

**Table 6: Each kind of administrative decisions and actions should be known, seen and heard by the public.**

	Frequency	Percent

Totally Disagree	2	3,7
Disagree	4	7,4
Have No Idea	3	5,5
Agree	30	55,5
Totally Agree	15	27,8
Total	54	100,0

In Table 6, the total rate of the ones, who agree and totally agree with the assessment about the measure of transparency, is 83.3 percent. The total rate of the ones, who totally disagree and disagree, is 11.1%. This situation shows that, that they have a great support, in other words positive view, to topic that public institutions and agencies should be transparent about their actions and transactions.

### Measure of Legality

**Table 7: Services and actions realized by public institutions and agencies should be in accordance with law.**

	Frequency	Percent
Totally Disagree	-	-
Disagree	1	1,9
Have No Idea	2	3,7
Agree	24	44,4
Totally Agree	27	50,0
Total	54	100,0

In Table 7, the total rate of the ones, who agree and totally agree with the assessment about the measure of legality, is 94.4 percent. Here, it has emerged that, almost all of the respondents give importance to measure of legality, which is one of the measures of the public performance management.

### Measure of Accountability

**Table 8: Public authorities need to be responsible for the issues about how public resources are used, budgeted and reported and must give account when needed.**

	Frequency	Percent
Totally Disagree	1	1,9
Disagree	1	1,9
Have No Idea	2	3,7
Agree	24	44,4

Totally Agree	26	48,1
Total	54	100,0

In Table 8, the total rate of the ones, who agree and totally agree with the assessment about the measure of accountability, is 92.5 percent. Here, as in the previous table, a large proportion of those surveyed, support the measure of accountability.

In the three tables above, it was tested whether measures of transparency, legality and accountability, which are measures oriented to target audience in public performance management, are adopted by the participants. As can be seen from the results, these three measures have emerged to be adopted by the vast majority of those polled. we want to evaluate these three measures in terms of managers and officers no significant differences were found.

### 5.3 Evaluation of Measures on Institution in Public Performance Management

#### Measure of Efficiency

**Table 9: Public institutions and agencies are admitted to be successful, in the case of realization of the predetermined basic objectives.**

	Frequency	Percent
Totally Disagree	3	5,6
Disagree	3	5,6
Have No Idea	4	7,4
Agree	37	68,5
Totally Agree	7	13,0
Total	54	100,0

In Table 9, the total rate of the ones that agree and totally agree with the assessment about the measure of efficiency, which is a measure oriented to the institution in public performance management, is 81.5 percent. The group of ones, which includes repudiating the measure of efficiency and disagree, and totally disagree with the measure of efficiency, is reported to have the rate of 11.2 percent. The rate of those, who have no idea, has been 7.4%. This result shows that the measure of efficiency, which is an important factor in institution's achieving its aim, is adopted by the vast majority of the participants.

#### Measure of Productivity

**Table 10: Public institutions and agencies are considered successful if they use the least amount of input to achieve the most output through the least resources.**

	Frequency	Percent
Totally Disagree	2	3,7

Disagree	10	18,5
Have No Idea	7	13,0
Agree	27	50,0
Totally Agree	8	14,8
Total	54	100,0

The total rate of the ones that agree and totally agree with the assessment about the measure of productivity is 64.8 percent in Table 10. Those, who repudiate the measure of productivity, gave the answer of disagree, and completely disagree, and their total rate is 22 percent. In addition, that rate of those, who have no idea, 13.0 percent. This result, the adoption of the participants on the measure of productivity is not as high as the one on the measure of efficiency. In addition, there is an increase for the rate of the ones having no idea. This leads us to think that the participants adopt the measure of productivity less than the measure of efficiency.

**Table 11: Evaluation of productivity measure in manager-officer levels**

Groups	Totally Disagree	Disagree	Have No Idea	Agree	Totally Agree	Total	X <sup>2</sup>	Sd	P
<b>Manager</b>	0	5	1	4	0	10	9.49	4	0.05
<b>%</b>	%0,0	%50,0	%10,0	%40,0	%0,0	%10			
<b>Officer</b>	2	5	6	23	8	44			
<b>%</b>	%4,5	%11,4	%13,6	%52,3	%18,2	%10			
<b>TOTAL</b>	2	10	7	27	8	54			
<b>%</b>	%3.7	%18.5	%13.0	%50.0	%14.8	%100			

In the table managers' and officers' views about the measure of productivity, in other words "public institutions are considered successful if they achieve more output, or use less input to achieve the same output" have been revealed. According to the table, 40 percent of the managers have positive evaluations as "agree". 50 percent of managers as well have negative evaluations as disagree with the. By giving a 71 percent of positive responses, which is the sum of 52 percent agree and 18.2 percent totally agree responses, officers positioned employees positively assessed the situation, in contrast with the managers. The total ratio of civil servants having negative evaluations has been 15.9 percent. The rate of the ones having no idea is 13.6 percent. In short, it has been determined that: officers' and managers have different opinions about the measure of productivity on public performance management.

According to officer-manager variable the difference on the statement "public institutions are considered successful if they achieve more output, or use less input to achieve the same output" is significant. ( $X^2 = 9.49$   $p < .05$ ). In other words, according to the position is a significant relationship between their views on the statement "public institutions are considered successful if they achieve more output, or use less input to achieve the same output".

It was tried to make a similar table for measures of efficiency and economy, but no significant relationship was found between the views of officers and managers about those measures.

### Measure of Economy (Thriftiness)

**Table 12: the institution should obtain the resources to be used, in appropriate quantity and quality, in appropriate time and at the appropriate place through least cost.**

	Frequency	Percent
Totally Disagree	1	1,9
Disagree	-	-
Have No Idea	2	3,7
Agree	28	51,9
Totally Agree	23	42,6
Total	54	100,0

In the table above, participants' evaluations about economy (thriftiness) are given. The rate of those giving the responds of "agree" and "totally agree" to the statement about the measure of economy (thriftiness) is 94.3 percent. This rate is the highest rate, when compared with the other measures of public performance management. So, it emerges that most of the respondents adopt the measure of economy (thriftiness) among the other measures for public performance. The rate of the ones evaluating the measure of economy as negative is 1.9 percent.

## 6 CONCLUSION AND EVALUATION

With the effect of the globalization process, in recent years public institutions and agencies increasingly try to adapt the private sector performance management to themselves and in this way to rise their accountability, efficiency and thriftiness.

In public performance management, generally it is stated that: individual performance is more important than team and institutional performance. However, the research participants evaluated the most important factor to affect the performance of public institutions and agencies to be team factor, or working together. In addition, it was seen that civil servants' responds to another question showed them to give more importance to individual factors in public performance management. The emergence of such a conclusion shows us that participants of the research were unable to show a distinction about whether team performance or individual performance, which are the factors affecting public performance management, is more important.

Measure of legality, which is one of the basic principles of the traditional public administration approach, is not considered the unique measure to assess public institutions' organizations. In addition, it is highlighted that: as well as measures for the target audience (criteria of legality, transparency, criteria, and accountability criteria), measures for the institution (efficiency, productivity and thriftiness), which are put forward by public performance management, are needed to be adopted by the employees. In this context, it has emerged that, research participants had adopted both measures for the

audience and the measures for the target audience. However, when we compare the measure of productivity with other measures, rate of the positive evaluations are lower than that of the other measures. There are some discussions about whether the measure of productivity to be considered a measure of public performance management. Because the starting point of the measure of productivity is assessed to be profit and in public administration, public interest comes to forefront rather than profit. In terms of public administration, whether the aim is realized, is important rather than profit or loss. Emergence of the low rate on the measure of productivity can be assessed as this understanding about productivity reflects to the researchers. In addition, it has emerged that managers and officers evaluate the measure of productivity differently. While nearly half of the managers evaluate the measure of productivity negative, most of the officers assess it positive.

As a result, it is seen that: officers and managers, who participated in the research, have positive thoughts about the concept, principles and measures put forward by public performance management. If necessary arrangements are made about public performance management, civil servants in the implementing position will react positively.

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## **Mehmet Cagri Gozen, Selcuk Koc**

Kocaeli University, Turkey

### **Effects of Intra-Trade Performance on Economic Variables: A Forecast for D8**

#### **Abstract:**

Trade liberalization is the main concern of economic globalization process. Especially developing countries, adapting their national economies to new competitive world, might significantly improve their economic, political and social positions. To realize these purposes, the developing 8 (D 8), being member of OIC and comprising of 8 developing countries, have formed an alliance to develop economic and social relations. Improvement of economic position in the world and of life standard in the country and enhancement of intra-trade relations are among its objectives.

Aim of this paper is to examine the possible results of trade liberalization on D8 countries. For this purpose, intra-trade performance, possible real GDP and output changes, trade balance effects and impacts on welfare will be analyzed with the help of econometric simulation scenarios.

## **Jonathan Guerin**

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### **Pay It Proper**

#### **Abstract:**

Humankind should work towards the good, and good deeds should be rewarded. While religions and philosophies debate mystical concerns and internal motivations, we scientifically measure goodness by looking at people's actions and circumstances regardless of their beliefs. An action has positive and negative effects on the world. Instead of placing a value on each action, we periodically evaluate a person as whole. Thus, we take circumstances into account in addition to actions. A person is much more than the sum of their actions. This also avoids the issue of externalities as we look at all aspects of life that we value.

Pay it proper means to reward people based on what they have already done. This is achieved through a positive cycle of learning, contributing, and benefiting. You learn about what people have done and contribute to people who have done good things. Then people learn about your contributions, thus allowing you to benefit when others contribute to you. While it is always best to personally know people, it is not practical. The concept is expanded to support economies of scale with the use of a single payment system and multiple classification systems. A payment system objectively records what people have done to aid in evaluations. A classification system is a network of trust which evaluates people. A person receives a classification level which is a recommendation to receive certain benefits. The higher the classification, the more benefits you may be recommended for. A person is evaluated periodically, so they may receive a higher or lower classification level depending on what they have done and their circumstances. There are multiple classification systems allowing for different values and points of view. People choose which classification systems to support and trust. However, when people personally know someone, they may override the classification system recommendation and either provide or deny benefits. This overriding action is not hidden or shameful. All overriding actions are entered into the payment system and thus contribute to a more accurate classification at the next evaluation time.

Pay it proper differs from remuneration based on a quid pro quo in the form of a national currency, local (complimentary) currency or bartering. These methods involve accumulating money or property as the primary forms remuneration. Money and property are impersonal, do not account for externalities, and have no theoretical limit on how much you can acquire. Pay it proper involves acquiring high classifications as the primary form of remuneration. In order to obtain a high classification, you make positive contributions to society and there is a limit to how high a classification you can have.

Pay it proper supersedes altruism. In pay it proper terms, altruism is the lowest level of classification. At the lowest classification, people may receive benefits regardless of who they are or what they have done. It is up to society to determine what benefits to provide at this level.

**Anat Guy**

COMAS, Israel

## **Differences in Personal Values of Students in Different Disciplines at the Start and End of their Undergraduate Studies**

### **Abstract:**

Academic education aims to equip those who enter the college gates with the knowledge, skills and values that reflect their chosen disciplines. This study compares the values of students enrolled in four disciplines: social work, medicine, economics, and sociology. It examines changes and developments in these values by looking at values espoused by students in the first year of their undergraduate studies, and those in the third year at the same department.

The population included 1429 students, in first and third Year enrolled at four academic institutions. Students completed anonymous, closed, and structured questionnaire in the course of mandatory classes.

Findings indicate differences in personal values espoused by students in different disciplines along with stable values maintained throughout the course of studies. A similarity, moreover, was found between the values of students enrolled in disciplines that came under the humanities (social work and sociology), while those who were enrolled in disciplines considered more scientific (economics and medicine) showed less similarity.

**Tareq N. Hashem**

Philadelphia University, Amman, Jordan

## **Marketing Manager's Perception of Advantages and Disadvantages of Expert Systems in the Jordanian Commercial Banks**

### **Abstract:**

The study aimed to investigate marketing managers' perception of advantages and disadvantages of expert systems in Jordanian commercial banks. This study is an important study, because success and efficiency of decision making depends largely on information availability, therefore, existence of an efficient expert system is one of the basic requirements for survival and not as a way to improve performance. This study will contribute in studying and developing the Jordanian commercial banks ability in the various sectors regarding dealing with the expert systems.

The study population consisted of marketing managers and their deputies in (13) Jordanian commercial banks, (11) Managers only respond. A self-administration questionnaire was developed after reviewing the literature review and previous studies from various references.

The ' questionnaire consists of two parts. The first part attempts to collect general information. And the second part consists of all questions related to research objectives and hypotheses. The questionnaire was evaluated by a number of academics from Jordanian universities. Their remarks and comments were taken into consideration. Also Cronbach Alpha was used to compute the research reliability.  $\alpha$  value was (0.923) which is good because it is greater than accepted percent (0.60)

The study results indicated that marketing managers at Jordanian Commercial banks perceive advantages and disadvantages of the expert systems. The research also found that there are no statistical differences in the extent of the marketing managers' perception of advantages of expert systems in the Jordanian commercial banks due to their (experience and educational level). As well as, there are no statistical differences in the extent of the marketing managers' perception of advantages of the expert systems in the Jordanian commercial banks according to their (experience and educational level). Several recommendations were suggest such as: Banks have to keep abreast of developments in the field of expert systems in the form in which banks can increase their efficiency in the use of these systems in improving marketing performance. Although there are no differences in the level of use of expert systems for factors personal of director of marketing, but it is necessary to focus on the choice of marketing managers who have appropriate experience and qualifications so as not to be lower these two factors cause an influential negatively on the level of use of expert systems. Attention to staff training in various departments on how to use expert systems tailored to the requirements of their work, and through training sessions regularly about the various programs of expert systems.

**Keywords:** Expert Systems, Jordanian Commercial Banks Marketing Managers, Perception.

## 1 Introduction

The field of industrial intelligence is one of the fields that received the most attention in the last period, especially because it is implemented in most of the human activities. Where the machine in these systems simulates the human intelligence.

The artificial intelligence is defined as "The new methods in the computer systems that can be used to develop systems that stimulate the human intelligence, and allow them to make deduction processes about facts and law stimulated in the computer's memory". (Al Ma'zi, 2003, P14).

Taking decisions in the organization is considered an inevitable necessity to achieve the objectives of such decisions, they are the management base. The effectiveness of a decision is linked with those who participated in taking it.

Decision makers are important because they have to choose what should be done, when, where and how. Their task is defined also when the objective is defined and how to execute the decision. Decision making process contains positions, pressures, and various problems ranged between simple to complicated problems, even for the experts of decision makers, as they sometimes face problems to arrive to a certain decision (Al-sheikh Salem and Hashem, 2007). Using expert systems increased as they are a part of the artificial intelligence in the banking sector, and this study tries to know the extent of marketing managers perception of the advantages and disadvantages of the expert systems in the Jordanian commercial banks.

## 2 The Theoretical framework

When the organization needs to take a decision to solve a problem , its management depends on experts who have enough experience about the problem. Those experts will use expert systems to take the decision ( Al Salimi, 2005 , p 66) . There are various definitions for the expert systems similar to the new concepts, (Sultan, 2005, P 377) defines them as " Information system is built on the basis of the computer consists of parts are: user interaction, knowledge base, inference machine and machine development and modernization. And intended to provide recommendations and solutions to problems specific to a particular area, these recommendations are similar to those that can be provided by the human expert in this area. "

They are identified also as" Intelligent systems are characterized by intelligent software based on knowledge derived from the human experience, and use logical inference rules of access to the results and the reasons for access to them". (Al-Kurdi and Al Abed, 2002, P 255)

## 3 Expert systems and Marketing in Banking Sector

Expert Systems are no longer new technology where it is used in many areas and you may not notice it, where it is used in cars in Braking Systems, aviation systems, tourism and access to banking systems used by variously credit cards , and ATM cards, for example. Even some banks are using expert systems in the cards loans given to the customer and will help him in decision-making and access to advice to take the loan.

The effectiveness of expert systems will increase when linked to technological applications and databases bank which enhances the bank's competitive advantage in the face of other banks. There are

many types of expert systems in banks such as : investment portfolio management, financial planning, credit rating, credit cards, bank transfers etc.( Bridge and Lin , 1992), (Shao and Oppenheim, 1994)

There is considerable interest in the expert systems to develop marketing strategies, because they contribute to strengthen the decision-making process. Applications of expert systems Varied in business organizations as well as banks, where banks are trying to strengthen its competitive advantage in the face of other financial institutions that provide services compete with services offered by banks. To enhance the competitive advantage, banks can follow the proactive approach through the development of marketing mechanisms for the implementation of marketing strategies , not just follow the traditional means of marketing of banking services. (MOUTINHO et al. , 1995)

### **Advantages and disadvantages of the expert System**

A- Advantages of the expert systems:

There are many advantages, among them the following:

- Providing the scarce experiences, the expert systems do not stop at the border of data treatment, but it can represent a scarce and distinguished knowledge in a certain field, can be used by others easily.
- Increasing the productivity, where the expert systems can work in a faster and more precise form than the human being, its use also reduces the mistakes and the costs of experts, which leads to decrease of the total costs and an increase of the productivity (Al Samrerrai and Al – Rubi, 2004, P193).
- Guarantee the rationality and neutrality and get rid of feelings, emotions and the psychological attitudes when taking on important decisions.
- Providing support to the managers and decision makers
- Flexibility, the expert systems are flexible in providing advices in their usage fields, as according to the type of inputs of information, the rules used to solve the problems are specified.
- The possibility to work in a risky environment at very high or very low temperature, where the human being can not work in such circumstances. ( Al Salimi, 1998, p 189)
- Reach decisions more quickly.( Bridge and Lin , 1992)

### **The disadvantages of the expert systems.**

In spite of all the advantages of the expert systems, they are not free of some disadvantages such as:

- The Rare knowledge contained in the expert systems might not easily available.
- The difficulty of extract the experience from the experts.
- It is possible not to benefit from some systems because of the capability of their users is limited.
- Limitation of the expert systems fields until today.
- The difference between the methodology of each expert in evaluating the situation, in spite of the correctness of the position of each of them.

- Building expert system is considered costly in most cases, because they need distinguished and scarce experiences. (Hanak , 2002, p.31), ( Al Salimi, 1998, p 190)

### **Importance of the Study**

Importance of the Study stems from the following

- 1- This study is an important study, because success and efficiency of decision making depends largely on information availability, therefore, existence of an efficient expert system is one of the basic requirements for survival and not as a way to improve performance.
- 2- This study is different because it handles one of the most important economic sectors in Jordan, that is the commercial banks
- 3- This study will contribute in studying and developing the Jordanian commercial banks ability in the various sectors regarding dealing with the expert systems.

### **Problem of the Study**

The study purpose is to investigate the extent of the marketing managers perception of advantages and disadvantages of expert systems in the Jordanian commercial banks. This purpose will be achieved through answering the following questions:

- 1- Do marketing managers in the Jordanian commercial banks perceive the advantages and disadvantages of the expert systems?
- 2- Are there differences in the extent of marketing managers perception of the advantages and disadvantages of the expert systems according to their ( experience and educational level)?

### **4 The study's hypotheses:**

The following null hypotheses (Ho) will be tested:

- 1- Marketing managers at the Jordanian Commercial banks do not perceive the advantages of the expert systems.
- 2- Marketing managers at the Jordanian Commercial banks do not perceive the disadvantages of the expert systems
- 3- There are no statistical differences in the extent of marketing managers perception of advantages of the expert systems in the Jordanian commercial banks due to their ( experience and educational level)
- 4- There are no statistical differences in the extent of the marketing managers perception of disadvantages of the expert systems in the Jordanian commercial banks due to their ( experience and educational level).

### **5 Methodology**

This study employs a quantitative approach to investigate marketing managers' perception of advantages and disadvantages of expert systems in Jordanian commercial banks.

Quantitative research is a kind of scientific research that assumes the existence of social facts objectively, individually and isolated from the feelings and beliefs of individuals, which numbers are used in the analysis of data, and subject to the terms of validity and reliability, and address data statistically, and the results can be generalized to the original community . it concentrates on measuring the scale, range, frequency etc. of phenomena.. (Neville, 2007)

#### **a- Population:**

The study's population is consisted of marketing managers only or their deputies in (13) Jordanian commercial banks . (11) managers cooperated with the researcher.

#### **b- Data collection Methods:**

- 1- Primary Data Collection: a questionnaire was prepared and distributed over study's sample subjects in order to obtain the primary data.
- 2- Secondary Data Collection: books, and scientifically resources that are related to the study subject were used

#### **Questionnaire Design**

A self-administration questionnaire was developed after reviewing the literature review and previous studies from various references.

The ' questionnaire consists of two parts. The first part attempts to collect general information. And the second part consists of all questions related to research objectives and hypotheses.

### **6 Validity and Reliability**

#### **a. Validity:**

The questionnaire was evaluated by a number of academics from Jordanian universities. Their remarks and comments were taken into consideration.

#### **b. Reliability**

Cronbach Alpha was used to compute the research reliability .  $\alpha$  value was (0.923) which is good because it is greater than accepted percent (0.60). (Malhotra, 2004, p.268)

#### **Data Analysis**

Gathered data was coded and analyzed through using descriptive statistics. One sample t-test was used to test first and second hypothesis .Multiple regression was used to test third hypothesis

### **7 Characteristics of the Sample**

Table (1) shows the sample distribution according to the demographic variables. Figures show that the majority (81.8%) of the sample has Bachelor degree. Moreover, highest observations (45.5%) has experience more than 15 years

**Table 1: Sample Distribution**

Variable	Frequency	%
<b>Education level:</b>		
First University degree (Bachelor (B.A))	9	81.8
Second University degree (Master degree)	2	18.2
Doctoral Degree and more.	-	-
<b>Experience</b>		
Less than 10 years	2	18.2
10-15 years	4	36.4
More than 15 years	5	45.5

## 8 Statistical results

**Table 2: Perception of the advantages of the expert systems:**

	Mean	STD. Deviation
1- Providing the rare experiences	4.7273	.46710
2- Increase the productivity.	3.6364	1.56670
3- Guarantee the rationality neutrality and get rid feeling and emotions.	3.6364	1.56670
4- Providing support to managers and decision makers.	3.8182	1.40130
5- Flexibility.	4.0000	1.34164
6- Possibility to work in risky circumstances.	4.5455	.52223
7- Work under uncertain information.	4.1818	.98165
8- Possibility to transfer & knowledge to places geographically diverged.	4.0000	1.26491

Table (2) indicates that there are positive attitudes toward questions mentioned because their means are more than the virtual mean (3), Table (2) also reveals clearly that question (1) has the highest mean value which reflects high degree of positive attitudes toward this question.

**Table 3: Perception of the Disadvantages of the expert systems:**

	Mean	STD. Deviation
1- Knowledge not prepared and available always.	4.0000	1.26491
2- difficulty to extract the experience of the human beings.	4.3636	.80904
3- Exposure of transforming the knowledge to perception and subjective biases.	3.7273	1.34840
4- Lack of trust in the system.	4.0000	1.26491
5- Lack of a method to assure the quality of the recommendations suggested by the experts.	4.2727	1.19087
6- Difference between the methodology of each expert in evaluating the situation, in spite of the correctness of the methodology of each of them.	3.4545	1.63485
7- Not fully benefit from the expert systems, because of the limitation of the system's users Capabilities.	4.0909	1.04447
8- Using complicated expressions and not understandable identifications by the system users.	4.3636	.80904
9- High cost of designing the expert view.	3.6364	1.50151

Table (3) shows that there are positive attitudes toward questions mentioned because their means are more than the virtual mean (3) Table (2) also reveals clearly that questions (2 & 8) have the highest mean value which reflects high degree of positive attitudes toward these question.

## 9 Hypothesis Testing

**First hypothesis** The marketing managers at the Jordanian Commercial banks do no perceive the advantages of the expert systems.

**Table 4: Test of hypothesis (1)**

t calculated	t Sig	Mean
3.569	0.005**	4.0682

\*\* Significant at (0.01) level

One sample t- test was used .Table (4) indicates that calculated value of (t) is significant at (0.01) which means that marketing managers at Jordanian Commercial banks perceive the advantages of the expert systems.

**Second hypothesis:** The marketing managers at the Jordanian Commercial banks do not perceive the disadvantages of the expert systems

**Table 5: Test of hypothesis (2)**

t calculated	t Sig	Mean
4.678	0.001**	3.9899

\*\* Significant at (0.01) level

One sample t- test was used .Table (5) indicates that calculated value of (t) is significant at (0.01) which means that the marketing managers at the Jordanian Commercial banks perceive the disadvantages of the expert systems.

**Third null hypothesis:** There are no statistical differences in the extent of the marketing managers perception of advantages of the expert systems in the Jordanian commercial banks according to their ( experience and educational level)

**Table 6: Test of hypothesis (3)**

Variable	F calculated	t calculated	Sig
educational level	-	.329	.778
experience	.574	-	.585

T –test for independent sample and One way ANOVA were used ..Table(6) indicates that values are not significant at (0.05) level. So the null hypothesis is accepted. This means that there are no statistical differences in the extent of the marketing managers perception of advantages of the expert systems in the Jordanian commercial banks due to their ( experience and educational level)

**Fourth null hypothesis:** There are no statistical differences in the extent of the marketing managers perception of disadvantages of the expert systems in the Jordanian commercial banks according to their ( experience and educational level).

**Table 7: Test of hypothesis (4)**

Variable	F calculated	t calculated	Sig
educational level	-	.096	.932
experience	.244	-	.789

T –test for independent sample and One way ANOVA were used . Table(7) indicates that values are not significant at (0.05) level. So the null hypothesis is accepted. This means that there are no statistical differences in the extent of the marketing managers perception of disadvantages of the expert systems in the Jordanian commercial banks due to their ( experience and educational level)

## 10 Results

Upon the above analysis, the following results are concluded:

- 1) Marketing managers at the Jordanian Commercial banks perceive the advantages of the expert systems
- 2) Marketing managers at the Jordanian Commercial banks perceive the disadvantages of the expert systems
- 3) There are no statistical differences in the extent of the marketing managers perception of advantages of the expert systems in the Jordanian commercial banks according to their ( experience and educational level)
- 4) There are no statistical differences in the extent of the marketing managers perception of advantages of the expert systems in the Jordanian commercial banks according to their ( experience and educational level)

## 11 Recommendations

1. Banks have to keep abreast of developments in the field of expert systems in the form in which banks can increase their efficiency in the use of these systems in improving marketing performance.
2. Although there are no differences in the level of use of expert systems for factors personal of director of marketing, but it is necessary to focus on the choice of marketing managers who have appropriate experience and qualifications so as not to be lower these two factors cause an influential negatively on the level of use of expert systems
3. Attention to staff training in various departments on how to use expert systems tailored to the requirements of their work, and through training sessions regularly about the various programs of expert systems.
4. Interest in diversifying the means of collecting data and information from the surrounding environment and contribute to the promotion of access to expert systems in banks
5. Necessary to allocate special funds to develop expert systems in banks

## 12 Conclusion

After presenting a review on expert systems with an emphasis on the expert systems in banking sector as the essence of application, the study confirms that Marketing managers at the Jordanian Commercial banks perceive the advantages and disadvantages of the expert systems.

Additionally the study indicates the importance of expert systems in providing rare experiences in banking sector in Jordan . although the sample is aware about the disadvantage of Using complicated expressions and not understandable identifications by the system users , as well as, difficulty to extract the experience of the human beings. Hence in reference to the sample results, The researcher found that there are no statistical differences in the extent of the marketing managers' perception of advantages and disadvantages of expert systems in the Jordanian commercial banks due to their (experience and

educational level). Which reflects the importance of this issue for all respondents, regardless of their experience and qualifications .

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## **Lili del Carmen Hernandez Romero**

University of Nottingham, Ningbo, China

### **Fostering Creativity at Schools in China: a Work in Progress**

#### **Abstract:**

China's educational system is considered as one of the main obstacles to move from the traditional model known as "Made in China" to the new paradigm "Created in China". Although this is allegedly one of the main goals of the Chinese government, very little has been done to undertake that transformation from the roots, that is, from the educational system. Until now, students in China follow conventional patterns of rote learning where they are discouraged to think creatively or critically in any sort of way. The Chinese have nevertheless a valuable quality, which is that, overall, they are very hard working people. Provided that the right attention is given to the development of creativity, the strong commitment of the Chinese could be channelled into a more solid phase of innovation. In the past few years, for example, China has devoted a wide range of resources to the development of the creative industries. The foundation that can lead to such advancement has been, nevertheless, largely ignored. This paper examines the status quo of the educational system in China with respect to creativity and critical thinking. Obstacles to the implementation of creative pedagogies in the classroom are analysed here. The investigation takes place at schools in Ningbo, a city in South East China. The project supplies information about what creativity means to teachers in that country and the extent to which this ability has been built into the curriculum. This work includes a comparative study between China and other countries in terms of creative methodologies applied to teaching and learning. Ways in which children are encouraged to think creatively in other countries, for example in Japan and Europe, are used as point of reference.

## **Dipane Hlalele**

Nordic Africa Institute, Uppsala, Sweden

### **Creating Sustainable Rural Learning Ecologies: Realities, Lessons and Prospects**

#### **Abstract:**

Current educational and other research finds that it is no longer desirable, appropriate or useful to define urban in terms of rural or the other way around. To do so is to create a competitive relationship between them, to the disadvantage of rural areas. Such thinking also generalises situations that are actually very different from each other. Furthermore, a approach to policy and its implementation makes it possible to overlook and disregard important aspects of the lives and the needs of the different rural communities. The realities faced by people in rural areas cannot always be addressed by policy made elsewhere and for everyone. It is very important to bring schools and communities much closer together. The Tirisano document placed schools in the most important position by viewing them as “centres for community life”. The situation where schools are dissociated from the communities is a complicated and challenging reality for both. However, one reason why it should take place is that it creates a key link between education and development. Emerging Voices puts this matter most clearly. It points out that although integrated rural development policies are in place, they do not make any reference to education. And education lies at the heart of poverty reduction and rural development. Emerging voices further found that shown that children [in rural areas] do not have their constitutional right to education realised, and their rights within education or through education are also limited. The government of South Africa view “rurality” to mean “a way of life, a state of mind and a culture which revolves around land, livestock cropping and community”. Rural areas include all traditional communal areas, farmland, peri-urban areas, informal settlements and small rural towns where people have a number of possibilities to live from the land. Rural development is about enabling rural people to take control of their destiny, thereby dealing effectively with rural poverty through the optimal use and management of natural resources. It is a participatory process through which rural people learn over time, through their own experiences and initiatives, how to adapt their indigenous knowledge to their changing world. Through a literature review and participatory rural appraisal, the paper presents realities, lessons and prospects with a view to contributing to the creation of sustainable rural learning ecologies. It is the author's view that creation of such would circumvent the effects of rural brain drain by enhancing sustainability and rural development. In brief, the paper addresses the research question: How do we create sustainable rural learning ecologies?

## Dipane Hlalele

Nordic Africa Institute, Uppsala, Sweden

### Introducing Participatory Rural Appraisal Methodologies to Rural Education Research

#### Abstract:

Historically, rurality and rural education have been marginalised bodies of knowledge in South Africa. The post-1994 era has seen an emerging government concern to address the continuing interplay between unemployment, inequality, poverty, underdevelopment, and underachievement in schools categorized as rural. To address these concerns, scholars in South African institutions of higher learning have conducted research on various issues on rurality and rural education. However, little is known of the focus of the various studies and the state of rural education and rural education research. There exists a realization that thus far, relatively little has been written about the current and potential application of rural participation in the context of rural development in South Africa. One noticeable element that is missing in rural education research is participation. Under such situations, a positivistic relationship of the researcher and the researched (characterized by lack of respect and appreciation for local knowledge and wisdom as well as incongruent power relations) is common. This paper seeks, through literature review, to introduce and provide some initial insights into participatory rural appraisal (PRA) methodologies to rural education research in South Africa. Literature shows that these methodologies have been successfully used in rural health, agriculture and development projects. Owing to the success of these methodologies in fields of study other than education, I propose and support their use in rural education research.

**Keywords:** Participation, Rurality, Development, Sustainability, Schools.

#### 1 INTRODUCTION

Rural education research is a considerably smaller enterprise than many other branches of educational research —surprisingly so, when we consider that roughly one in five public school students attends a rural school, and al-most one third of all public schools are located in rural areas (Johnson and Strange 2005:3; Coladarci 2007:3). Some of the most important challenges to understanding rural education are that there is not a lot of rural education research, there is limited awareness of rural diversity, and there are multiple definitions of rural. Also, rural schools are usually the biggest employer in their areas. In this paper, I argue for the use of Participatory Rural Appraisal (PRA) because it is a participatory research method that involves the community in the process of communication programmes planning right from the beginning. With PRA, the needs and problems of the people are identified, ‘with them’, defined and prioritised while opportunities and solutions existing in the community are discovered.

Segments of the community who are most affected by these problems and needs can also be selected during PRA (Anyaeibunam, Mefalopulos & Moetsabi 2004).

## 2 BACKGROUND

Conventional research has often suffered from the drawback of not adequately incorporating and taking cognizance of the subjects of the research process. This tendency seems to be more pronounced in rural areas where researchers may be likely to lack of time and resources as contributory factors. The criticism can therefore be levelled that many research investigations in the past and even today tended to be of an ephemeral and superficial nature, leading to what has been described as ‘rural development tourism’ (Chambers 1994). According to Petropoulos *et al.* (2003) such research is often characterized by a wide range of biases, such as tarmac bias, roadside bias, project bias, gender bias, dry-season bias and professional bias. Such biases often prevent the true identification and assessment of rural development problems, as well as marginalizing the views of rural people and inducing a bias based on western preconceptions and accessibility limitations. Through inappropriate methodologies with their attendant biases, the true nature and extent of rural education is, in essence, often hidden from the ‘rural development tourist’ and, consequently, appropriate measures of support and funding often fail to reach the ‘hidden poor’ (Chambers 1994). In the course of history, seldom has the greatness of a nation long survived the disintegration of its rural life. For untold ages man by nature has been a villager and has not long survived in other environments. Many studies of the subject which has been made in Europe and America have revealed that as a rule, city families survive for only a few generations. Cities grow and thrive only as they are constantly replenished from the rural population. So long as a nation's rural life is vigorous it possesses reserves of life and power, which nourish, nurture, promote and sustain humanity. When for a long time cities draw the cream of life and culture from the villages, returning almost nothing, as has been the case in some parts of South Africa and the world, the current rural resources of culture and energy become depleted, and the strength of the nation is most likely to be shaken and stirred.

Excellence in teaching and learning in rural contexts remains a challenge for all sectors and levels of the educational endeavour. Urban and metropolitan schools, colleges and universities may unintentionally structure their learning programmes in such a manner that they neglect rural attributes and resultantly ostracize or marginalize learners/students from rural environments. To complete the loop, these institutions are more likely to fail in preparing graduates for decisive contribution to sustainable rural learning ecologies. Notwithstanding the foregoing, best practices and success stories have been recorded. It is for this reason that we ask ourselves the question: *Will the introduction of participatory rural appraisal (PRA) contribute to sustainable rural learning ecologies?* A learning ecology framework foregrounds the fact that students/learners are simultaneously engaged in many settings and that they are active in creating activity contexts for themselves within and across settings. Whilst interactions within co-located settings are critically important for development, it is also clear that the learning processes that involve the creation of activity contexts in a new setting or the pursuit of learning resources that are found outside the primary learning setting are of paramount value (Barron 2006). The framework builds on prior studies of informal or out of school learning in recognizing the variety of literacies, practices, and forms of knowledge that are developed and employed out of school as children and their companions pursue activities of interest to them (Hull & Schultz 2001). It takes

into account that boundaries are often more permeable than many theoretical discussions might suggest, and that children and adults often draw on multiple cultural forms as they meet their current needs, wherever they happen to be (Barron 2006). The framework therefore, endorses the existence of a complex, dynamic but defined interplay between and within various settings (components of a learning ecology).

With the huge variety of languages, cultures, and educational systems found within the African continent, it was never the intention to assert a universal research methodology. What is apparent though is the need for the development of culturally sensitive and reflexive methodologies. According to Jansen (2005) studying the problem of drop-outs in rural Namibia among the San is in fact a misleading though common Western concept for children who leave a school; what indigenous scholars of the kind I described will realise is that drop-ins is more appropriate in such a community as migrants people move from one area to the next in search of better grazing for their herds, with children simply changing the school address on rotation. Such a scholar will also realise that studying the deskilling of rural teachers in Zimbabwe is in fact an inappropriate concept when the skilling of these teachers was in question in the first place.

Historically, rurality and rural education have been marginalised bodies of knowledge in South Africa and little is known of the focus of the various studies and the state of rural education and rural education research (Nkambule, Balfour, Pillay & Moletsane 2011). Over and above what Nkambule et al (2011) suggest, i.e., little is known about rural research, the little knowledge that authorities have seem to take a long time to be acted upon. One of the problem areas in rural education is multigrade teaching. *Ms Tsakani Chaka, Researcher, Centre for Education Policy Development (CEPD)*, presented a study into teaching literacy and numeracy in multigrade classes in rural and farm schools in South Africa to the Parliamentary Monitoring group on 6 March 2012. She noted that in 2005, the Ministry of Education released a report on rural education which specifically noted multigrade teaching as a challenge in rural and farm schools. This research followed up on the position at the moment, and analysed data as well as carrying out six case studies, in the North West province, using interviews with principals, interviews with teachers, lesson observation, documentary analysis (work schedules, lesson plans, time-tables, learners' work), interviews with , the interview with provincial and district officials, as well as with teacher trainers. About 27% of schools had multigrade classes, and this involved about 4% of the learners. The multigrade system, although in fairly widespread use, was not actually formally recognised. Most of the schools that had these classes were poorly resourced. There was no curriculum adaptation, and the planning requirements were the same as those of the monograde classes. Teachers' exposure to suitable teaching strategies was limited, there was no specific teacher training on multigrade teaching, and no specific support was offered to these teachers. The teachers faced high workloads owing to planning and assessment requirements. The learning materials were not always available in the mother tongue, and were not suitable for self-study. The continued neglect of the multigrade problems contributed to ongoing marginalisation of the poor, for whom multigrade schools were a reality. The author wishes to point out at this early stage, that should PRA have been observed, the situation may have been different. It may have not been necessary to conduct research after research even though there is no difference after such.

This paper argues for, in addition to literature review, through real-life examples (Diyatalawa and Muyexe villages discussed later in this paper) from the SADC region, the use of participatory rural appraisal (PRA) as a step in the right direction towards participation in rural education research. PRA, used mainly in Development Studies, involves the community in the process of programme planning right from the beginning. With PRA, the needs and problems of the people are identified, defined and prioritised while opportunities and solutions existing in the community are discovered. Segments of the community who are most affected by these problems and needs can also be selected during PRA. The paper draws on the Diyatalawa and Muyexe rural development projects amongst others, to entrench the view that PRA is an effective technique towards community participation that leads to the enhancement of access to sustained quality education.

### 3 PARTICIPATORY RURAL APPRAISAL (PRA)

According to Davies (2001) and Chilisa (2012) Participatory Rural Appraisal (PRA) is a term used to describe a family of approaches and methods that enable the disenfranchised, dispossessed communities in the third and fourth worlds to share and analyse their indigenous knowledge, life experiences, and conditions with the goal to plan and act. The PRA approach is particularly useful as it enables vulnerable groups in a community to have a voice and impart their views on issues from which they are most often excluded. Hence, participation by different groups such as women, the elderly, disabled and even school children, researchers and other professionals are able to paint a realistic picture of community life. PRA methods are based on some simple principles:

- *A reversal of learning*, to learn with and from rural people, directly, on the site, face to face, gaining from local, physical, technical and social knowledge.
- *Learning rapidly and progressively*, with flexible use of methods, improvisation, iteration, and cross-checking, being adaptable in a learning process.
- *Seeking diversity*: Looking for, noticing and investigating contradictions, anomalies and difference.
- *Triangulating*. Using a range of methods to ensure reliability and validity, and to enable cross-checking.
- *Facilitating by the local people*. Facilitating, investigation, analysis, presentation and learning by rural people themselves, so that they present and own their own outcomes.

The argument for the use of PRA in rural education research is made with observance to the Critical Emancipatory Research paradigm (CER). CER signifies a paradigm shift from a conventional and positivistic one that places the ‘powerful’ researcher at the centre of the research, to one that seeks to present collective research ownership. In my opinion, these notions of power which may have been constructed over time and continue to enjoy some support in some quarters may be deconstructed due to their, in my opinion, cosmetic nature. Cosmetic notions of power are neither natural nor inevitable, but are, as Dworski-Riggs and Langhout (2010:215) correctly point out, “merely political mechanisms, which could be arranged in other ways”. Hayward (2000) affirms that the mutable nature of power can lead to political freedom whilst Lybeck (2010:94) deplors the inability of scientists to deconstruct the dynamic social reality that is in front of them because this inhibits the actual study of that reality. According to Horkheimer (1982:47) such scientists/researchers “...experience everything only within

the conventional framework of concepts. Any object is comprised under the accepted schemata even before it is perceived. This, and not the convictions of men constitutes the false consciousness of today. Today the ideological incorporation of men into society takes place through their biological preformation for the controlled collectivity. Even the unique becomes a function and appendage of the centralized economy.” The choice is informed by CER’s objective to engage the marginalised so that their voices can be heard and respected (Dold and Chapman 2011:512). Furthermore, CER advances the agenda of human emancipation regardless of status and strives for the attainment of peace, freedom, hope, social justice and equity in its all forms (McGregor 2003). CER’s engaging nature which allows for a deeper meaning and for multiple perspectives to be considered (Mahlomaholo 2009:34; 2012) will help the participants to better understand the challenges they face in creating sustainable rural learning ecologies. Its empowering and transformative agenda (Nkoane 2012:99), affords the participants an opportunity to own the problem and process, and to provide solution(s) to the challenge and also to provide the conditions that will make the solution work. Moreover, it also helps the participants to identify possible threats and thus implement measures to evade them as part of changing their situation. Some of the reasons why other research methodologies and interventions fail have been recorded.

#### **4 WHY DO INTERVENTION PROGRAMMES IN RRAL AREAS FAIL?**

Many intervention programmes, with good intentions, often fail in rural areas for various reasons. As indicated above, one of the main reasons why education in rural areas seems not to achieve intended goals is the failure of curricula and education programmes to address and/or speak to the rural context. In respect of research methodologies and processes, Jansen (2005) cautions that studying the problem of drop-outs in rural Namibia among the San can be misunderstood and misleading. Whilst it is a common Western concept for children to drop out of school, scholars investigating the school drop-out phenomenon as in the San community for example, will realise that ‘drop-ins’ is more appropriate in such a community as migrant people move from one area to the next in search of better grazing for their herds, with children simply changing the school address on rotation. Such a scholar will also realise that studying the deskilling of rural teachers in Zimbabwe is in fact an inappropriate concept when the skilling of these teachers was in question.

The absence of a coherent policy framework (Wallace 2007) is a common occurrence which leads to the failure of rural education, sustainability and development. Evidence from the *Community Survey 2007*, indicates that rural inhabitants continue to face the perennial challenge of access to education (Fleisch, Shindler & Perry 2010). According to Johnson and Strange (2007), rural schools have unique needs that impact on their education. Rural schools have also experienced recent problems due to increased costs for healthcare, transportation, special education services, and other expenses (Williams and Nierengarten 2010). One-size-fits-all solutions do not meet the needs of the ignored and misunderstood rural schools (Bryant 2010). The Ministry of Education concedes that a special focus on rural education for unique, dedicated intervention without providing fundamentally different education may ghetto-rise education for rural communities (DoE, 2005). Bryant (2010) further states that rural life has been wrapped in a snug cocoon of fantasy. Thus, one of the obstacles of rural education, perhaps the primary obstacle, is a willful ignorance, on the part of governments, of the conditions in rural areas and schools. For example, most teachers in various fields of specialisation face professional isolation because they are, in most cases, the only teachers in their specialisations.

McQuaide (2009) states that the lack of qualified teachers is one of the most crucial factors hindering the development of basic education in rural areas. Within the confines of the suggested whole-systems perspective should be the realisation that rural contexts are diverse. It can therefore be accepted that, in most cases, no two rural contexts are exactly the same. Sabbagh (2003) aptly notes that the very idea of a just distribution calls for a local examination (in a specific context), and a distribution of resources should define specific boundaries when it establishes the unit of potential resource beneficiaries. Fraser's (1997, 2008) notion of difference seems inescapable in the provision of and access to education in rural schools. The consolidation of rural schools has been one of the strategies used to deal with problem of dwindling learner numbers.

## 5 THE USE OF PRA IN FIELDS OF STUDY OTHER THAN EDUCATION

As indicated earlier, PRA has been used in various fields of study. For example, Maalim (2006) applied the approach to investigate **health** needs and plan nursing services for a disenfranchised, nomadic Somali community of north-eastern Kenya. The finding of the study showed that the nomads diagrammatically described their seasonal movements extensively and postulated that these could be used for planning mobile/outreach services for the community. The study also revealed how the current nursing services have failed to utilize the intricate information network of the community. The study recommended that nursing personnel need to make friendly participatory relationships with a better understanding of communities' health problems and their socio-cultural practices in order to ensure efficient and effective nursing services.

Uprety (2003:87) conducted a study in **anthropology** and noted that from the perspective of the 'anthropology of natural resources management', institutional arrangements, which are the forms of cultural rules, play an important role in the management of water resource for irrigation. Institutional arrangements are rules that "are potentially linguistic entities that refer to prescriptions commonly known and used by a set of participants to order repetitive, interdependent relationships. Uprety noted that anthropological studies on common property resource management have also to be conducted by focusing on the social relationships of the irrigators because in Nepal the notion of interdependence (embeddedness) has not been given central importance. After making a review of the studies on forest management system of Nepal, he makes an interesting discovery that there is theoretical poverty of the anthropological literature on common property forest management in Nepal. This theoretical poverty could be addressed adequately PRA.

Mueller, Assanou, Guimbo and Almendo (2009:140) conducted a study to examine rapid participatory rural appraisal (rPRA) (a tool commonly used for local needs assessments) as an alternative to surveys of vascular plants conducted by people with local knowledge. The results demonstrated that rPRA can serve to combine local-knowledge inquiry with scientific study at a cost lower than vascular plant surveys and demonstrates a useful blunt tool for preliminary biodiversity assessment. This study further entrenches the relevance of PRA as an investigative approach to **biodiversity** using local wisdom and capital. To sum up, the results further showed how community participation in preliminary assessments can help create a common conservation language, refine management goals to include community priorities, and help build culturally grounded conservation programs, while providing a blunt estimation of biodiversity patterns.

A further study Gona, Xiong, Muhit, Newton and Hartley (2010:79-85) by sought to investigate the strengths and weaknesses of PRA and KI (Key Informant) approaches in the identification of people with **disability** in resource-poor countries. The study found that the PRA and KI approaches were not only consistently less expensive than conventional surveys, but also observed to be simple and fast for identifying disabilities according to local perceptions, although they were less sensitive. The evidence showed that PRA and KI processes had the benefit of engaging and developing long-term partnerships with the local communities and so the likelihood of positive long-term impact on the community. The authors concluded that the PRA and KI approaches could be fast and cost-effective methods for identifying people with disabilities as an alternative to surveys. They are especially useful when identification is related to subsequent development of community based services for persons with disabilities.

We may hold a view that children have limited knowledge and may therefore not contribute to research as active participants. However, the study conducted by Clark (2010: 115-123) used **young children** as protagonists and to investigate the role of participatory, visual methods in engaging multiple perspectives. In fact, the study sought to traverse how researching with young children rather than on young children can redraw the boundaries between adults' and children's roles in the research process including the relationship with the research audience. It was found that a further stimulus has come from participatory approaches to learning that view young children as meaning-makers. Participatory, visual research methods provide possibilities for young children and adults to engage in alternative forms of knowledge construction that in turn present challenges to researchers and research audiences. These methodologies may contribute to new understandings between children and adults, professionals and lay communities.

## 6 A CASE OF TWO SOUTH AFRICAN RURAL VILLAGES

The real life stories related below is a culmination of numerous visits and genuine attempts by the South African government to learn from and with the rural people in the two villages. Coordinated and collaborated initiatives in these villages attest to the aspirations of PRA.

### **Diyatalawa**

Nestled in the middle of mountains west of the Free State town of Harrismith lies the small village of Diyatalawa. Little is known of the village's origins but the small rural community which comprises 36 families is hoping their miserable conditions can finally be addressed through the Comprehensive Rural Development Programme (CRDP). Diyatalawa village had basically lost all hope in Government structures, until a walkabout by the current [2012] Minister of Rural Development and Land Reform, Gugile Nkwinti, and Deputy Director-General for STRIF, Moshe Swartz. The community could not stop singing the praises of the officials as they spent time doing a full assessment of the village during a door-to-door tour, chatting with residents. Nthabiseng Moloi, a Community Liaison Officer, summed up fellow residents' feelings prior to the visit: *"We are tired of seeing beautiful cars driven by big government officials who come and go with their 'documents of hope' but never bring any change to our living conditions. We hope this time the department is not only dangling a carrot for us through the CRDP, but that they will keep their promise to improve our lives'."* *"I have piles of paper in my house documenting minutes of meetings with government officials, but till today, no one has ever come back*

to us." Diyatalawa is a rural setup with all the potential of achieving a major turnaround if the optimal usage and management of its natural resources can be taken advantage of. The Department of Rural Development and Land Reform (DRDLR) has stepped in, in an effort to eradicate this scourge through the CRDP.

A village resident Mavis Mnguni bared her hopes: *"The Minister and his colleague are not the first dignitaries to walk this soil, but it looks like this initiative (CRDP) will bring us change and a better future for our children."*

The CRDP is an initiative inclusive of state owned enterprises, NGOs and other relevant government departments. This initiative seeks to build sustainable, equitable and vibrant rural communities by creating opportunities for rural people. And the village of Diyatalawa is already benefitting from the programme. The Department of Agriculture, Forestry and Fisheries (DAFF) also came to the party by offering eight vegetable tunnels, two chicken houses containing five -hundred chickens each as start up for vegetables and poultry farming. The inception of the CRDP programme has created employment opportunities for 64 people in Diyatalwa. This has surpassed even the envisaged objective of creating employment for at least one person per household. *"To be honest, my life has changed tremendously since the programme started. At least we can afford to buy basic necessities,"* said Moloï who had witnessed the changes taking place in front of her eyes. Diyatalawa used to resemble a jungle where the fittest only survived, experiencing poverty in all its forms including lack of basic amenities, however, the formation of the Department of Rural Development and Land Reform with its CRDP has brought smiles to this community.

To date the Department has facilitated the building of seven low cost houses by the Department of Human Settlement while some are still at foundation phases. Educational challenges for the learners from the local makeshift school and crèche will soon be a thing of the past as result of the newly built school. So far nine classrooms with built-in storerooms are complete, while a crèche block has been completed. Parents and children are guaranteed safety and security at the school since devil's fork fencing has been erected around the premises. The school had registered its concerns with the Department, stating that it needed water, transport, electricity, books, and sport fields and be on par with other schools in the country. The community has vowed to give all they have to ensure the prosperity of the Comprehensive Rural Development Programme. *"We will do everything the department requires us to do, as long as it alleviates the squalor we live in,"* said one man. (Department of Rural Development and Land Reform 2012).

### **Muyexe**

Situated about 40km north-east of Giyani in Limpopo, the remote village of 900 households was a pilot project for the then new Zuma administration. The village had been ravaged by years of unemployment, low skills levels and limited formal education. Zuma had pledged to improve Muyexe's socioeconomic infrastructure within two years as part of his comprehensive rural development strategy and to use the lessons learned to develop other rural parts of South Africa. The area's facelift was clearly visible, as was the mood among the locals. Most were cashing in on short-term contract jobs in various government projects such as street-cleaning, grass-cutting and construction of houses. Newly built Reconstruction and Development Programme (RDP) houses could be seen all over the village. Houses in the village now have numbers similar to those in the townships.

A satellite police station and a mobile clinic operate daily from 7am to 6pm. A state-of-the-art multipurpose centre consisting of a community hall and post office was fully functional. At the newly built Ben Muyexe Early Learning Centre, 65 pupils commenced with their lessons. Surprise Mabasa, a teacher and one of the 10 people employed at the crèche from last month, said it was relief to have the centre as children from her part of Muyexe could not attend school across the river when it rained, because there was no bridge (City Press 2011).

## 7 PARTICIPATORY RURAL APPRAISAL TECHNIQUES

This section presents a number of PRA techniques that may be used in various rural education research studies.

*Direct observation and 'do it yourself'.* Detailed observations and probing questions (what?, when?, who?, and so on). Outsiders are taught and supervised by villagers in performing various tasks, such as ploughing, food preparation and fetching water.

*Discussion with key informants.* Meet community elders, schoolteachers, health workers and so on, to identify key events in the past and current issues of importance to the community.

*Group discussions.* These can be casual or specifically focused and deliberately structured group discussions on a variety of topics relating to community life. These sessions can be used to identify community problems and aspirations.

*Case studies and stories.* An individual or group might describe, for example, a household history and profile, coping with a crisis, or how a particular conflict was resolved.

*Participatory mapping and modelling.* There are many possibilities for individuals or groups to draw maps or make models, using local materials (sticks, stones, seeds, and so on) to show the layout of the village and its farmlands, and the extent and variability of resources, such as water, fuel wood and soil quality. Specific constraints/problems may be indicated on the map or model.

*Transect walks.* Systematic walks with key informants through an area of interest observing, asking, listening, identifying different zones, seeking problems and possible solutions. Findings can then be mapped by the local informant or outsider onto a transect diagram.

*Time-lines and trend and change analysis.* Community members might produce a diagram in the sand, using local materials, to show a history of major recollected events with approximate dates. Discussion of changes that have occurred can be a good icebreaker for PRA exercises. Diagrams and discussion might focus on a single issue that has changed over time, such as health, population, crop yields or rainfall.

*Seasonal calendars.* By asking community members to 'take outsiders through' a typical year, various constraints can be identified at particular points in the annual cycle, such as rainfall, nutritional problems, labour inputs and expenditure. Marked seasonal variations are common in tropical regions, where rainfall variability impacts upon the annual cycle of life and food production. In some tropical regions of Africa, for example, the late rainy season before the start of the harvest is known as the 'hungry season', a time when food is in short supply, diseases such as malaria are widespread and there

is much work to be done on the farm. Important seasonal variations and their implications might be illustrated in a diagram.

*Daily time use analysis.* The focus here is on a typical day, identifying pressures and relative times associated with particular tasks. Which members of the household or community undertake specific tasks: men, women, children, young or old?

*Wealth ranking.* This involves a range of methods to identify groups or clusters of households according to relative wealth or well-being. Who are the poorest and richest households, and why? Findings can be illustrated diagrammatically and can lead into discussions on livelihoods, vulnerability and coping strategies.

*Matrix scoring and ranking.* A wide range of matrices can be constructed using local materials, giving scores for different variables, such as the productivity of particular crop varieties or methods of soil and water conservation. Labour inputs, taste preference or fertilizer use, for example, might be plotted against particular rice or millet varieties.

These techniques afford researchers an opportunity to witness an approach to research that recognises community members as experts about the phenomena of interest and allows the meaning and usefulness of research to be informed by their every-day experience and understanding (Eruera 2010:3).

## 8 DISCUSSION

According to Korf (2010:709) PRA is a methodology that seeks to incorporate local communities in analysing, planning and implementing their own developmental programmes (*see the case of Diyatalwa and Muyexe above*). While it was designed as an antipode to the large-scale, top-down rural development programmes of the 1970s and 1980s, it has now become a widely accepted tool in development planning and action research on development. Korf further indicates that Robert Chamber viewed the core idea of PRA as ‘handing over the stick’ to rural populations in order to plan their own futures. PRA employs methods that enable people to express and share information with the aim of stimulating discussion and analysis; these are believed to be enhanced through visualisation, creativity, transparency and exchange of ideas. In my view, PRA observes Nancy Fraser’s tenet of social justice-parity of participation. It does not create a situation where policy makers and developers or rural populations work alone without the other. A core idea of PRA is that social learning provides the most appropriate basis for rural development. In this sense its proponents argue that PRA is not a strict method, but a ‘family of approaches, methods and behaviours enabling people to express and to analyse the realities of their lives and conditions, to plan what action to take and to monitor and evaluate the results (Korf 2010:710). Participation may also be fluid, multifaceted and plural. This creates the perpetual desire to be able to decide on an ongoing basis.

## 9 CONCLUSION

In this paper I attempted to make a case for the use of PRA methodologies in rural education research. Evidence suggests that there is limited research on the field and methodologies used may be appropriately used elsewhere. PRA as an approach to research houses many methods and activities used that aim to maximize active participation and achieve a depth of data collection. There are several

variations in PRA research methodologies and some may not look like, at least to conventional researchers, research at all. The author concurs with Eruera (2010:3) who views the approach as one that thrives on active research participation and ownership by people in communities who are motivated to identify and address issues that concern them. Therefore research is co-constructed and informed at all stages by the identified community for that community. This constitutes a departure from research being conducted by experts who extract information from a community, interpret it in their own way and use it for purposes which may not directly benefit that community. Arguments presented affirm the positive role PRA may play in the respect of creating sustainable rural learning ecologies.

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**Acknowledgements:** The Nordic Africa Institute is herewith acknowledged for the generous African Guest Scholarship awarded to me for the period 3 April to 28 June 2013 under the cluster: Rural and Agrarian Change. The funding for the purchase of research equipment and travelling for data collection purposes in South Africa by the research cluster: Sustainable Development and Poverty Alleviation at the University of the Free State is also acknowledged. The ideas and opinions expressed in this paper are those of the author and may not necessarily be those of the organisations acknowledged.

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## **Socioeconomic Development of Regions and Regional Centers of the Czech Republic**

### **Abstract:**

This study analyses socioeconomic development of regions and cities of the Czech Republic. The aim was to find reliable data for the years 2008-2012 in different economic and social areas and set ranking of all 14 regions and 13 regional centers. Altogether twelve indicators were chosen in order to assure the reliability of the study. Then the socioeconomic development in these regions and cities was assessed. The results are organized in a way that for each indicator there is a proper table of figures, putting the different regions and cities in the order beginning with the ones that have made the most significant progress. This section is followed by overall rankings. The figures of each region are accompanied by short characteristics. Three regions proved to have rapid socioeconomic development. They are Ustecky, Liberecky and Moravskoslezsky regions. These regions are economically underdeveloped as well, which suggests that the weaker regions are in the process of convergence to the economically and socially stronger ones. Nevertheless rating of other regions proves the contrary. The strongest regions attained average ratings only. Ostrava, Karlovy Vary and Brno are the cities with immense progress in socioeconomic development. Yet the cities placed among the last ones are also the most developed ones. This demonstrates the difficulty of highly developed cities to attain any significant progress compared to less developed ones.

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### **The Influences of Physical Environmental Variables to Improve the Productivity of the Architecture Students**

#### **Abstract:**

Physical characteristics of the environment have a significant effect on individual and group learning, and productivity. The physical environmental variables include light, noise, color, view and landscape, indoor air quality, and environment design for energy efficiency, access and spatial pattern that are commonly associated with productivity. People who learn the science and art in universities and higher education institutions, almost a fifth of his/her life -from primary school until the end of studies- spend in educational environments. Thus, proper design of these spaces, compliance with standards and quality indicators are considered a contributing factor in enhancing the quality of educational spaces. The use of functional indicators and aesthetic principles in the design of educational spaces, in addition to meet the physical and psychological needs of students, foster their talents and creativity to flourish. The existence of the spaces having desirable physical attributes; is one the most effective way to improve productivity of human capital. High performance universities have valuable educational spaces in respect of visual quality and creation of these qualities can be possible thorough proper design and implementation. The purpose of this paper is to achieve an important factor in architectural design studio. In this correlation research, the target population included all of architecture students in Tehran universities. Among this population, 60 students of two universities of Tehran (Iran University of Science and Technology, and Shahid Rajaei Teacher Training University), were selected by the method of multistage cluster sampling. Questionnaire is accomplished, and effects of studio's physical variables on students' performance studied. Questionnaire reliability measure of Alpha Chronbach yielded 0.78 ( $\alpha = 0.78$ ). The findings show the importance of four factors; "lighting quality", "view and its effects", "color of walls", and "the material used".

**Keywords:** Environmental attributes, Design studio, Lighting quality, View, Color patterns, Productivity.

#### **1 Introduction**

The field of education environments has undergone extraordinary growth and diversification during the past decades (Fraser, 1998). Environment has strong relation to improving performance in learning, and design studio as a form of pedagogy that effectively integrates knowledge joining theory and praxis (Boyer & Mitgang, 1996) is increasingly adopted by different disciplines. The design studio is the locus of architectural design learning and teaching, a setting where students communicate with one another and receive comments from the tutor (Kvan & Yunyan, 2005).

The importance of a studio curriculum within architectural instruction highlighted the need for a calm, supportive environment conducive to confidence and active role giving to students to take part in different areas of the studio. The design studio is a place of intellectualization, communication, transition, interaction, sharing and participation besides free time activities (Paker-Kahvecioğlu, 2007). Also, schools and studios are social environments. Within any single studio, students have social interactions and build social relationships with their teacher, with close friends, and with their non-friend classmates (Urdañ & Schoenfelder, 2006).

Design education is required to be in a structure that leads the student-designer towards a multi-dimensional and dynamic process of thinking and “ways of knowing as a designer” (Cross, 2006; Schön, 1987). Accordingly, it is of importance that the design studio be structured as a system that gives the student “potential possibility of progress”, that creates “mediums that encourage the motivation”, that organizes “time and energy” at the stages of knowledge gathering, thought production processes and the presentation of ideas (Paker-Kahvecioğlu, 2001; Paker-Kahvecioğlu, 2007). It is the quality of the architectural studio environment that most impacts on the level of student’s motivation and subsequent performance. Students are being motivated easily by a well-structured and stimulated learning environment (Addison & Burgess, 2000).

Existing studio layout and design created for earlier eras of instructions are not appropriate to current educational methods and design courses. This research reports on a study of undergraduate architecture design studios and the effective design components which have been demonstrated to have positive impacts on student achievement in the architectural design studio.

The primary question for this study was: Do students’ attitudes about the studio’s physical environment affect their productivity? What is the impact and role of the physical environment of the studio in achieving academic goals?

### **1.1 The effect of environmental factors of the studio in improving students’ productivity**

The impact of environmental factors on students’ performance in educational spaces has been a subject of interest for many years. Some of the most important factors that influence performance are those that relate to control of the thermal environment, good lighting quality, good indoor air quality, noise control, security (Tanner, 2008), color and interior painting, adequate space, open space, and availability of equipment and furnishings (McGuffey, 1982).

The preference for views from windows (Jackson & Holmes, 1973; Markus, 1967) and the effect of light on circadian rhythms can influence productivity as well as health, and seasonal reductions in the amount of daylight can influence the human psychological condition (Kilic & Hasirci, 2011). The amount of light and specifically daylight has a great influence on reading, task involvement, and productivity. Thus, effective use of daylight in spaces in which these actions frequently take place, such as educational environments, is important (Dean, 2013). Daylight is a feature of a space that can increase length and quality of stay (Kilic & Hasirci, 2011). If the architectural design studio is formed according to windows and appropriated according to daylight, it can become a pleasant place for faculty and students.

Access to a window with sufficient daylight and an outside view are beneficial to students. Windows have a large role as sources of stimulation, aesthetic interest, and information about the outside studio (time of the day, weather, trees, plants, etc.). Plants in the studio, however, have been found to improve performance in university students (Han, 2009; Shibata & Suzuki, 2004), and lower their feelings of physical discomfort (Lohr & Pearson-Mims, 2000).

Moreover, studies have shown a relationship between color preferences, emotions, and academic performance in students (Gaines & Curry, 2011; Imhof, 2004; Kwallek & Lewis, 1990; Kwallek et al., 1998; Terwogt & Hoeksma, 2001; Wilkins, 2003). Additionally, the color of the environment may also affect mood (Kwallek & Lewis, 1990) and perceptions of the task (Stone & English, 1998), depending on the demands of the task. Therefore, determining the impact of various colors on students' mood, satisfaction, motivation, and performance could be useful in designing students' study environments (Stone, 2001).

Students who viewed several color swatches tended to experience different feelings or moods with different colors (Levy, 1984). Specifically, warm colors tended to elicit active feelings and cooler colors tended to be calming. Wineman (1979) suggested that warm colors may focus people outward, increasing their awareness of their surroundings, and that cool colors focus people inward.

Previous results suggest that the effects of color on performance may differ for physical and cognitive tasks. Nevertheless, Boeschstein (1986) suggested the use of intricate color patterns for easy spatial tasks, and simple and direct colors for difficult tasks. Plack and Shick (1974) also advised that activities demanding high levels of concentration should be learned in 'cool' environments.

The research conducted by Gaines and Curry (2011) has shown that selection of materials and finishes can play a major role in behavior and learning in the educational spaces.

## **2 Methods**

### **2.1 Procedures**

The impact of environmental factors on students' performance in educational spaces has been a subject of interest for many years. Some of the most important factors that influence performance are those that relate to control of the thermal environment, good lighting quality, good indoor air quality, noise control, security (Tanner, 2008), color and interior painting, adequate space, open space, and availability of equipment and furnishings (McGuffey, 1982).

In order to achieve the research objectives, the survey research is used as the primary data collection method. The research design of the study involved four distinct phases. The four phases were:

Phase 1: Literature review.

Phase 2: Survey procedures and data collections.

Phase 3: Data analysis and statistical treatments.

Phase 4: Reporting of study findings.

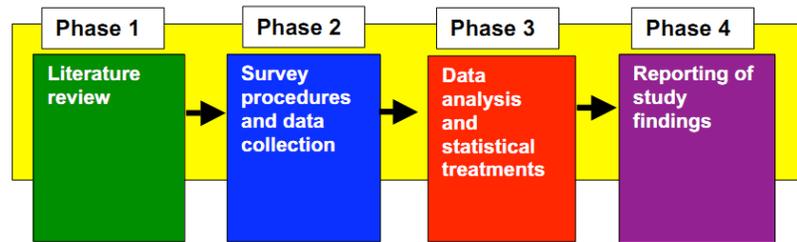
**Figure 1. Graphic overview of research phases.**

Figure 1 provides a graphic overview of the phases of the research design. An initial literature review was conducted using keywords to describe interrelated factors. In this research, we examined students currently engaged in architectural education in Iran and correlated their academic performance with environmental factors in design studio. A total of 60 undergraduates in Years Two and Three in the two Architectural Schools of Iran took part in this study. The participating universities and schools were:

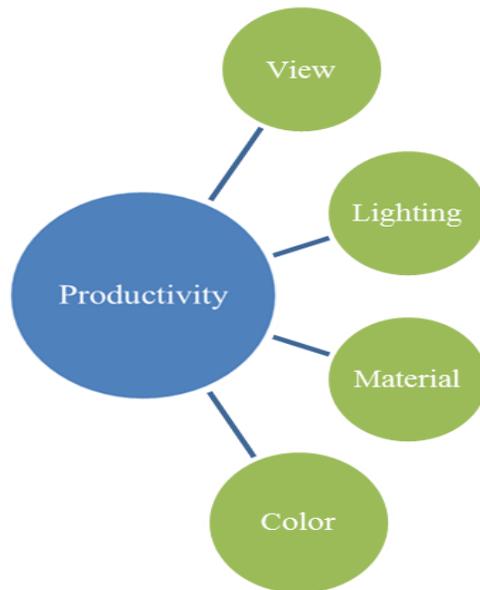
- A. School of Architecture and Environmental Design, Iran University of Science and Technology
- B. Faculty of Architecture and Urban Design Engineering, Shahid Rajaei Teacher Training University

All participants were informed that the questionnaire was part of a research project and were advised of their rights as human subjects. Students were given detailed instructions on how to complete the questionnaire.

The study was conducted using a self-administered questionnaire. The questionnaire was about the physical environment of the studio and its impact on students' performance. The respondents were asked to evaluate the importance of each question on a 1 to 5 differential scale where "1" meant "strongly disagree" and "5" meant "strongly agree". Information regarding age and gender also collected. After selection of sample and collecting data by questionnaires, the effective factors are analyzed with method of factor analysis.

## 2.2 Environmental attributes

In this study, four environmental factors were identified as the effective variables in the architectural design studio. These factors include "view and its effects", "lighting quality", "the material used" and "color of walls". Based on the literature review, the relationship between design studio and productivity was conceptualized and depicted in Figure below.

**Figure 2. The effect of four design elements on students' productivity.**

### 3 Findings

In this study, 66 undergraduates were administered the questionnaires, of which 60 were valid, 27 males (45%) and 33 females (55%); students' ages ranged from 19 to 22. Cronbach's Alpha for each of the items ranged from 0.787 to 0.896, indicating satisfactory internal consistency.

The survey reveals that majority of the students (83%) attend design studios more than four times a week and stayed in the studios for more than five hours daily (81%). These results show that students spend a huge part of their university hours in the studios.

Four factors in the design studio such as "view and its effects", "lighting quality", "the material used", and "color of walls" were considered for study in the survey. The overall response for each factor was examined and the mean and standard deviation values are shown in the Table 1. Data was analyzed to find the factor that the relatively high tendency towards increasing productivity.

The main factor which affects the productivity of students is lighting quality in the studio. Next to the factor lighting, it is view and its effects. Then the importance sequence is color of walls, and the material used.

More than half of students (56%) preferred to seat near a window and not to change seats during the class time. Also, students often adjust their posture according to available lighting conditions to avoid glare.

**Table 1. The mean of four design elements**

Variables	Mean (Standard Deviation)
View and its effects	3.55 (0.62)
Lighting quality	3.72 (0.63)
The material used	3.26 (0.77)
Color of walls	3.43 (0.63)

There is a direct relationship between design studio and productivity. This relationship between design studio and productivity was determined by using the Pearson's Correlation in standard statistical software "Statistical Package for Social Sciences" (SPSS). Pearson's Correlation is a measurement of the strength of a linear or straight line relationship between two variables. The Correlation Coefficients indicate both the direction of the relationship and its magnitude (Table 2).

**Table 2. Correlation between elements of design studio and students' productivity**

Design studio elements	Pearson Correlation	Significance (2-tailed)
View and its effects	0.584**	0.000
Lighting quality	0.718**	0.000
The material used	0.209*	0.047
Color of walls	0.456**	0.000

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

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

The analysis of the results designate a positive correlation between "view and its effects" and "productivity" ( $r=0.584$ ) and is significant at 0.01. The positive relationship between "lighting quality" and "productivity" ( $r=0.718$ ) at 0.01 shows that students' productivity highly correlates to the lighting conditions in the studios. There is a positive relationship between "the material used" and "productivity". The correlation coefficient ( $r=0.209$ ) is significant at 0.05. The results of color reveal its significant correlation with productivity ( $r=0.456$ ) at  $p=0.01$  (Table 2).

#### 4 Discussion

The results show that improved performance and productivity is expected to be the result of better studio environment. Better physical environment of studio will boost the students and ultimately improve their productivity. Good lighting was the highest ranking factor which affected comfort for students. In order for students to be productive, they have to be comfortable in their learning environment. Proper lighting plays a huge role in the visual comfort of students. Accomplishment of daily tasks in studios with less or dim light is difficult for students. There are a number of different visual tasks in a studio. Each task needs its own light conditions. So, high requirements for the light quality are important. Students and teachers benefit by a lighting which supports them optimally in performing their activities. Students react positively to studios with natural light, and student

performance is also increased in such studios. Window that provides proper light distribution with reduced glare and dimmable capabilities gives users ultimate control.

The findings revealed that color stimulation in the studio improves attention and concentration, resulting in better academic performance. Choosing wall colors is an important decision in the architectural design studio. The findings suggested that the proper use of colors can change an atmosphere that is depressing and uninteresting into one that is pleasing, exciting and stimulating, improving more positive feelings about the studio. In contrast, colorless interior spaces can be stressful and nonproductive.

In conclusion, these results provide a basis for the hypothesis that there is a significant correlation between environmental variables and students' academic performance in architectural design studios. Architects and designers should certainly take these factors into consideration when making plans for upcoming studios. They should consider the educational needs of the students. Future experimental research also could shed some light on the impact of design elements on student achievement.

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**The Effect of Sample Size on the Accuracy of Ability Estimates from a Malaysian University Aptitude Test Administered via Computerised Adaptive Testing (CAT)**

**Abstract:**

Computerised adaptive testing (CAT) is a powerful technology-driven method in which a computer programme administers test questions according to a dynamic algorithm that continuously estimates the ability of the test taker and chooses successive questions accordingly. Correct answers lead to more difficult questions, whereas incorrect answers lead to easier ones. For a given test length, this approach is superior to traditional non-adaptive testing in estimating test-taker ability. The main purpose of this study is to explore the effect of variable sample size on the accuracy of ability estimates derived from a CAT-administered Malaysian university Aptitude Test. The study involved analyses of both Monte Carlo simulations of CAT and real data, and can be expected to yield wider insights into the effect of sample size on the accuracy of CAT ability estimates.

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**Application of the One-equation Model and Break Model to Estimate the NAIRU  
in an Unstable Environment**

**Abstract:**

Application of One-equation model confirmed that one long-term NAIRU for the whole period did not capture the development in the labour market during unstable and transition periods (eg. the transition environment and recession period or let us say, conjuncture). Since the Break model in the monitored period separates out some time intervals, the estimated NAIRU better reflects the real situation in the labour market. Kalman filter with a higher coefficient of smoothing than is the commonly recommended value succeeded in capturing the non-stable environment in the labour market. We found these sources of instability and changes in labour market: the restructuring of the economy, change in nature of trade-off between unemployment rate and households consumption deflator caused by factors exogenous to the labour market or by the global financial and economic crisis. The instability of economic environment can be represented by negative values of NAIRU. The experiences with non-stable environment in past can be used, under condition of anticipated expectations environment, to estimate it at the end of the examined period. Kalman filter can indicate the time leading between labour market development in various countries and be used for shortterm prediction.

**Paper published as: Jašová, E., & Kadeábková, B.**

**Empirical Verification of the Ability of selected Methods for estimating the NAIRU  
locate unstable Environment on the Labour Market**

**in IJoES 1(2) 2012: <http://www.iises.net/?p=8092>**

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### **Teaching for Results or for Well-Being? To What Extend Can Pedagogical Tact be an Alternative Teaching Approach in Refugee Secondary Schools? A Hermeneutic Phenomenology Inquiry into the Lived Experience of Teaching Refugee Students in Dadaab Refugee Camp Kenya**

#### **Abstract:**

Somali refugees have had a long history of displacement and crises since the 1970's. They have lived in protracted refugee situations in a marginalized refugee camp in Dadaab, Kenya for over two decades now. Their movements and access to essential services like education is restricted to organizations like United Nations Higher Commission on Refugees (UNHRC) and other providers of education. Research in refugee education is an emerging field of study that has however limited itself to showing the available educational opportunities, provision of quality education in such contexts with an emphasis on resources available and donor funding. It seems from the research work already done that the work of teachers in refugee schools is emphasized from a positivistic oriented research paradigm that uses means-end methodologies to enhance the technical aspects of teaching, with little attention paid on the non-technical aspects and experiences of teaching. The concern in most emergency and refugee camps, is that the group of students being encountered is a special one in need of psychological, emotional, cognitive care, a sense of belonging among other existential needs in dealing with their present realities. With this in mind, positivistic paradigms on teaching approaches do not bear much fruit in nurturing the young ones into holistic growth. Teacher experiences acknowledges that teaching is much more than execution of technical tasks. This paper aims to discuss aspects of teaching where the issue is not skill-based strategies but the necessity for pedagogical tactfulness or the sensitivity or sensitiveness to a situation that enables the teacher to do what is pedagogically right for the child. By use of a hermeneutic phenomenology research methodology, I endeavor to propose how pedagogical tact can be researched phenomenologically in education especially in refugee contexts. I will use the field work interview material and other literature to provide an alternative to the highly technical teaching espoused in educational research.

**Published in IJoTE 1(1), 2013: <http://www.iises.net/?p=8405>**

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### **Korean Middle School Students: Pro-Environmental Attitude and Pro-Environmental Action**

#### **Abstract:**

This research was carried to identify Korean middle school students pro-environmental attitude, pro-environmental practice, and motivation for and barriers to pro-environmental action. The study looked at the indicator behaviour of waste recycling as pro-environmental action. Three sub-objects are pursued a) analyzing pro-environmental attitude and pro-environmental practices, b) exploring how pro-environmental actions are related to pro-environmental attitude in the daily life, and c) examining barriers to and motivations for action: understanding of environmental practices to identify the possible ways in which behaviour can be encouraged. For this objects, I carried out Frequency Analysis and Mean Analysis, and further analysis of the data was carried out by disaggregating the responses according to: a) the respondents' school location: b) the respondents' SES, c) GPA, and d) experience of environmental education, and applying Chi Square and ANOVA testing to determine whether responses within these categories were significantly different from one another. Also, to examine whether or not independent including pro-environmental attitude, SES, GPA, experience of environmental education, school location affects pro-environmental action, I carried multiple regression analysis. The results show a) a few Korean middle school students has techno-centric environmentalism, b) barriers to waste recycling is not shortage of perception but lack of adequate facilities and motivations for waste recycling is saving resources for the future generation, c) pro-environmental action depends in part on experience of environmental education and pro-environmental attitude.

## **Grigorios Karimalis, Elias Christodoulakis, Zoe Korre, Ioanna Manousou**

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### **Customer Service as a CRM tool in the Web**

#### **Abstract:**

In today's modern society, an increasingly large number of firms have established an online presence. Companies of any size or sector have come to realize that the Internet presents an ideal platform for choosing and communicating with their publics as well as facilitating business transactions. Greece is a country whose economy relies heavily on the service sector in general and tourism in particular. The problem, however, is the gap (digital divide) between large and international organizations, that have adopted the new technologies, and small, usually family owned companies, that do not possess the know-how and ability to follow the developments. The same gap is also noted between the private and public sector (i.e. museums, national, regional and local tourism organizations) of tourism. The large number of hotel websites provides sufficient proof that hotels are increasingly acknowledging the commercial importance of the Internet and are aggressively pursuing to make their presence noticeable via the Web. The purpose of the present study is to describe the current use of the Web as a hotel communication and RM tool in Greece, a country whose economy relies heavily on the service sector in general, and tourism in particular. The present study examines the content of eighty-nine hotel websites. The features these sites present are recorded against a checklist (used as a questionnaire).

#### **1 Introduction**

Tourism is an extremely important sector and in many regions a vital part of the economy (Gilmore, 2003). A survey conducted by ICAP (2010) concerning the Greek tourism industry reveals that the particular sector covered approximately 7.2% of the country's Gross Domestic Product (GDP), while demand reached the amount of € 31.7 billion.

Tourism infrastructure in Greece has been significantly upgraded in recent years. One of the most important factors that contributed towards this direction was the fact that Athens was appointed to organize and manage the Olympic Games of year 2004. New hotels were built and the existing ones were renovated. As a result hotel infrastructure and quality have now reached international standards. Investments in tourism also show an increasing pace. In 2006 € 4.7 billion were spent on tourism investments. This number is expected to reach € 8.9 billion in 2015 accounting for 10.8% of the country's total investments (WTTC, 2013).

The e-business forum, a project launched by the Greek Ministry of Development, notes that e-tourism consists of an array of services, such as e-bookings, e-distribution, e-procurement, e-hotel property management systems, e-destination management etc. At the same time a number of firms of the tourism industry offer online services. The problem in Greece, however, is that there is a gap (digital

divide) between large and international organizations, that have adopted the new technologies, and small, usually family owned companies, that do not possess the know-how and ability to follow the developments. The same gap is also noted between the private and public sector (i.e. museums, national, regional and local tourism organizations) of tourism. CRM is an approach to understanding and influencing customer behaviour through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty and customer profitability (Amoako *et al.* 2012:17-29). However in most cases there is a difficulty in the use of the online system. In an attempt to measure the extend of which Greek Hotels use Internet Marketing Strategies, (Sigala 2003b:375-401) reached the conclusion that in most cases hotels were using the Internet as a medium for publishing information and were merely transferring existing business models on the Web. The researcher found that only facilities and customer contact information were presented in most of the cases while any other type of information were either not presented at all or under presented.

## 2 Research Methodology

Given the fact that e-CRM is a relatively new practice in Greece, it was considered more practical to narrow the sample by examining only the country's largest and in most cases more profitable hotel companies. This confinement was considered necessary as it was assumed that these companies would be more likely to have included CRM principles in their websites, simply because they would have the resources, experience and capabilities to do so. Moreover, given the fact that e-CRM is a sophisticated application, only four and five star facilities were included in the sample. A list of 100 hotel largest tourist enterprises in Greece for the year 2009 was obtained from the Association of Greek Tourist Enterprises (SETE). Out of the one hundred hotels listed, eleven companies either did not have a website or their site was under construction and was therefore excluded from the study. From the remaining eighty-nine companies, however, many consisted of a number of affiliated hotels that shared a common website. In such cases it was decided that the affiliated hotel with the largest number of beds would be used for the evaluation of the particular site, as long as it was a four or five star facility. Previous surveys were used in helping developing an initial checklist of the services offered and the information provided on hotel websites (Gilbert *et al.*, 1999:21-38; Luck and Lancaster, 2003:213-231; Zafiroopoulos *et al.*, 2006:156-163; Sigala, 2003a:43-60).

The final questionnaire was split into the following thematic sections: General Information, Customer Contact Information, Surrounding Area Information, Price Information, Reservation and Payment Information, Communication and Feedback. Each section consisted of a group of dichotomous scale questions, which could be only answered with a "yes" (if the feature/service existed), or a "no" in lack of a specific feature/service.

The research's aim was to identify the existence and frequency of certain attributes and services in hotel websites and to discuss how these features contribute in the promotion of CRM. The features /services that appear in these sites were critically examined against a checklist. At the end of each questionnaire, certain details concerning the facility were also reported. These included hotel name, category, location and number of beds.

In order to learn the coding process, we conducted a small intercoder reliability test. This test was a nonsystematic random sample and included 15 hotel web sites which both researchers coded. It was

noted that for the fifteen questionnaires included in this test, there was consistency in the responses recorded ( $\rho = 0,95$  where  $p\text{-value} = 0.0001$ ). This provided sufficient indication that the rest of the study would be carried out in a reliable manner. After reliability was established, one researcher examined the remaining 79 Web sites.

Upon completion of the all the questionnaires, the responses were coded and entered into the data file of a computer statistical program named SPSS. Each response was given a numerical value. Checked boxes were given the value 1, while 0 was assigned to unchecked boxes. In order to eliminate errors, after the initial entry of the responses, they were crosschecked against the original questionnaires. In an effort to make the process of locating the actual questionnaire faster and easier, prior to the data entry, an identification number was given to each questionnaire.

### 3 Results

In terms of general information, from the eighty-nine facilities examined, thirty-one (34.8%) did not include any sort of corporate information, while fifty eight (65.2%) had at least a brief reference on the company's history, mission, vision and values. On the other hand, all the websites visited included a section, where property information was posted. Most (91%) of the subject hotels did not only address customers through their website, but also other publics. The most commonly encountered stakeholders were employees and press, while there was a respectively sufficient number of facilities that provided additional information-mostly financial- to existing or potential investors (especially large chains). The results on this particular question reveal that companies in Greece are increasingly acknowledging the fact that their success does not exclusively rely on building relationships with their customers but with all their key publics.

When it comes to the actual hotel facilities and services, the results are subject to what a hotel offers. What needs to be noted, however, is that in this study the results of the Web research are recorded. In other words if a hotel has a particular facility or offers a specific service which is not mentioned in the website, it appears as nonexistent in the results (see Table 1). The facilities and services were: accommodation, guest services and amenities, food and beverage facilities, leisure facilities, fitness and recreation facilities, meeting and conference facilities and other facilities or services not included in the list. These other facilities /services range from children's activities, in resort and family hotels, to airport transfer in city hotels and limo service in deluxe, exclusive facilities.

A relatively limited percentage of websites (34.8%) has a frequently asked question (FAQ) section. This could be an indication that hotels are not aware of what additional information the customer might want to know. There could however be another explanation to this: hoteliers may consider it more practical and effective to encourage customers to directly come in touch with them if they need further explanations, thus promoting one to one communication.

Cross-selling activities included two different situations. If a hotel had stores within its establishments that were mentioned in its site, this was considered a form of cross-selling and digit 1 was checked. But there were also hotels that offered online cross-selling activities and were also recorded with digit 1.

Fifty four (60.7%) websites provide information of some sort of a cross selling activity. This could provide indication that hotels are assigning larger importance in enriching their offerings to their customers in an effort to motivate repeat purchase.

As far as the additional information that hotels provide to their customers. In most cases these are floor plans of meeting venues or rooms. There are also a few hotels that include ground plans of their entire facility. These are usually hotels whose establishments cover a large area of land. Forty one (46.1%) websites offer such additional information, as opposed to forty eight (53.9%) that have nothing of the sort.

In examining how hotels obtain information about their customers it was found, as expected, that the majority of hotels gain at least contact information concerning their clients through online reservations (87.6%). What is interesting however, is that from the entire sample, 86.5% of the facilities also use other ways to obtain customer data. The most commonly encountered methods are subscription to newsletter or special offers, online request form and online contact form. The fact that the vast majority of hotels use a combination of techniques of customer data capturing could indicate an understanding that the Internet is not only an one way communication tool, but also can assist in the mutual exchange of information (two way channel of communication).

In examining the actual customer information gathered we came across an interesting finding. Although the highest percentage of the lodges makes sure that they at least gain adequate contact information (name, address, telephone, fax, email) only a very small number of respondents includes the “Guest Book”. The variable “guest book” referred to whether customers could submit their comments and experiences online. Only three hotels offer such an option. This is perhaps due to the fact that customer comments are not always flattering and hoteliers may wish to eliminate the potential risk of negative opinions being published on their site and viewed by others. It is worth to mention, however, that the most interesting part of customer information was the “other” variable, since it had to do with additional information hoteliers pursue out of their guests. Forty six (51.7%) of the establishments request for supplementary data, such as date of birth, occupation, special preferences or purpose of trip. One national hotel chain in particular includes the question “Where did you hear about us?” This question is considered extremely clever, since such information, if appropriately used, can help a hotel better organize its marketing activities and especially its promotional campaign.

Surrounding area information has to do with supplementary information the company provides to its visitors. Most hotels include in their websites a map of the area (65.2%), information concerning distances from key points of the area, such as airport, station, port etc (75.3%) and nearby areas of cultural, business or entertainment interest (78.8%). A fewer portion of the sample refers to means of transportation (42.7%). This probably is due to the fact that public transportation time tables in Greece undergo through constant and sudden changes and are not known for their punctuality and reliability. This means that hotels that include such information will need to frequently update their sites if they wish to provide accurate information to their customers. A respective portion of facilities presents other surrounding area information, weather forecast being the most popular. Additional traveller’s essentials, such as local time or currency are also commonly found, especially in resort facilities. Few hotels, mostly affiliated members of chains, offer the option of customized driving direction. Finally an

interesting finding is that there is one hotel in Athens, member of an international chain, which includes clothing recommendation based on the different seasons of the year.

As mentioned in the literature review, the Web can be viewed as a strategic information centre. This explains why most of the hotel web sites visited present some sort of pricing information. Fixed pricing lists are not a common practice for hotels, since such lists are found in only 27% of the websites. There is of course a rational explanation for this low occurrence. A fixed pricing list is often intimidating for potential customers. Even if a hotel has the willingness to negotiate its rates, if the customer views the hotel's rate policy online and it does not appeal to him/her, he/she will most probably not undertake the time and effort to contact the hotel and request for a better price. On the contrary, in 59.6% of the sites segmented pricing is used. What this simply means is that based on the type of customer (corporate, travel agency, government etc) different rates apply.

Sixty five facilities (73%) have special offers and packages posted on their website. This surfaces another interesting factor. It seems that hoteliers in Greece have come to understand that the Internet can assist them greatly in overcoming problems generated from the cyclical nature of demand. Simply put, hotels can continuously create different special offers and packages and inform their customers about them in a cost efficient manner via the Web.

A limited number of lodges (20.2%), however, publish group rates on the Web. A probable explanation of why this occurs is that in most cases hotels offer group rates on a request and availability basis, simply because this allows them greater flexibility. Finally, 41% of the hotels offer other pricing information. These are usually resort facilities that offer all-inclusive, half board or full board rate packages.

In terms of reservation capability the features that were included in the questionnaire were online reservation form, online availability check, online reservation, online payment, credit cards accepted, currency converter and other reservation and payment information. Only 21.3% of the hotels reviewed have online reservation forms. Nonetheless, when it comes to online availability check, online reservation and online payment the picture changes, since 82% of the hotels offer such alternatives. This implies that the vast majority of hotel companies have already taken advantage of the Web as a reservation medium. However, 18% of the hotels are still not giving their customers the opportunity for online booking.

The survey also revealed that all the hotels that have an online reservation system also include the types of credit cards they accept, which are usually more than one. However, only 34.8% have online currency converters. Last but not least, 73% of the lodges offer other reservation and payment information. Particularly there are many facilities that provide the customers with alternative options for booking or paying for their room (i.e. partner travel agents, contact hotel's reservation department etc).

Given the fact that in the case of the Web communication CRM occurs via the screen of a computer, elements of feedback are required for an effective computer mediated dialogue.

In Table 1 the levels at which the Greek lodging industry has succeeded in at least creating the framework for such a dialogue can be viewed. An encouraging finding is that 62.9% of the examined facilities encourage customers to subscribe on their newsletter and/or in receiving special promotional

packages from them. This could imply that hoteliers are making an effort to increase their presence in the consumer's awareness and evoked set.

The most commonly found communication feature is the “contact us” option, which gathers 97.8%. Through this option the customers can easily transmit a message to the hotel by simply clicking on its e-mail address. An important consideration however, has to do with the speed in which the company responds to these e-mails, since none of the sites visited provided relevant information.

As opposed to e-mail communication, online questionnaires are extremely rare, since only five (5.6%) facilities have them. Moreover, in four out of the five cases the questionnaires have to do with the evaluation of the website and not the actual facility.

Finally, 37.1% of the hotels include other communication alternatives, such as communication forms, contact names and their direct phone numbers, departments with which consumers can communicate for different purposes, central office information etc. Two facilities in particular, which are members of chains, have a push and call button. By pushing it the customer is able to have a direct telephone conversation with the hotel through his/her computer.

<b>Table 1: General Information</b>				
	<b>Yes</b>	<b>Freq. (%)</b>	<b>No</b>	<b>Freq. (%)</b>
Corporate information	58	65.2	31	34.8
Property information	89	100	0	0
Publics addressed (besides customers)	81	91	8	9
Hotel facilities and services –Accommodation	89	100	0	0
Hotel facilities and services – Guest services & amenities	89	94.4	5	5.6
Hotel facilities and services – Leisure facilities	83	93.3	6	6.7
Hotel facilities and services – Fitness and Recreation Facilities	65	73	24	27
Hotel facilities and services – Meeting and Conference Facilities	75	84.3	14	15.7
Hotel facilities and services – Other	78	87.6	11	12.4
F.A.Q.	31	34.8	58	65.2
Cross selling activities	54	60.7	35	39.3
Other general information	41	46.1	48	53.9
<b>General Information</b>	<b>Yes</b>	<b>Freq. (%)</b>		
Corporate information	58	(65.2)		
Property information	89	100		
Publics addressed (besides customers)	81	91		
Accommodation services	89	100		
Guest services & amenities	84	94.4		
Food and Beverage facilities	89	100		
Leisure facilities	83	93.3		

Fitness and Recreation Facilities	65	73
Meeting and Conference facilities	75	84.3
Other facilities and services	78	87.6
F.A.Q.	31	34.8
Cross selling activities	54	60.7
Other general information	41	46.1
<b>Source of Customer Information</b>	<b>Yes</b>	<b>Freq. (%)</b>
Through Online Reservations	78	87.6
Trough Other Ways	77	86.5
<b>Customer Information</b>	<b>Yes</b>	<b>Freq. (%)</b>
Name	86	96.6
Address	83	93.3
Telephone	85	95.5
Fax	85	95.5
E-mail	86	96.6
Guest Book	3	3.4
Other	46	51.7
<b>Surrounding Area Information</b>	<b>Yes</b>	<b>Freq. (%)</b>
Map	58	65.2
Distances	67	75.3
Means of Transportation	38	42.7
Nearby areas of interest (cultural, corporate, shopping etc)	71	78.8
Other	38	42.7
<b>Price Information</b>	<b>Yes</b>	<b>Freq. (%)</b>
Fixed pricing list	24	27
Segmented pricing	53	59.6
Special offers and packages	65	73
Group Rates	18	20.2
Other	41	46.1

<b>Reservation and Payment Information</b>	<b>Yes</b>	<b>Freq. (%)</b>
Online reservation form	19	21.3
Online availability check	73	82
Online reservation	73	82
Online payment	73	82
Cards accepted	73	82
Currency converter	31	34.8
Other	24	27
<b>Communication and Feedback</b>	<b>Yes</b>	<b>Freq. (%)</b>
E-mail subscription	56	62.9
Contact us (e-mail)	87	97.8
Online questionnaire	5	5.6
Other	33	37.1

#### 4 Conclusions

The scope of the present study was to explore and describe the use of the Internet as a communication and RM tool as far as the Greek lodging industry is concerned. To this extend, a primary survey was conducted, which was a content analysis of the websites of eighty nine of the most profitable hotel companies in Greece.

The findings of the Web survey highlighted that Greek Hotels are using the Internet as a strategic information centre and as a reservation medium. Furthermore, it seems that the majority of the hotels use the Internet to obtain at least contact information about their customers, such as name, e-mail address etc. The results also indicate that hoteliers in Greece encourage and pursue maintaining some sort of constant communication with guests through online subscriptions or the “e-mail us” option. All the above could imply that the Greek lodging industry is beginning to understand the wide range of alternatives the new technology has to offer.

It was discovered that CRM is an enterprise approach to understanding and influencing customer behavior through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty and customer profitability.

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## **The Impact of Electronic Medical Records on Healthcare Quality and Patient Safety: Weight of Evidence or Wait for Evidence?**

### **Abstract:**

In the U.S. the use of EMRs in both inpatient and ambulatory care settings is a relatively recent development. Since the passage of the American Recovery and Reinvestment Act of 2009, the federal government has aggressively promoted the use of EMRs by introducing powerful economic incentives and punitive actions linked with measurable implementation goals and timelines to attain “Meaningful Use”. Aside from anticipated long term impact on overall cost of healthcare, the nationwide push for the use of EMRs stems from projected improvements in quality and patient safety. The advocates of nationwide implementation of EMRs argue that the use of EMRs in all settings of care allows for coordinated care, avoidance of medical errors, timely alerts to ward off serious consequences of prescription drugs, and instantaneous access to patient records regardless of the location of care. So far, the evidence regarding the impact of EMRs in improving quality, achieving operational efficiencies, and enhancing patient safety, though incomplete, is promising. The greatest promise and bulk of the evidence in improved quality has shown to be in the area of reduced medication errors through e-prescribing and adherence to preventive care guidelines. Though many patients and providers remain unimpressed or even skeptical, the question for policy makers and providers in the U.S. is no longer whether the implementation of EMRs will overtime result in significant gains in quality and patient safety to offset the upstream and ongoing costs of technology. The pressing question are how to overcome the hurdles and long will it take for local, regional or even nation-wide interoperable systems to be in place for all providers to effectively and efficiently share patient records and communicate with their patients electronically.

**Keywords:** Electronic Medical Records (EMR), Healthcare Quality, Patient Safety, Evidence of Impact.

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8318>**

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## **Green Marketing in Turkey: A Critical Approach towards Green Promotional Practices Executed by Turkish Brands**

### **Abstract:**

While the onset of industrial revolution lead to the breakthrough of mass production, eased the burden of work, relieved human suffering, and made life easier for the human being, it also gave rise to drastic levels of environmental pollution and depredation. For about 40 years, the green defenders have been striving to call authorities for finding solutions to the introduction of contaminants into the natural environment that cause adverse change. Albeit surging concerns, conducts of studies, research and development lead to environmental friendly technology, production, cultivation, and manufacturing of green products, measures have failed to be far less than adequate. From the perspective of enterprises, propagating demand, establishing the successful distribution of green products and services to industrial and consumer markets is not only as fundamental as the utilization of environmental cutting edge technology, production, cultivation, and manufacturing of green products but also serves to be vital in the pursuit of sustainability and prevention of environmental pollution. Subsequently, green marketing is introduced as a process ranging from contemplation of green products to pricing, distribution, and promotion serving the role of a catalyst in informing the public at large and heightening responsibility for a more sustainable future.

According to the World Bank records, today, Turkey with a population of 75 million is referenced among European countries with the youngest population. In the face of this young population, advancing industrialization, unbound urbanization, temperaments in climate, contaminations by unprecedented earthquakes accelerated due to Turkey's earthquake prone region, electromagnetic contagion initiated by terminals, not to forget the ever incrementing air, marine and fresh water pollution is placing the prosperity of earth, human well being, biodiversity, and the larger Turkish ecosystem in jeopardy. In the last quarter of the 20th century with the onset of incrementing societal and environmental awareness, provocative proceedings by civilian organizations, regularizations at both national and international legislations have paved the way for enterprises to adopt new paradigms and methods of approach. The most contemporary, relatively hyped and significantly effective of all is green marketing.

In Turkey, in the course of the last years, Turkish government's call for action encapsulating practices and legislative enforcements, private sectors' reinforcements, educational curriculum consolidated to inform school age children as early as primary school on environmental sustainability, a range of praxis conducted with an objective to heighten awareness and responsibility, incrementing eco-sensitive green collar professions and professionals have nominated green marketing to the top rank within the marketing agendas of enterprises driven to survive and succeed in various market platforms.

Consequently, Turkish brands have truly embraced green marketing, adopted and implemented its fundamentals all ready to take the lead in the race.

In this study, on the basis of theoretical framework, executions of green promotional practices by Turkish brand holders across Turkey will be thoroughly analyzed and Turkish brand holders green promotional practices will be critically elaborated, assessed and discussed.

**Keywords:** Green Marketing, Green Promotion, Green Turkish Brands, Green Products and Production and Packaging.

## 1 Green Marketing

Green marketing, with its provenance rooting back to the 1970's, and popularity coming to a head around the 1990's now serves not only as a strategic marketing managerial approach but also as the new focal point of diverse sectors within which marketing practices of many businesses are executed. In Turkey, as across the world, the basis of the cognizance encapsulating green marketing is effectuated by the surmount of environmental issues in parallel with ever increasing environmental consciousness. Akdoğan (2003), highlights global advances triggering the formation of environmental consciousness as follows; rapid population increase, perforation of the ozone layer due to fining away, greenhouse effects, deterioration of the atmosphere, water and soil, ever incrementing issues regarding water quality, a rise in contaminants and waste released freely in environment, extinction of breeds, burst of accidents and disasters, accession in green events, and regulatory advances in environmental legislations. Subsequently, in the light of such issues involving the environmental predicaments the world has to face, new regulatory legislatures broke out and a breakthrough in cognizance is induced regarding business administration.

Marketing concept is known to be the sum of value-laden praxes exercised between purveyors, mediators, society, consumers and business by way of exchanges. Such praxes commence before the process of manufacturing or introduction of the services offered and encapsulate proceedings such as; production continuum, distribution of products and services, promotion, pricing, selling, services offered following purchase, and the redeeming of the wastes and discards of utilized, consumed products. Green marketing concept is based on the cognizance consolidated with the insight toward environmental consciousness, social marketing and ethical issues. The common fundamental in every conceptualization that falls under green marketing such as sustainable marketing, environmental marketing, eco-marketing, social marketing and the alike lies working and cooperating with the mentality stressing environmental consciousness and in the mean time provoking individuals to buy most environmental friendly products and services. In contemporary times, numerous applications including, but not limited to, development of environmental friendly products, and environmental advertisements referred to as praxes of green marketing brings forth the question of what exactly green marketing is.

Polonsky (1994) defines green marketing as the sum of activities, facilities, designated to satisfy individual needs and wants conducted so as to relinquish the least harm to the natural habitat and surroundings. Peattie and Charter (2007) conceptualize green marketing as a totalitarian administrative

process that elucidates, predicts individual's and society's needs while fulfilling the needs in a sustainable and profit-bringing mean.

The factor of sustainability evolves green marketing into a value and meaning laden praxis. Achieving sustainability should not be limited to short or long-term periods of application because green marketing should be beyond periodic planning, it should be implemented across all practices of a business if the enterprise is to succeed. The fundamentals in executions of successful sustainability can be stated as follows: 1) business activities should be executed in line with the principle of transparency, 2) should be honest regarding the progress made in green marketing applications, fulfilled compliances, established advances, completed progresses and be objective in stressing its weaknesses and strengths. In the course of establishing sustainability, shareholders should be enlightened in each and every step. Hardships, success stories, sustainability reports should be communicated with the public at large and declared to the joint owners additionally, which product/service/ application is categorized as green on the basis of which specific attribute/function, the environmental profits generated through the means of alterations made in the production processes, and to what extent a particular product is actually green should be clearly highlighted. Firstly consumers then all the divisions explicitly or implicitly to be affected by the business's activities should be effectively informed, data flow should be established in a manner so as to ward off any possible ambiguity or confusion.

From the perspective of green marketing, the enterprise itself, economy, society and environment are consummate entities regarded as the constituents of an organism. Within this organism, the facilities/activities of the enterprise is regarded to exert implicit or explicit effects upon each and every constituent and these constituents in return interact with the enterprise. Stating with reference to business's appropriation of green marketing, it can be asserted that green initiatives should be adopted beyond local limits, executed at a global level, initiated for the well being of the humanity and the globe, embraced as an eco-system employed with a philosophy endeavoring the protection of the globe.

Finally, green marketing is to be cognizant of environmental issues when carrying out marketing activities. In other words, green marketing does not either mean reconceptualization of marketing, nor signifies any attempt to reformulate new 4Ps of marketing, but means implementation of 4P and execution of elements of marketing including the 4P's and every other business activities to be remolded on the basis of environmental consciousness. With this respect, it is not much different than the concept of marketing in the sense that the main issue revolves around what is "green", and how can issues encapsulating production, manufacturing, distribution, communication, etc can be executed with a "greener" manner.

### **1.1 Green Products and Production**

Green products and production tend to refer to classifications such as; green product, environmental friendly product, nature friendly product that spotlight necessities such as recyclable materials, production by recycled content that release the least amount of toxic, hazardous waste possible which yield little if any environmental pollution ceasing no harm to the natural life (i.e., Animal experiments in cosmetic testing), biologic resolvability, the consumption of minimum extends of natural energy, high durability, minor amounts of energy exhaustion in the process of using or consuming, all calling for the minimum depletion of the natural resources. Fundamental and additional services elevating the

value of a specific product held by a given business should also be complementary to environmental consciousness.

In the course of the production period, the extent of water and electric usage, processes such as heating and cooling, waste management, reuse of the sub parts, caution regarding the delivery of environmental friendly products transported by the procurers of a given enterprise in other words, the disposition of the production goods, raw materials and semi processed stocks to be composed on the basis of an environment friendly approach and the delivery in a way so as to generate preferably the least amount of harm to the business and the environment should be strictly taken into consideration. Aside from utilizing hazardous chemicals, products engineered to relinquish the least amount of harm to human health, water, soil and elements of natural habitat are exemplary to green marketing praxes with respect to raw materials and production goods. In the case of engineering new products, projects should be carried in line with a manner so as to maximize environment consciousness, assured to benefit the environment significantly. Environmental effects generated by ameliorations consequent to additions, alterations and/or enhancements to the existent product should also be clearly stated and elucidated.

### **Green Packaging**

Primary matters in green marketing have significant implications such as the design of the packaging, which should serve to convey the attributes, contributions of the green product inside and heighten consumer awareness moreover, the package itself should be environmental friendly.

Packaging, serving as the brand's/product's medium of communication, not only communicates to the consumer esthetically but also with its size and production material conveys the message regarding whether it is eco-friendly or not. One of the issues placing environmental pollution in jeopardy is the disposition of packaging and various product wrappings. The significant damage caused by indissoluble and unrecyclable items in nature is without a doubt an inevitable fact. Stating on the basis of sustainable cognizance, the attributes of the packaging/wrapping of a given product should be manufactured so as to comply with the following fundamentals: the volume and the weight of the packaging should be kept at minimum proportions, energy depletion should be minimized in both manufacturing of the packaging and in utilizing it, recyclable materials such as glass bottle should be resorted to, packaging should be composed of indissoluble and recyclable constituents or that, better yet, the entire packaging should be recyclable. An ideal green packaging/wrapping is the one engineered so as not to go to waste, the ultimate environmental application to be applied in the manufacturing of packaging is to stop waste.

In Turkey, in the course of the recent years, businesses have strived to make use of recyclable, indissoluble materials in packaging their products moreover, have taken proactive action and provided their consumers an opportunity to give back the packaging by setting up user convenient recycle collection points and banks. For instance, Anadolu Cam (Anadolu Glass), the most acknowledged pioneer among Turkish brands set up particular glass and textile recycling points in numerous locations across Turkey. With regards to packaging, it is necessary to note that compatibility between the product and the package has to be established especially when taking into consideration the fact that once a given product is placed directly into the package, the product and the package interact, the composition of the internal atmosphere of a package and the makeup of the packaging may indeed lead to possible alterations or decompositions of the product paving the way to place environment and human health in

jeopardy. For instance, in terms of packaging of foods, materials should be carefully selected, packaging in direct contact with a given nutriment should be strictly avoided.

Stating on the basis of regulatory legislatives, numerous countries have dealt with this issue from the point of local administrations and business enterprises. In Turkey, the legislation entitled “Control of Packaging Wastes” imposed by the Turkish ministry of environment and forestry is one example serving as a regulation enforcing 1) the production of packaging in compliance with the environmental standards to be appropriate to allocated basic conditions and attributes, 2) prevention of direct release of waste disposals of packaging to the receiving environment in a manner that will endanger the surroundings, 3) prevention of waste disposals of packaging and/or the reutilization of impending disposals via recycling and retrieval, 4) collection of packaging wastes within a designated system, separately at its point of source, delivery and decomposition. With this legislation the responsibilities and obligations of the ministry, provincial headquarters, municipalities, packaging manufacturers, sellers and the entities constituting the providers such as producers, representatives, exporters and points of sale are clearly declared.

### **CE, Eco-Labeling and Affiliated Symbols**

Products and packaging with environmentally friendly qualities are marked with various symbols providing information indicating green applications. Certifications, and endorsements granted by affiliated foundations are stated on the packaging with indexes placed indicating whether the product is eligible for recycle or not.

There is not an accredited international eco-label however, International Standards Organization (ISO) declares that they recognize any labeling standing for environmentally friendly. CE mark, signifying the acronym derived from "Conformite Europeenne" (European Declaration of Conformity) is a vital logo in eco-labeling. This mark is an indication of the presence of minimum security provision and a product marked with this logo is eligible to be transported in and out across each and every EU member countries without facing any hardships.

Green Point provided by Cevko (Environmental Protection and Packaging Waste Recovery and Recycling Trust) in Turkey was used in Germany along the course of the years 1990-1991 for the purpose of specifying packaging necessitating special collection system. This system encapsulates 82 million consumers financing their own collection and recycling facilities. Subsequently, for consumers and authorities, detection of included or excluded packaging have been much more simpler. As years passed, for the sake of both environmental and economic benefits, countries adopting the same symbol indexing the recyclable quality of packaging have elevated at a rapid pace paving the way for the advancement and enhancement of the Green Point system. Currently, 33 countries have been resorting to the Green Point system. In Turkey, this mark indicates that a given foundation has fulfilled its responsibilities regarding procedures involving recycling by passing on its duties to Cevko (Access on: 31.01.2011, [www.cevko.org.tr](http://www.cevko.org.tr)).

## **1.2 Green Distribution**

Distribution of green products and greening the dispensation processes are vital issues falling under green marketing. Firstly, it is of fundamental significance to note that utmost attention should be given

so as to be as environmental friendly as possible because a distribution policy insensitive to the environment is bound to impair the environmentalist product hence, damage the green image of a given firm. The fundamental problem in this case is how to set up an ecologically sensitive distribution mechanism and to what extent and how can cooperation be established within members of the distribution channel. Aside from this, stating from the perspective of green marketing, green distribution not only concerns the flow of dispensation of products from the manufacturer to the consumer but also the appropriate delivery of goods from the consumer to the manufacturer attained after use or disposal. Such a transaction is referred to as converse logistics. Along the course of recent years, in Turkey specifically, facilities set to collect and retrieve the used packaging, parts, and all sorts of dysfunctional products to be collected back from consumers by the assistance of middlemen at channels of distribution have come into prominence. Concluding on the basis of this fact, it can be asserted that green distribution is the amalgamation of two-way proceedings.

Carbon emissions of many firms are generated due to activities such as transportation/logistics. Since transportation activities are typically executed within the natural environment, improper executions bear the potential to yield direct harm to the surroundings. Consequently, with an objective to reduce carbon emissions to minimum level, only through the means of using transportation vehicles that run on environment sensitive fuel, detecting efficient routes of distribution, educating the drivers to gain driving experience so as to make use of the fuel with utmost efficiency will a step be taken towards green marketing distribution practices.

Additionally, the efficient utilization of the loading space, packaging of the products and positioning so as to take up minimum space possible will expedite an increase in the sum of the products to be transported at one space-time and this consequently in return will reduce the number of vehicles or transits needed for the transportation of the goods. In terms of the paper work necessitated in the course of transporting goods, switching from paper to digital is also another eco-friendly application to be taken into consideration.

### **Distribution Policies in Turkey and Relations with Channel Members**

Selecting among intensive, limited or selective distribution depends on the qualities of a given product. To elaborate on this, for convenience goods intensive distribution should be selected, whereas for specialty and selective goods, limited or selective distribution options should be preferred. For instance, in the case of organic foods usually limited distribution is favored. At specific groceries, points of sale that only market organic products, and at some massive supermarkets one come across organic nutrients.

With regards to applications executed within the channel, programs to enhance environmental consciousness of the channel members and evaluation of wastes generated by distribution such as ensuring the reutilization of the parcels and packages should be delicately conducted. Such green applications necessitate corporation in between members within a given distribution channel. Some business enterprises even enforce members of the distribution channel to be green. One of the members of a given distribution channel constitutes purveyors. ISO (2008) declares that in order to give ecologically and economically appropriate purchase decisions not only the price offerings proposed by the purveyors need to be taken into consideration but also their point of environmental stance. Additionally, ISO (2008) clearly states that factors such as whether purveyor's production

processes is eco-friendly or not, and extent of willingness of the purveyor to cooperate in generating solutions to possible environmental problems also need to be taken into account. Same declarations are also pertinent to other members within a given distribution channel.

Aside from these considerations, establishing alternative distribution channels also plays a crucial role in green marketing policies. In Turkey, many business enterprises make use of alternative channels of distribution. Cases where distribution is established over the internet is one example falling under green distribution application. For instance, instead of providing one music or education CD or software program by hand, they can be purchased and downloaded over the internet similarly, instead of buying a book hard copy, files can be purchased and simply downloaded contributing to the elimination of environmental pollution.

Now, across Turkey, numerous banks exercise online banking. Over the internet, all outputs of banking activity are delivered via emails in the form of electronic receipts that can be printed on demand. This serves as an indication highlighting the evolution of the distribution channels of the finance sector that can be regarded essentially as a green application when considering the fact that it instigates the elimination of carbon emissions fused by cars generated with each visit to the bank, paper, energy and consequently provokes a decrease in the degree of economic depletion related with the preparation of necessary financial paper work. In consequence, as an alternative channel of distribution, internet as a medium enabling product and service demand can be emphasized to bear eco-friendly qualities.

### **1.3 Green Price**

Stating on the basis of the most fundamental approach regarding pricing, the base price is determined by the sum of costs whereas the top price is conditioned according to the value ascribed by the consumer to the product. Pricing, set under the limit of the sum of costs will bring not profit but loss to a given business enterprise and when the price is set higher than the value ascribed by the consumer then demand will not be initiated. Taking this fact into consideration along with fundamental pricing approximations, deriving on the basis pricing dependent upon cost, competition and value, green price issues are elaborated as stated below.

Pricing of green products and services serve as a crucial issue. With an objective to revert their facilities and codes of conduct to be environmentalist, numerous business enterprises have to put up with a number of cascading costs. For instance, the remodeling, reengineering of the production process and methods of manufacturing. In such a case, costs will be inevitably reflected in prices making the green products to be comparatively pricier than their equivalents. One encounters with drastic price differences when it comes to organic products. However, despite the cascading costs businesses have to bear with when executing green marketing practices, the energy (packaging, delivery, etc.) they save in return should not be disregarded. Subsequently, when conducting cost assessments, beneficiary acquisitions attained as the end result of fund costs should be involved all together. Subsequently, beneficiary acquisitions attained as the end result of fund costs should be assessed together with cost assessments when conducting investment analysis.

From the perspective of competition, there are two issues concerning green marketing that businesses come across. One is the existence of another (equivalent) green product whereas, the second is the not green substitution of the same product. Particularly in situations when the consumer is price sensitive,

policies regarding pricing is definite to effect price ranges which is to induce pricing decisions in return. Within market environments whereby competition is nonexistent, it is evident that business enterprises can set price limits with a more flexible basis. However, in cases where there is competition then, with an objective to instigate the customer to purchase a given product, price limit should not set to be high. Not to forget, it is vital for businesses to take into consideration the price ranges set for other same category green products offered by various other brands.

Concluding on the basis of the fact that the primary consumers of green products are environmentalists, in comparison to the environmentally insensitive products, the value of the eco-friendly product within the perceptions of environmentalist consumers is sure to be higher. Empirical research results shed light on the findings emphasizing that consumers are willing to pay extra for eco-friendly products and services. The most fundamental point is for the businesses to keep the cost-profit balance at the optimum level and in the mean time seek the utmost profit to be generated by keeping an environment friendly and societal stance in essence.

#### **1.4 Green Promotion**

Green promotion activities encapsulate not only promotion of green products but also promotion of products in an eco-friendly manner. The crucial point regarding promotion of green products revolves around correctly and clearly communicating the consumers about the eco-friendly qualities and attributes of a given product. The main objective in promotion activities is to position the product as “green” within the perceptions of consumers. Subsequently, when utilizing advertising, sales promotion, marketing, public relations, point of sale communication, direct marketing and direct selling, the messages conveyed should serve informatory function. Meanwhile, simultaneously, programs should be carried out so as to boost environmental consciousness, awareness and sensitivity of the consumers. Not to forget, consumers should be provided with moral grounds that will spur them to make green preferences.

Elementary highlights in promotion of a given green product can be listed as: 1) to convey accurate content, 2) not to be misleading, 3) to be informative and to enlighten the consumer by heightening awareness. Since accurately informed and environmentally conscious consumers will persist to demand eco-friendly products, businesses should strive to educate and inform the consumers regarding the advantages or the disadvantages a given product relinquishes to the surroundings. For instance, in advertisements of green products, from which perspective and to what extent a business’s services or products are eco-friendly should be emphasized. Advertisements of green products should be executed in such a fashion so as to not only draw the attention of the target consumer population demanding green product and services but also to win and create demand among the potential consumers. In such advertisements, usually qualities of a given product are stressed including but not limited to: organic production, exclusion of chemical ingredients, production by recyclable materials, fissionable qualities of the materials, green production processes, ability to provide energy efficiency, etc.

Another crucial point regarding advertisements of green products is the selection of the medium. If advertisements are communicated through the means of outlets followed by environment friendly consumers, the advertisement reach and appeal toward reaching the target population per unit will be significantly higher.

## Green Practices in Promotion

Another issue falling under what can be referred to as green practices in promotion encapsulates execution of activities such as advertising, personal selling, sales promotion, point of sale communication, direct marketing, public relations of marketing on the basis of environmental consciousness. For instance; utilization of digital –mobile- coupons, resorting to recyclable material in the making of inserts, utilization of recyclable content in promotional gifts, making use of video sharing websites such as Google video, Youtube to make and spread advertisements (viral and informative), sending verbal or digital notifications to consumers via email, spreading the word by way of mobile phones (consent granted), etc. Additionally, the work force to be educated so as to heighten environment consciousness plays a vital role. Not to forget, the materials utilized by the work force to be eco-friendly, is crucial as well. Aside from these, reaching to and contacting with consumers and other environmental corporations via social platforms such as Facebook and Twitter will reinforce green intelligence. Thanks to advances in technology and modern decade's necessity for businesses to take orders online, with regards to cutting down consumer time, energy and unnecessary usage of paper work involved when placing regular orders, online orders can be stated among the range of green practices.

A business, adopting a green mission with its marketing practices will not only reinforce its “green” image but also pass strong flow of information by sending out periodic e-magazines to announce and elaborate its green practices to its consumers, civil society corporations, joint owners, members within the supply chain and society at large subsequently, being able to convey information regarding the green advances within its business, introduce the projects, and environmental corporations it supports. Putting together an e-magazine will not only save a given business from financial burden, due to saving from publication and distribution costs, but will also aid in contributing significantly to the decrease of paper, toner usage and reducing fuel consumption spent in the delivery of a regular magazine. Since all of these factors will contribute toward the elimination of hazardous factors bearing the potential to place the environmental wellbeing in jeopardy, putting together an e-magazine can be regarded as a green practice. Paro, a commercial mix of products and services delivered to inform the consumers, is an application of this kind.

By sending out bulletins to consumers, Green Information Platform backed by numerous foundations notifies its support of green practices and provides to enlighten consumers on numerous subjects regarding green marketing facts, issues, practices, etc. via the bulletin.

Meanwhile, as a green promotion execution, by supporting environmental organizations, businesses will on the one hand take part in social responsibility projects and on the other hand will consolidate their green image. While some businesses take the lead in initiating such projects, others may take the lead in sponsoring, being the financial supporter for a given project or related undertaking. The supermarket chain, CarrefourSA, the movies chain AFM, and the shopping mall Cevahir Alisveris Merkezi are all great examples from Turkey working in corporation with Cevko on numerous recycling projects.

Across Turkey, eco-friendly shopping bags, replacing plastic ones, are also preferred by a number of business organizations. Eco-friendly bags is also another green application serving the function to not only carry goods but also as a medium of communication by way of which usage of durable rag bags or

recyclable paper bags are provoked in shopping malls, supermarkets, and the like. One exemplary practice can be referred to the supermarket chain Migros in Turkey which sports durable rag bags with a slogan “a clean world is within my hands”. Similar applications can be stated to not only to serve the function of reinforcing the protection of the environments and the surroundings but also can be stated as contributing significantly towards the positive green identification and image of a given enterprise.

In house public relations is also regarded to pursue a vital role in green marketing. The activities and facilities organized by a business for its personnel will assist in the adoption of environmental sensibility. In line with this, personnel can be incited towards green practices. One example can be to reward the personnel resorting to recycle bins and not trash bins in discarding scrap paper. Aside from this, a business making space at its in house bulletin boards for notifications, announcements of environment friendly facilities and activities, displays of environmental awards earned and the alike so as to cooperatively raise and heighten environmental consciousness throughout the perceptions of the personnel can be stated as one of the examples assisting with respect to sharing and spreading environmental awareness within the framework of corporate culture. Without a doubt, educating the personnel on environmental issues, and studies encapsulating enhancement of environmental conscience should be carried out by a given business’s human resources department and conducted in periodic intervals.

## **2 An Assessment Regarding Turkish Brand’s Green Promotional Activities:**

In this study, various Turkish brand’s green marketing practices and integration of these practices with green promotional executions are analyzed. The sectors analyzed encapsulate white appliances, retailing, textile, banking, telecommunications, food, energy, and cement.

### **2.1 White Appliances Sector in Turkey: The Case of ARCELİK**

Arçelik, a Koc Group member and one of the leading Turkish brands across the Turkish white appliances sector, since the onset of the year 2006 have established over 90% energy recovery via producing and engineering of A+ class eco-sensitive technologies. Arçelik is a brand that adopts and places a strong significance on green policies in not only production but also distribution but also promotion.

Some of the green promotional studies carried out by Arçelik consecutive to the year 1990 can be highlighted as follows:

- The project onset in the course of the year 2008 by the Turkish Ministry of Energy and Natural Resources called Energy Efficiency Campaign (EnVer) is initiated with an objective to heighten awareness regarding the significance and implications of energy efficiency within popular opinion. Arçelik, working in corporation with other members of the Koc Group, with an objective to endorse the sensibility of its actions towards the environment to its personnel have been organizing various educational programmes at each and every stage of administrative processes ranging from the design of products to the phase of production thereby, placing a strong emphasis on the implications of green production and green distribution.
- Aside from launching out products and conducting social responsibility projects, with a goal to enhance societal consciousness regarding the appropriate and effective utilization of natural

resources, Arçelik A.Ş have been executing facilities with its personnel, dealers, and varying foundations.

- The micro website administered by Arçelik A.Ş calling out “If Our World Is In, We Are In As Well” targets to enlighten the society regarding issues on energy, water utilization and austerity by way of heightening the level of environmental consciousness of the population at large through administering a platform so as to reach large masses and provide for information on studies executed within the framework of social responsibility conscience (Access on: 1.04.2013, Mikrosite: [www.çevremizicin.com](http://www.çevremizicin.com))

Taking its starting point as its cardinal policy to establish a greener world understanding at an early age, Arçelik A.Ş have been carrying out numerous campaigns and competitions throughout primary and elementary schools across Turkey.

- To this day reaching 200 students enrolled at 299 elementary boarding district school students across 60 counties in Turkey, in corporation with Turkish ministry of education and general directorate of primary education set up the second of a painting competition with a theme on “Protection of Our Environment and Natural Resources”, granted the students the chance to declare hearings reflected through paintings. By organizing an exhibition to be constituted of the artwork exhibited by the students, introduced paintings to the larger population, displaying the art created all for a more beautiful world.
- By the slogan “One World One Future”, within the scope of World Environment Day activities, traditional environment themed painting and poetry competitions are held for elementary school aged children of the personnel belonging to the Arçelik-LG family. Aside from the special gifts given to the contestants who are ranked, all contestants get the chance to be rewarded with gifts so as to spur the green spirit within their heart and mind.
- Arçelik A.Ş, as having acquired the South Africa based Defy Appliances, with an objective to highlight Africa as an advancing market, to bring foreground in the eye of its personnel in terms of a market they demand to thrive and expand into, to spotlight the implications of climate change (within the time period of 100 years, 85% of the glaciers have liquefied) and raise awareness, have chosen to climb up the 5 thousand 895 metres tall Klimanjaoro Mountain. To the Klimanjaoro Mountain climb, Arçelik team was joined by 12 individuals from countries such as France, Russia, Romania, Germany and Turkey all of whom had no prior experience on mountain climbing. With respect to environmental conscience, Africa is a special place, affected by environmental events across the world yet one of the most well preserved areas due to the circumstantial state of its positioning.
- In order to draw the attention to global warming, Arçelik developed an application enabling formation of fast and easy ice sculptures possible. People sculpting their own ice iconographies, carving their message, sharing their art across social networks and sending out to their loved ones over the digital platform instantly increased. By way of this application masses got the chance to convey the message they want to deliver across vast amounts of consumer groups.

- Arçelik, in accordance with the social responsibility cognizance, intended for the generation of environmental consciousness, between the dates of October 2001-March 2002 executed Local Community Networking project. The project carried out in various provinces across Turkish cities of Ankara, Eskişehir and Bolu shouted the slogan “Cevrenizdeyiz”. While there is no direct translation of the slogan in Turkish or in English, it basically indicates that Arçelik embraces the environment. Other projects/facilities carried under the Local Community Networking project are as follows: “Contribution to the Nature Project Competition”, various business excursions, environmental trainings, “Our Province with Ambiancial Beauties” essay contest and numerous environmental conferences.
- Subsequent to the endorsement deal signed between Turkish Foundation for Combating Soil Erosion, for Restoration and the Protection of Natural Habitats (TEMA) and Arçelik A.Ş, both enterprises regarding erosion and the consequences imposed by it as being a particular concern to today’s Turkey and future, via planting 2.5 million acorn seeds across 250 hectares of terrain, on behalf of brands Arçelik and Beko a forest area is created. Targeting to plant 3 acorns (seeds) and cultivate one oak tree in return, the project amounts to 830 thousand trees liberalized from the 2.5 million seeds reserved for the Arçelik A.Ş. In face with virulent erosion, within the scope of the biggest forestation project ,“10 Billion Acorn Project”, firstly initiated and then spread across the world, an Acorn Planting Festival is carried out in March 2002 at the “Arçelik and Beko Acorn Forest” located at 22 kilometers of the Ankara-Samsun highway (Access on 2.04.2013, [www.tema.org.tr](http://www.tema.org.tr)).
- The erosion documentary prepared by the Turkish Foundation for Combating Soil Erosion, for Restoration and the Protection of Natural Habitats (TEMA) and sponsored by Arçelik A.Ş is a vital resource in informing the public, heghtening awareness and spotlighting the necessity towards taking precautions in the face of erosion which is one of the most environmentally threathening issues withstanding Turkey. The first erosion documentary of its kind, aired in numerous national tv channels across the country, is adopted as a valuable resource as part of numerous elementary schools’ learning curriculum towards educating and instructing students on the subject of combatting for a better environment.
- Arçelik A.Ş. sponsored NTV Green Screen Project. This project is designed to not only draw attention to global warming and numerous issues concerning the environment but also to boost the awareness level of the consumer through the means of which messages proposing Arçelik A.Ş as the first brand to introduce Turkey with A class products and its leader standing in engineering and producing eco-friendly technologies are conveyed.
- In order to sustain decomposition of the collection of packaging wastes by every firm, to establish recirculation, raise awareness among the personell and the entire population, Arçelik A.Ş have initiated the project called “Adding Value to Wastes”. Resorting to recirculation will not only contribute significantly to the protection of resources and the surroundings but also contribute positively towards reducing carbon emissions. Derived on the basis of the slogan “Recycling Starts From Here“, bins are placed across offices and numerous production points to collect package wrappings composed of glass, metals, paper and plastic.

- As other Koc Group member brands, advertisements of Arçelik A.Ş. are executed within the scope of green promotional framework. Advertisement of products such as washing machine, refrigerator, oven, air conditioning systems are executed by communicating the slogan “Stay eco-friendly with Arçelik” through the means of which raising consumer awareness and provoking consumers toward preferring green products are targeted.

## 2.2 Retailing Sector in Turkey: The Case of MIGROS

One of the leader brands in contemporary retailing sector across Turkey, Migros, provide all sorts of consumer goods such as convenience, staple and impulse goods and a variety of shopping consumer goods with an array of durable and non durable consumer goods.

Bringing to life its environmentalist projects, Migros, particularly stressing on the necessities of prospective generations, keep on placing signature under smashing projects corresponding to heightening environmental awareness, instigation of consciousness, protection of the environment, productive and effective utilization of resources.

- Within the scope of its nature friendly cognizance, first time in Turkey, Migros initiated the utilization of “Nature Resoluble Bag” application. In December 2008, first time in Turkey, nature resoluble bags engineered via oxo-bio resoluble technology welcomed consumers at Migros stores. While it takes at least 100 years for a regular plastic bag to decompose in nature, plastics produced by oxo-bio resoluble technology, thanks to a special adhesive accreted in the production process, can be decomposed 100% within as early as 24 months, breaking down in nature.
- Migros the pioneer in initiating the utilization of nature resoluble bags, having observed a drastic decrease in customer preference towards regular plastic ones complemented its nature resoluble bags with rag ones as another green alternate to its consumers. Rag bags with printed inscriptions saying: “To Protect the Environment Is Within My Hands” not only create a delightful shopping experience but also support the efforts towards heightening of environmental awareness.
- Another example to Migros’s environmentalist approach is “eco kiosks”. At each kiosk location, consumers get barcodes on product wrappings read, and then discard the wrappings to the bins designated exclusively for paper, glass, plastic, metal and battery. With every single discard eco sensitive consumers are in return awarded with “Eco Points” converted to shopping points that can be spent in their next shopping within that month. This application provokes environmental sensibility through the use of eco points, implicitly instigating consumer awareness and sensitivity towards the nature.
- Having recognized that permanent remodelling of attitude and behavior with respect to environmental issues is vital for a environmental sustainability approach, campaigns are carried out periodically calling out youth populations to cooperate in the collection of discarded waste materials released in the surroundings and depurating the environment.
- Migros, a member of Environmental Protection and Packaging Waste Recovery and Recycling trust (ÇEVKO), have pioneered the recycling of wastes in nature for reuse by providing

financial endowments to numerous recycling and reutilization conducts. Within this respect, by collecting 2.595 tons of branded product wrappings, grant-in-aid was given to ÇEVKO.

- Acting on behalf of environmental consciousness, Migros collects its waste disposals at its center designated for recycling and reutilization of wastes. Over the course of 2009 a record breaking total of 16.342 tons of paper, cardboard, wrappings and metal disposals had been collected from store and administration units to be utilized for recycling.
- For the proper collection of batteries, with an objective to eliminate possible damage to the surroundings, Migros cooperates with Portable Sealed Rechargeable Battery Producers and Exporters association (Taşınabilir Pil Üreticileri ve İthalatçıları Derneği- TAP). With an objective to share with its consumers to social responsibility conscience, and call out the public at large to being environmentally sensible, Migros brought to life the following practices.
  - To each and every Migros store recycle bins are placed for batteries and for their packagings.
  - With respect to fast collection of battery discards, regardless of the brand campaigns calling out “Bring your used battery and buy the new one with a 25% off” are carried out.
  - Personal mini bins are handed out to the personnel provoking the support of the staff as well.
  - Through corporation of corporate communication and customer relationship management units, mini battery collection bins are sent to consumer addresses and provided for the delivery of the bins back to the designated Migros stores.
  - With an objective to give support to practices initiated by public enterprises, backed swapping regular transparent bulbs with the energy efficient ones moreover, discounted all energy efficient bulb brands and related products so as to provoke consumer preference. Consecutively, numerous banners are placed provoking austerity, and informatory notifications are attached behind points of purchase so as to guide the consumers. Additionally, numerous practices are employed in order to reduce energy usage while boosting energy efficiency.
  - In order to utilize energy sources with utmost efficiency, periodic technologic controls are conducted with respect to in-house lighting across stores and administrative units. Through utilizing energy saving end products and various applications amounting to significant measures taken to sustain ecological balance and efficient usage of resources establishes austerity.
  - Having achieved energy austerity across all its units, resorting to advance systems and devices, Migros keeps on advancing its exemplary green practices.
  - With respect to adaptation of eco-friendly technologies, the practice regarding sales slip first initiated in 2007 involves swapping bottom counter roll paper with an electronic record unit and removal of spaces on a slip normally taken up by barcodes of a given product. All of which contributed to significant savings regarding paper usage.

- Within the scope of the support given to recycling, 123.099 kg of electronic wastes have been successfully reutilized without giving harm to the surroundings. While the 82% of the total amount is redounded as raw material in consequence of decomposition of precious metals, the 16% is converted to energy on the basis of thermic analysis and finally, the 2% is completely destroyed without yielding harm to the environment.
- In order to provoke environmental sensibility, and to effortlessly collect packaging wastes of consumers', at the exits of its stores recycle bins are placed for consumers to dispose packagings to the designated bins exclusive for paper, glass, metal and plastic only.

### **2.3 Textile Sector in Turkey: The Case of MAVI JEANS**

Mavi, the first Turkish fashion brand to open up to the world, is established in 1991 in Istanbul. For consecutive 16 years it has been one of the paramount brands across the Turkish textile sector while placing a particular emphasis on green marketing understanding. The green promotional practices adopted by Mavi are diversified.

- By creating “Mavi Organic” collection, via utilizing 100% organic aegean cotton, introduced jean wear that is more sensible to the well being of both humans and the environment. Mavi targets to reach consumer masses by executing advertorials through carrying out green advertisements.
- With an objective to provide a novel life style to its consumers, establish utmost quality in product development and design, came together with Indesit, an electric household appliances brand, on a project to not only meet consumer demand and needs but also to fulfill its global duties. Together with Indesit's eco and austerity sensitive latest model washing machine called “Moon”, which has an eye catching blue designed lid, Mavi Jeans initiated a campaign calling out “a blue globe” to draw the attention of the larger population and create a deeper level of awareness on austerity. Throughout the campaign, water and energy friendly A+ Moon washing machine along with eco friendly Mavi Jeans products came together for the premier at 29 stores across Turkey.

In the course of the campaign, by demonstrating on the Moon washing machine, the ultimate eco and product friendly washing settings are elaborated and demonstrated to the consumer. Additionally, individuals visiting Mavi Jeans stores was granted access to enter the sweepstakes for a chance to win eco-friendly Moon washing machine. At the end of the campaign, the sweepstakes gave out 30 Indesit Moon washing machines to 30 lucky winners.

- One of the biggest green promotional practices executed by Mavi Jeans encapsulates bringing to life numerous social responsibility projects by way of drawing the youth population coming from diverse cultures and life segments across Turkey. In the onset of October 2007, Mavi Jeans initiated a long term cooperation with Community of Volunteers foundation (Toplum Gönüllüleri Vakfı- TOG). Given the name TOG Attack (TOG Atak), volunteer groups composed of youth populations come together to solve numerous problems surfacing at the provinces they reside, carry out 2 (minimum) to 4 (maximum) day social responsibility projects to be executed nationally within the scope of intercultural learning theme. Projects involve

activities such as planting trees, construction of bird houses, excursions held at dumping grounds with the purpose of making documentaries and generation of ideas for the amelioration of the grounds, provoking the larger society to make use of rag bags, appointing rag bag workshops, carrying out educational executions held to acknowledge the public on the significance of austerity, putting together flyers and brochures on the efficient use of natural resources and its implications, drawing attention to global warming by having elementary schoolers watch documentaries, cleaning the designated sea shores, carrying out “environment” themed facilities with an objective to execute workshops designed to heighten environmental awareness and sensitivity on issues such as erosion, recycling of wastes, energy austerity through the execution of projects including drywall mud constructions and tree planting.

#### **2.4 Turkish Banking Sector: The Case of GARANTI BANK**

Founded in 1946, Garanti Bank is Turkey's second largest private bank, with its consolidated size of assets exceeding U.S. \$ 104 billion as of March 31, 2013. Being active in all business branches of the banking sector including corporate systems, commercial systems, SME systems, payment systems, private banking, and investment banking; Garanti is a financial services group integrated with leading financial affiliates in the fields of life insurance, individual pension, financial leasing, factoring, investment and portfolio management, in addition to its international affiliates in Netherlands, Russia and Romania.

- In the production of Europe’s first environmentally friendly card that has given inspiration to other global banks, PVC is use at the lowest possible level in order to enable the card to be decomposed in the nature faster.
- Holders of Environmentally Friendly Bonus Card support realization of many projects, by donating a small portion of the bonuses they earn by means of Environmentally Friendly Bonus Card, a portion of which is transferred to WWF-Turkey (World Wildlife Fund) by Garanti Bank.
- In addition, with the campaigns made with a large number of brands, the card enables its holders to get discounts up to 10-20 per cent, for environmentally friendly products of those brands.
- The brand uses recycled paper for all printed materials such as envelopes, letters and brochures used for communication. Monthly account receipts are transmitted via e-mail. Through these savings, an extra donation is provided to the WWF-Turkey.
- As one of its green campaigns, its sent seals to new cardholders in World Water Day, which provide water-saving up to 70 percent per house.
- The projects supported by Bonus Card through Garanti’s environmentally friendly portal can be followed, and at the same time, recommendations that are mini but have great effect can be made, in order to be active in this regard. Current news are followed and information on environmentally friendly products and campaigns can be received.

- The brand puts children into the focus of consciousness-raising activities. In the road taken with the logic of that 'a generation loving its environment can protect the nature', the first environmentally friendly animated cartoon series of Turkey is being broadcasted. In the film, it is intended to tell children, with an entertaining approach, the fact that they can prevent important environmental problems if they pay attention to mini details. With this understanding, three animated cartoon films have been prepared, by which the matters of carbon emissions, water saving and paper wastage are discussed.

*In Turkey, approximately 338.5 tons of paper are used every month, for credit card receipts sent by banks to their customers. This figure means that 5,754 trees per month, and 69,000 trees per year are cut down.* (Access on 04/10/2013

<http://www.radikal.com.tr/radikal.aspx?atype=radikaldetayv3&articleid=939609&categoryid=101>)

- Environmentally Friendly Bonus receipts are transmitted to customers only by e-mail; and by this way, hundreds of trees are prevented from being cut down. According to the information given by Selin Billi, the ratio of those who prefer e-receipt among all the credit card holders of Garanti Bank increased from 8% to 30% in the last year. Garanti card holders who prefer e-receipt saved about five thousand trees from being cut down.
- Environmentally Friendly Bonus Card of Garanti and Ezici Biodiesel company have made cooperation with intent to utilize vegetable oil and animal fat wastes, and to prevent their damage to the environment. Within the scope of that cooperation, the vegetable oil and animal fat wastes collected from houses bring bonus. Participants of the project collect waste oils and fats in their responsibility areas, with jerry cans given to them. The bonus in the amount of TL 15 per jerry can, earned by those who submit the oils and fats to Ezici Biodiesel, are added to prepaid cards given them by Garanti Bank. Cards can be used in more than 200,000 member shops of Bonus.
- Within the scope of environmentally friendly SME Support Package provided by the brand, customers can utilize special interest rates and credits containing non-payment period for their future investments intended for increase in productivity in their activities, for providing savings by reducing the amount of energy consumed in production process, and for being in compliance with the current legal regulations on energy productivity, thermal insulation and waste management as well as the ones that will be entered into force in the following days.

Besides these, green promotion (sales promotion) activities used by the brand with intent to encourage the consumer (end buyers and intermediary entities) are the followings:

- Credits providing nonpayment periods, deferments up to 60 months, and special interest rates for expenditures to be made for "Energy Efficiency in Industry", "Energy Efficiency in Buildings" or "Waste Management".
- "Green Car Credit" provided with special interest rates for purchases of hybrid vehicles that provide fuel economy.

"Environmentally Friendly Bonus Card" providing the opportunity of utilizing special campaigns intended for Environmentally friendly products.

## 2.5 Turkish Food (Biscuit) Sector: The Case of ULKER

As Yıldız Holding Inc.'s 65-year brand, Ülker is one of the biggest brands of Turkish Biscuits Industry. Ülker that ranked first in the category of biscuits in AC Nielsen's Brands Report for 2008, also ranked second in Brands Being Felt Close, and ranked third in Companies And Brands Remembered First. In a research published by Istanbul Chamber of Industry (ISO) in 2009, Ülker Biscuits ranked 104th among the largest 500 industrial companies of Turkey.

- Ülker Smartt provides support to the project "Small Things Renew the Nature", in order to support environmental consciousness, tell new generations about the importance of renewable resources, and give them information on how to protect the nature. The project that has been kept going for 7 years, is being carried out with the cooperation of the Ministry of Education, Bogazici University, and Tetra Pak, with its format renewed as of 2011. The young minds are being told about the importance of paying attention to water saving, the subjects of renewable energy sources and prioritization of using materials produced of them, as well as the fact that packing wastes are valuable raw materials and they must be collected separately. In addition, campaigns intended for children, which encourage the cultivation of flowers and trees are organized.
- As a participant of the campaign "Have in Hand" commenced by TEMA (The Turkish Foundation for Combating Erosion Reforestation and the Protection of Natural Habitats) in order to reverse the migration from villages to cities in Turkey, Ülker Food became the sponsor of the Kuzuçardağı and Karacaoğlan villages of the city of Kırklareli. The grasslands in these villages have been made green, and milking centers complying with the EU standards have been established.

## 2.6 Turkish Automotive Sector: The Case of TOFAS

Turkish automotive company Tofaş, foundations of which were laid by Koç Group in 1968, and in which Koç Holding and Fiat S.p.A are equal shareholders, is currently one of the three world-wide strategic manufacturing and R&D centers of Fiat. As the only automotive company in Turkey that manufactures both passenger car and light commercial vehicle, Tofaş today becomes prominent as the biggest manufacturer of the Turkish automotive industry, with its yearly production capacity of 400.000 units per year. As a company in the leading position of the Turkish automotive industry, Tofaş makes 25.9% of the total sector production by itself, with a score of 307.788 units. Tofaş exports to 80 countries in the world, and its share from the total automotive industry export is at the level of 22.8%, with 180.698 units for the year 2011.

- Tofaş organizes the activity of traditional tree planting festival, and is creating the FIAT Forest in Gölyazı district on the road to Izmir.
- The brand trying to adopt the environmental conscience as a lifestyle, drew attention with its world-class manufacturing processes, ecological model and engine range as well as its R & D projects; and supported the application of "Earth Hour" made under the leadership of the WWF (World Wildlife Fund). Within the scope of the environmental movement took place all over

the world, the lighting elements (excluding the ones for production and security) were turned off for 1 hour in Tofaş's center in Istanbul, particularly at its factory in Bursa. Tofaş's dealers throughout Turkey participated in WWF's campaign that drew attention to the reduction of emissions and struggle with global climate change.

- Tofaş that showed its environmental awareness by the applications in the field of production also draws attention with its studies such as the investment in environmentally friendly paint process, savings in cardboard and wood materials corresponding to 70 thousand trees per year as a result of the re-utilization of recycled plastic wastes.

## 2.7 Turkish Liquid Fuel Sector: The Case of OPET

As the biggest liquid fuel and mineral oil distributor of the international liquid fuel distribution companies operating in Turkey, the company acts with the main target and principle of becoming the first choice of consumers in the fuel distribution sector of Turkey. OPET is a brand that brought 98-octane unleaded gasoline to Turkey for the first time, and also offered the diesel fuel Ultra Euro Diesel to Turkish consumers, before European users. OPET is one of the important brands of its sector, with also its social responsibility approaches, its new products and services, fast-growing network of stations, and the projects of Clean Toilet, Green Road, Exemplary Village and Respect for History. Today, it is Turkey's 2nd largest liquid fuel distribution company.

- The “Green Road Project” of the brand has been implemented since 2004, in order to draw attention to the importance of the green in our life, which is diminishing with each passing day throughout the world. The “Green Road Project” carried out by OPET with the slogan “He who loses green will lose life” makes important contribution to the expansion of green areas. The “Green Road Project” firstly aims to afforest the 1.5 kilometer area in and around OPET fuel stations. The campaign is expected to last for 10 years and more than a half million trees are intended to be planted along Turkish Highways. Within the scope of the project, 525.250 plants suitable for the climatic and earth conditions of particular regions have been cultivated up until now, in 613 stations and treeless areas determined by municipalities.
- With respect to the green environment policies of the brand, educational activities have been made, with intent to emphasize the importance of the tree and green texture in the lives of living creatures; brochures and documents have been prepared, and children’s books have been published.
- For a controlled and economic irrigation needed by plants, a “Fully Automatic Drip Watering System” was begun to be implemented in 2008. This system providing water saving in stations, where plants are cultivated, enables plants to be irrigated periodically and to grow much healthily, while using water as much as required by the plant, in an economical way.
- Having started out with the aim of creating a conscious society, OPET also aims with its “Exemplary Village Project” at some social indications, such as bringing distant villages closer, making them self-sustained, utilizing their historical, geographical and cultural potential, as well as improving their educational level. Within the scope of this project, many studies are

being carried out on physical appearance of villages, their socio-cultural developments, greening the environment, special courses, and income-improving activities.

## 2.8 Turkish Energy Sector: The Case of AYGAZ

Founded in 1961, Aygaz is the first company of the Koç Group, which is active in the energy sector. Today, Aygaz is a company carrying out all the processes covering LPG production, procurement, storage, filling as well as production and sale of LPG-operated products. As Turkey's 10th largest industrial company in the private sector, Aygaz has the distinction of being the first and only company open to the public, that operates in the LPG sector.

- Aygaz aiming to increase the awareness and sensitivity regarding global climate changes "by seeing and touching", prepared an environmental frame project entitled "What Will the Weather be Like Tomorrow?" , with intent to leave a more inhabitable world for the future generations. By this project, it is aimed to raise the awareness and sensitivity level of the public, with regard to the subject of climate change. Aygaz visited 11 provinces of Turkey, with its "Sky Truck" that was produced within the scope of the project, and contains a "planetarium" and "magic globe". It was aimed to enable people to witness the climate change visually, to be convinced by touching it, and to take action.
- The brand organized a festival and rowing competitions, with intent to raise awareness about climate change gain.
- The brand also organizes annual competitions intended for ensuring the children to grow up with environmental consciousness.

## 2.9 Turkish Cement Industry: The Case of AKÇANSA

As Turkey's largest cement producer, Akçansa is the corporation of Sabancı Holding and Heidelberg Cement .

*The cement industry causes 5% of the human-induced greenhouse gas emissions (primarily CO<sub>2</sub>) in the world. Half of this percentage is caused by the calcination of limestone during clinker production process; 40% is caused by the fuel consumption; and 10% is caused by electricity usage and transportation activities.*

- Struggling with climate change is the core of Akçansa's environmental policies. Akçansa focuses on three main methods for reducing CO<sub>2</sub> emissions: Use of alternative fuels, reducing the ratio of clinker usage in cement, and energy efficiency.

*As in other energy-intensive sectors, high energy costs creates a disadvantage for the cement sector in terms of competitiveness. Therefore, the waste heat recovery power plant adds value to Akçansa, and to the national economy when looked from a broader perspective.*

- With the investment it made in the Waste Heat Recovery Power Plant, Akçansa aimed at increasing its energy efficiency performance. In cement production, energy has an important role in operating costs and the environmental impact of production activities. Akçansa aims at minimizing such effects, with the Waste Heat Recovery Power Plant that it established in

Çanakkale. With the Waste Heat Recovery Power Plant, it will save 105 million kWh energy per year, by recovering the steam generated during the process. By means of that saving, it is expected to ensure approximately 60,000 tons of reduction in CO<sub>2</sub> emissions per year.

- Thanks to this project, 105 million kWh electricity per year will be produced in the plant, and approximately 30% of electricity consumption in Çanakkale plant will be met. By this means, 30% less electricity will be received from the electric network.
- Besides its economic benefits, this project also puts forth social opportunities. The Waste Heat Recovery Power Plant established in Akçansa's Çanakkale Cement Factory is a first in Turkey's cement industry. Implementation and execution of the project requires a broad knowledge; and therefore, a growing business opportunity and specialization area have been created.
- In conclusion, the most important outcomes of this project are related to environmental problems. Turkey is a party of the United Nations Framework Convention on Climate Change and the Kyoto Protocol; however, it has no emission reduction target. 9.5% of its total CO<sub>2</sub> emissions is caused by the cement industry. Thanks to its Waste Heat Recovery Power Plant, Akçansa will prevent 60,000 tons of CO<sub>2</sub> emission, depending on energy saving. Otherwise, the amount of oxygen produced by 2.700.000 trees will be needed to compensate that CO<sub>2</sub> amount. This CO<sub>2</sub> emission reduction project has been accredited and registered as a Gold Standard project. The Voluntary Emission Reduction certificates to be obtained from this project will take their places in the Voluntary Emission Trade market, as the most reputable carbon credit.
- This project will have a positive effect on the biological diversity of the region, by means of the reduction in greenhouse gas emissions, and the sustainable use of natural resources.
- Akçansa offered its products with recycled material content and lower CO<sub>2</sub> emissions, which add value to the environment. Today, A + Concrete intended for the construction of green buildings in the construction sector is the optimal concrete type for durable, efficient and sustainable buildings. The most important features of the product are its low CO<sub>2</sub> emission and resistance to environmental impacts. As an 'easy-to-use' and 'easy-to-fit' product, A + concrete provides superior freeze-thaw resistance, as a result of air drift in the concrete.

## **2.10 Telecommunication Sector in Turkey: The Case of TURKCELL**

In Turkey, GSM operated mobile communication is launched out in February 1994 with the onset of Turkcell coming into service. The market leader of the 5 out of 9 countries it operates in, Turkcell is a localized pioneer. The environmentalist, green marketing practices of Turkcell can be summed up under four main captions:

*1- Practices to Boost Energy Efficiency:* Network and wind turbine reinforced base station project which is globally the first of its kind and was at first run as a trial site, energy saving of %4.7 percent via passive cooling systems applied across all base stations, elimination of energy depletion at base stations via the utilization of inverter air conditioning, implementation of %11.4 percent energy saving via vendor showcase and virtualization at data centers.

*2- Practices Held at Retail Channels and Marketing:* E-bill application enabling to save thirty five million A4 paper, initiating reutilization of used cell phones project, digital advertorial and digital uploading of user minutes, selling of user minutes upload cards without packaging.

*3- Eco Sensitive Services and Solutions:* Prosecution of forest fires, waste management environmental control centralized implementation system, vehicle tracking system, telemetry service to green-o-matic water flow meters, M-education, mobile signature, mobile traffic services communications.

*4- Environmentalist Office Solutions:* Green renovation, energy saving illumination systems, faucets, water saving by sprinkling gardens and greenery via depurated waste water , M-education, E-education, mobile signature and digitalization of office proceedings contributing to saving from paper waste and recycling of compound waste.

Turkcell has been communicating its environmentalist policies to its consumers via various intensive advertisement campaigns.

With the onset of December 28, 2009, Turkcell, across its points of sale and contracted chain stores put up for sale the 3G compatible eco-friendly Samsung BlueEarth that makes use of super economic solar energy as its battery power, with its exterior surface composed of recyclable plastic, tells the number of trees saved by the individual in contrast to if the user was to use a vehicle as a means of transportation by counting each and every step of its user.

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- Corporating with Redeem, Turkey, an award winning provider of high volume value recycling solutions for a wide range of hand held technologies, converted 1050 Turkcell points of sale and communications center as recycle points of consumer's used mobile phones. Now, across Turkey, consumers wanting to recycle their mobile phones can simply stop by at any convenient Turkcell point of sale or communications center.
- Turkcell in corporation with Superonline, a Turkish internet service provider, by inscribing the message "For the ones not contending with the best is the fiber internet in lightening speed" on 100.000 eco-friendly hangers and laundry bags composed of 100% recyclable material to be distributed via the well acknowledged Turkish dry cleaning companies have been reaching vast amount of consumers throughout Turkey.
- Turkcell attempts to propagate energy saving conscience to not only within its enterprise but also throughout the group of its subscribers. Within this scope, e-bill application, an eco-friendly alternative that not only saves from paper consumption but also contributes to significant elimination of carbon emissions have been utilized and preferred by 2,4 million Turkcell subscribers. Through the means of e-bill utilization, in a single month, 28 tons less paper is wasted and 476 trees are prevented to be cut down. This amounts to preservation of 5 thousand 712 trees in a single year.

- The establishment of 239 eco-friendly base stations across Turkcell network utilizes sun and wind power through the means of which 10 million kilowatt energy saving is earned in a single year. In other words, this number is the equivalent of a 4 member family's daily 46 thousand 521, or annual 127 electric consumption. The pioneers with respect to base stations combining network and wind energy have been globally first put into practice in Turkey thanks to the Turkish engineers' institutional and intellectual accumulation of knowledge.

*% 0,14 carbon emissions and %0.12 energy depletion across the world is generated by mobile communication networks. Similar in line, % 20 carbon emissions and %23 energy depletion is relinquished by traveling and transportation. The carbon emissions released by a single mobile phone user within a single year weighs up the emission generated by a car's average one hour drive at the highway. With respect to mobile communication, despite advances in technology and a raise in the number of subscribers, energy depletion did not escalate, on the contrary remained still around the numbers of the 1995. Advances in mobile communication led to a decrease in the need to commute, and contributed drastically to decreases in carbon emissions thanks to home and office smart environments it fosters. (Access on:10.04.2013, <http://www.mobiletisim.com/haberler/cevre-dostu-turkcell>)*

- Acting on the basis of the cognizance to protect the environment, Northern Cyprus Turkcell, since the year 2000 to this day have been executing cleansing facilities across sea shores of Alagadi and Karpaz which are regarded to be one of the most vital shores hosting as the spawning grounds of sea turtles across the Aegean region. In advance to the executions, the volunteers, including the students are given in-depth informatory education on sea turtles. One of the founding members of Cyprus Turk Global Network, Northern Cyprus Turkcell, since the year 2007 have been executing sea shore cleansing with Partnership for the Future EU Funded Programme (UNDP-PFF). At the end of executions, various fun activities are held at the site of domain, and in corporation with Northern Cyprus Turkcell Environment Protection Department distribute books and brochures on sea turtles to the larger community. Additionally, with respect to the protection and preservation of olive trees which are regarded as the precious heritage of Aegean and Mediterranean regions, numerous projects are carried out.

### 3 CONCLUSION

In the course of the past years while consumers in Turkey were particularly interested in exclusively buying and consuming, in contemporary years, sensible consumers are cognizant on subject matters such as the aftereffect of production systems, products and contaminants upon the environment at large generated by enterprises along the course of utilizing scarce resources. As the number of green consumers is ever increasing, with respect to enterprises, the significance to administer a business on the basis of green cognizance heightens as well. Similar in fashion across the globe, green environmental cognizance serving the role as the fundamental corner stone of many administrative and marketing facilities, has also been embraced across Turkey and adopted by numerous firms as the true marketing philosophy. Noting on the basis of the contemporary marketing mentality, brands in strict competition against one another strive to address the sentimental values of consumers by attempting to create brand value and instigating awareness.

This day, consumers are constituted of individuals who know exactly what they want, adapt and educated at differentiating, categorizing eco friendly products apart from their regular counterparts. Consequently, firms placing environmental consciousness at the heart of their brand policies have been striving to execute administrative and marketing operations accordingly. Subsequent to inducements, sanctions imposed by the media and the government, thanks to introductions on environmental consciousness and protection of the environment imposed at a very early age by integrating within the curriculum and making it compulsory throughout the Turkish primary school education, it can be observed among the green consumers who have incremented in number after the 90's of Turkey that environmental sensitivity is not by oneself a simple emotion but rather a life time philosophy governing consumer actions, decisions, behaviors and ideologies. Just like it would be wrong to refer an enterprize as a green business by taking into consideration its one single green application, it would be equally wrong to refer a consumer as a green consumer by taking into consideration individual's one single green purchase. Green consumption/preference is a life style, it is meaningful as long as it is sustainable. Turkish brands targetting to sustain and enhance their place within the market, acting on the basis of a green marketing understanding, have been supporting their sustainable green marketing operations with clear, factual and true executions with a long term outlook. With regards to acknowledging the public at large on green endeavours, businesses resort to incorporating mediums of integrated marketing communications. In giving advertorials on green operations, businesses actively resort to integrated marketing outlets such as advertising, personal selling, sales development, direct marketing, point of sale communications and public relations marketing. It is evident that in Turkey various businesses carry out projects and operations within the scope of green marketing. While such operations cut back the extend of harm relinquished to the surroundings, they not only provoke consumers to be more environmentally sensitive but also boost a given firm's economic performance. For instance, Japanese technology giant Sony, launched out an operation called "Greenplus Project" through the means of which environmental performance of Sony products are targeted to be enhanced. Similar in line, in Turkey, Garanti Bank Bonus card owners, depending on monthly expenditures and the type of card they hold, contribute between %10 to %30 percent of the bonuses they earn to WWF, Turkey's projects on environment protection and preservation. Additionally, the card itself is easily disolluble in nature as the lowest amount of PVC possible is consumed in the making of the card. One of the fundamental players across the Turkish telecommunications sector is Türk Telekom acting within the framework of the sustainability principle when executing various marketing practices. Türk Telekom offers its clients product and service alternatives in order to support utilization of energy sources in a more effective and efficient manner. Within this scope numerous eco-friendly operations are executed, one of the fundamental of which is the launch of e-bill application that significantly cut down of paper usage. Türk Telekom as the first firm across Turkey in initiating the e-bill operation, with an objective to endorse and spread this eco-friendly conduct, to provoke the society at large to environmental consciousness, to spur firms of all kinds toward green marketing cognizance, gave out free minutes to its subscribers. In Turkey, the race to go green continues at an ever incrementing pace among enterprizes of all kinds. Numerous firms are investing to dwell at advancing assertive green business processes. Striving to establish sustainability now means not only to sustain the production of goods but also depleting the least amount of valuable resources at hand and setting a production system so as to relinquish the least harm possible to the surroundings. Earning to become a green brand is vital

both for heightening reputation of a given company and for being rewarded by the customers in return. It is necessary to make reference to Prof. Vasanthakumar N. Bhat, the author of the book “The Green Corporation” who emphasizes that firms managing to reduce their carbon emissions by %1 percent can increase the value of their shares by %1,5 percent which amounts to a %1 percent reduction in carbon emissions equals to a boost of %5 in profit margins.

Having grasped the power of competitive advantage brought on by green marketing and to congrue with the global trend to convert businesses to green, Turkish brands employ green marketing strategies not only for efficient utilization of resources (less raw materials), and reduction of costs but also particularly to: make a difference by stressing on environmental values and executing complementary operations in order to be one step ahead of the game within a given sector, comply with inducements and enforcements imposed by the government and environmental organizations, earn grants from the government, avoid insecurities and loss of reputation that can be triggered by even a slightest harm given to the surroundings, acquire new advantages on market share brought on by implementation of green marketing strategies, create a green image and hence establish reputation, boost the trust of its employees and consumers by the extend of environmental consciousness communicated throughout its operations, cooperate with each and every departmental unit within its value chain so as to abate waste disposals, enhance interactive communication power by incorporating its consumers and suppliers on the subject matter addressing environmental development, and to serve as a catalyst in generating less waste disposals by way of providing means to make recycling more convenient.

While environmental responsibility is not only the duty of the owner of a given brand/product/company and members within the value chain should all pitch in to fulfill the responsibilities imposed on them, brand owner companies are inflicted with the most responsibility. Brands with a well acknowledged identity and image in the eyes of a given society also tend to turn out to be the most potent representatives of green marketing. In this study, Turkish brands with a high brand equity are selected from diverse sectors operating in Turkey. The scope of this study is designed to thoroughly analyze green marketing sustainability operations executed by the Turkish brands mentioned in case studies and to assert critical evaluations with regard to green marketing conducts carried out across diverse sectors operating in Turkey. Within the scope of the analysis it can be concluded that not only the number of green Turkish brands is by each and every day incrementing at a rapid pace but also that the operations carried out are in line with protection of the nature and complementary to heightening the environmental awareness of the consumers. Subsequently, the rapid formation of a conscious consumer population which is more environmentally sensitive and pro green consumption can be observed. Green beseeching consumer population trigger green demand provoking brands strive to produce and achieve sustainability in order to attain this demand. Within the framework of green marketing, brands have been incorporating advertising, personal selling, point of sales communication, direct marketing and public relations marketing in a well integrated manner. Aside from communicating the consumer population regarding product or service attributes, brand’s pro-environmental outlook, its eco-sensitive philosophy and nature compatible identity are also conveyed. Brands can be stated to be in fierce competition against one another particularly in developing as many green responsibility projects possible so as to establish brand image on firm grounds within the perception of the consumers. Aside from this, with an objective to further spread environmental consciousness, that was first introduced in Turkey following the 90’s, and make it embraced as a life time philosophy, brands have been executing

education programs for kids and the larger youth population. With the support of the government and pressure groups every year eco-awards, are given out so as to applaud eco-friendly brands and motivate all sectors toward adopting green marketing strategies. In Turkey, one comes across diverse green marketing strategies implemented throughout varying sectors. Compared to the times when businesses did not even attempt to take any proactive action against toxic gas emitted from factory pipes, today, businesses have converted to be green, marketing their products/services on the basis of an eco-friendly production system and investing on filtering systems, reformulating raw material usage and reutilizing recyclable materials.

Today, Turkey has been undergoing an evolution established on the basis of information and innovation, revolving around an environmentalist and strictly competitive, high employment proffering progression. Thanks to rising consumer awareness, now we come across a Turkey wherein consumers have started to favor products engineered by eco-friendly technologies and in return, actively reject the ones yielding harm to the surroundings. Across Turkish enterprises, while the prime cost often surfaces as an issue in achieving to abide by the EU standards regarding the execution of conducts encapsulating environmental issues, the cost benefit with regards to the advantages brought in by the compliance without doubt ends the matter of contention. EU environmental compliance cost for Turkey is about to be about 70 million euros. In Turkey, in the course of the recent years since the greatest endowment is invested on democracy and the public, investment is directed towards matters on health and environment. As democracy gets stronger, environment sensitivity gets stronger as well. (“AB Çevre Mevzuatı”, Access on: <http://www.yesilekonomi.com/maliyetli-diye-ab-cevre-mevzuatina-uyum-saglamayacak-miyiz>)

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## **Selcuk Koc, Mehmet Cagri Gozen**

Kocaeli University, Turkey

### **Is D8 Ready to Form an Economical Alliance?**

#### **Abstract:**

Trade liberalization and economic globalization process present many opportunities for both of developed and developing countries. But these countries need to form unions in different level to be able to take the maximum advantage of these opportunities. Especially developing countries, trying to adapt their national economies to new competitive world, might significantly improve their economic, political and social positions by founding alliances. To realize these purposes, the developing 8 (D-8), being member of OIC and comprising of 8 developing countries, have formed an alliance to develop economic and social relations. Improvement of economic position in the world and of life standard in the country and enhancement of intra-trade relations are among its objectives.

Aim of this paper is to examine whether main macroeconomic indicators of D8 act together (cointegrated) and have some similarities. Reason for this, joint movement of main macroeconomic indicators will point out a right and significant economic alliance. For this purpose, direction of indicators will be analyzed by using many cointegration tests.

## **Sevket Alper Koc**

Kocaeli University, Turkey

### **Alleviating the Information Problem in Mate Selection: Choice of the Length of Courtship and the Degree of Commitment**

#### **Abstract:**

Marriage is unparalleled as an institution in its importance on one's life. Most people spend the majority of their lifetime in marriage. Personal satisfaction and happiness are closely linked to the quality and the stability of the marital relationship. Success under the conjugal bond, however, is not easily achieved unless there is a high level of compatibility between the spouses. Therefore, selecting the right person becomes the most crucial task for anyone intent on tying the knot.

The selection of a compatible marriage partner is challenging and, by no means, guaranteed because credible information about the other party cannot be obtained easily. A potential mate may be evaluated more or less correctly in terms of his economic resources, but his personality characteristics and attitudes, his values and expectations from marriage and his family's approach to the relationship have to be discerned by careful observation, frequent interaction and communication. The process gets even more complicated as the mates willingly or unwillingly may present a distorted picture of themselves, or they may not be certain of the desired characteristics they should look for in the other, or the parents and the society may place restrictions on the couple's interaction.

The solution in all human societies to this informational problem has been the institution of courtship. It is a process by which unmarried partners select each other as mates and decide to enter matrimony, as well as the stage (or period) of a relationship that occurs before a couple marries (Niehuis, Huston and Rosenband, 2006). A courting couple is given a socially legitimate right to gather information about each other and to test their compatibility as potential spouses. It is as if they are allowed to play a restricted simulation of the marriage game. The intent to marry and the disclosure of this intent to the community are the unchanging properties of courtship although its practice shows variations across societies and over time in the same society. Engagement is the final and most visible stage of the courtship process. In more traditional societies, it may be the only stage, perhaps preceded by a brief period when it is made public that the couple will be engaged shortly. In modern societies, engagement is frequently preceded by a dating period, which provides the initial screening stage before the couple begins considering marriage seriously. Even though it is being more common for couples to have a close relationship and, thus, know each other better before they are engaged, engagement has still an important information gathering function: they have to test their relationship in a context where the marriage obligations, the demands of the families and the community come into the picture.

In this paper, we argue that the courtship process, particularly the engagement period, functions a social screening tool, which succeeds in preventing some of potentially unsuccessful marriages. The couple's display of their commitment to the relationship and their choice of the length of the courtship reveal information about their compatibility as marriage partners.

**Marcel Kohler**

UKZN, Durban, South Africa

## **Differential Electricity Pricing and Energy Efficiency in South Africa**

### **Abstract:**

If South Africa is to curb CO<sub>2</sub> emissions from electricity generation it would be in the country's best interests to encourage change in sectoral electricity consumption behaviour in response to price changes. This change should include both energy efficiency improvements and energy technology changes in economic sub sectors. Research by Blignaut and de Wet (2001) and Inglesi (2010 & 2011) suggests that the relation between electricity consumption and electricity prices differ by SA economic sector. This finding is particularly relevant if the high energy intensity of the SA economy is due to its structure rather than the energy efficiency of its economic sub-sectors. In the absence of clearly informed energy policy and a differentiated energy pricing regime, efforts by policy makers to bring about structural change in the economy could adversely affect the country's energy and environmental targets.

This paper attempts to model the impact of a differential electricity pricing policy on energy efficiency in SA. This policy is informed by the decision of the National Development and Reform Commission (NDRC) of China which in 2004 established a policy permitting differential electricity pricing for high energy-consuming industries in which electricity prices are based on the energy intensity level of each enterprise in an effort to encourage structural reform.

**Joy Kutaka-Kennedy**

National University Belmont, Nashville, USA

**Collaboration and Rigorous Assessment: Group Work with Individual Accountability**

**Abstract:**

Collaborative group work has always been problematic for a variety of reasons. Students who work hard and take pride in their work resent their peers who have a more lackadaisical attitude. It's not uncommon that the most motivated students will do the work of the slackards to maintain their high standards while the slackards are grateful to get good graded based on the efforts of the A students. Too often instructors don't have easy ways to hold students individually accountable for a group's output. For online instructors the online learning platform can provide rich opportunities for group collaboration with rigorous individual accountability. Specific pedagogical approaches can facilitate student learning while allowing instructors to fairly evaluate each student's contribution to the group effort.

## **Derica Lambrechts**

Stellenbosch University, Stellenbosch, South Africa

### **The Growth of Environmental Organised Crime in South Africa: The Case of Chinese Cartels and Abalone Poaching in South Africa**

#### **Abstract:**

The Growth of Environmental Organised Crime in South Africa: The Case of Chinese Cartels and Abalone Poaching in South Africa In the past few years there has been a dramatic increase in the operations of Chinese organised criminal groups in South Africa. The expansion of the activities of these groups has specifically been noticed in abalone poaching and numerous Chinese nationals have been arrested in this regard. It is believed that abalone poaching has increased with 300 per cent in the past few years and Chinese cartels usually exchange drugs for abalone. This paper sets out to first contextualise the operations of Chinese cartels in South Africa. Some authors believe that Chinese organised criminal groups are controlled by Triads, ancient organisations based on loyalty and rituals. Second, the paper discusses the abalone poaching industry on the South African coast and the involvement of Chinese organised criminal groups in this industry. There will be a specific focus on the west and south-eastern coastal regions. As part of this discussion, the illicit economy in the region will be discussed, stemming from the expansion of environmental organised crime.

**Byoungkwan Lee, Sangrock Lee**

Hanyang University, Korea

## **The Effects of Entertainment-Education Puppetry on Kindergarteners' Immunization Behavior**

### **Abstract:**

As a new effective tool for social change, entertainment-education (E-E), which refers to “the intentional placement of educational content in entertaining messages” to effect individual and social change, has attracted the attention of not only communication scholars but also media campaign practitioners. In particular, academic and practical interest in the effectiveness of E-E intervention has increased in the area of health communication. Although many studies have confirmed that E-E affects behavioral changes, they have mainly focused on the effects of mass media. However, E-E uses any kinds of forms of entertainment such as animated cartoons, popular songs, and street theater, which can educate and motivate people as they enjoy it.

This study examined the effects of puppet show as an alternative E-E on the vaccination compliance and immunization behavior of children. Especially, based on social cognition theories such as Health Belief Model and Locus of Control, this study constructed and tested a model to explain how children change their beliefs, attitudes, or behaviors as a result of exposure to the puppet show as an E-E program. A field experiment was conducted with subjects of 216 kindergarteners in Korea, who watched E-E puppet show that was designed to change the children's behaviors related to immunization.

This study found that exposure to the E-E puppet show has a statistically significant effect in changing the children's beliefs related to immunization. Specifically, children who were exposed to E-E puppet show have higher perceived susceptibility, perceived benefits, and perceived severity, and have lower perceived barriers. It also affects children's locus of control. In other words, children who were exposed to the puppet tend to have higher internal locus of control related to immunization. We also found a direct effect of the puppet show on the vaccination compliance and immunization behaviors of children. Furthermore, an interaction effect of assessments for the puppet show and health beliefs on children's immunization behavior was found. The findings of this study suggest that an E-E puppet show can be used as an effective tool for health communication practitioners to change children's health behaviors.

**James Lee**

Polytechnic University, Hunghom, Hong Kong, China

## **Home Ownership in Tiger Economies: Development, Shelter or Asset Building**

### **Abstract:**

In recent years, one motivation behind the promotion of home ownership in Western industrial economies has been the belief that home ownership provides a means to build individual welfare and security, potentially off-setting social security inadequacy in retirement. Many East Asian tiger economies have long focused on advancing 'asset-building' through housing policy with a three-prong purpose: a) using housing investment as a driver for economic development and then b) providing much needed accommodations for rapid urbanization, and c) building individual family lifelong assets as a form of familial income protection for old age. This multi-purpose housing policy approach indeed works well in some East Asian economies but yet to be further tested on others. The commonality in policy terms is that governments do to a great extent involve the use and promotion of home ownership as a component of short and long term economic and social policy. This paper examines how home ownership as a form of asset-based welfare fared in selected East Asian contexts and its broad implications on development strategies.

**Lee Tan Luck, Ahmad Azman Mohd Anuar, Hasan Ibrahim, Zailani Shafie**

MARA University of Technology, Johor, Malaysia

## **Entrepreneurial Strategic Alliances of Small and Medium Enterprises in Smallholders Agro Monoculture Logistic and Supply Chain**

### **Abstract:**

This research is attempted to examine the various facets of entrepreneurial strategic alliances of Small and Medium Enterprises (SMEs) in Malaysian smallholders' agro monoculture logistic and supply chain collaborations. The strategic alliances will enable the smallholder sector's growth and profits by rendering the services of logistic and supply chain providers in agro monoculture of rubber and oil palm which are in high demand. Entrepreneurs and SMEs in these trades could collaborate and establish a long lasting partnership in producing and logistical perspectives. It also will solve the plight of smallholders in delivering their agro products to the factories in upgrading livelihood and generate economy. Methodologies used are the five dimensions of entrepreneurial strategic alliances and partnership collaboration (producers, agro suppliers, logistic and supply chain, managerial strategy, business culture and practice,) the dimensions were examined to determine the entrepreneurial strategic alliances and partnership collaboration. The results shows there are significant difference among factors stated above with entrepreneurial strategic alliances of SMEs in Malaysian smallholders' agro monoculture logistic and supply chain. The business environment and climate of the sector are also closely related to the business leadership skills and success in gaining profits among businesses of the like.

**Keywords:** Entrepreneurial Strategic Alliances, Smallholders, Agro Monoculture, Logistic and Supply Chain.

### **1 Introduction**

Transportation of agriculture products such as scrap rubber or latex and fresh palm fruits from farm to collection centres and the supply of fertilizer vice versa is a key link in the of entrepreneurial strategic alliances of SMEs in Malaysian smallholders' agro monoculture logistic and supply chain. Most of the cultivated land is located far from the dense residential town and cities. The only means to transfer raw agriculture products from smallholders to agro processing plants for processed either to export and consumers or business to business and business to consumers who dwelt in cities are those entrepreneurial agro middleman or organizations that provide and facilitate logistic with high percentage of earning. However, at the same time, they are the major contributor towards the hardships of the smallholders in the country. Even though this efforts has necessitates in generate economy for the tripartite of smallholders from rural areas, processors or middlemen either in suburban or urban and the everlasting demand from the cities dwellers as well as contributed to the environmental efficiency. It was assumed that a detailed study of the most important material flows and transport operations,

from a regional viewpoint, with the application of appropriate tools of logistics and supply chain management, this could promote the agriculture sector economy on national and at the international levels.

The entrepreneurial strategic alliances and partnership between the local Malaysian agro suppliers and the supply chains SMEs of raw agro products from farm and in return sending agro fertilizer and chemicals definitely will reap in profit as there are high demands in agro mono commercial crops like rubber and fresh oil palm fruit bunches from the small holders. This sector has not really been tap into and the profit derive will be tremendous as well as to generate certain percentage of our national economic.

## 2 Literature Review

The main aspects that needed to address in smallholders' agro monoculture need logistic and supply chain. Example scrap rubber, latex and fresh oil palm bunches produced by smallholders as well as agro chemical and fertilizer is considering bulky. Smallholders who placed orders normally are ranging from 3x 50kgs per every acres of between 4 to 6 months once will be weighting around 150kg from the agro supplies to the farm. On the other hand, agro suppliers could also reap in profits with ferrying function of provide logistic services in fetching out the monoculture products to the town to the hand of those buyers. Normally the logistic service provided could be managed by the agro suppliers with their own between one to three ton lorries. Whereas the big time estates where they have their own logistic service like trailers to facilitate the transportation of the bulky agro products such as rubber and oil palm..

The evolution of purchasing function from the traditional procurement service image that becoming integrated into the supply chain through improving both internal and external interfaces [1]. The benefits and problems of the service perspectives were briefly mentioned. It further elaborated that the purchasing function will have to shed its service and operational perspective and take on the challenge of effective contribution to organizational goals and strategies. Therefore it really suited the strategic alliances and smart partnership of marketing and retailing in smallholders' agro monoculture SMEs in supply chain between agro suppliers and their logistic counterparts.

The development of purchasing from a material acquisition function to supply chain management has been presented by researchers [2]. They have discussed the fact that the paradigm had shifted to recognizing every purchase as a sale and that purchasing is more than buying. The two aspect of marketing and retailing of agro supply chain management are actually interdependence, this is due to the nature of the product and the distance that agro suppliers need to send the agro supplies to the smallholders plantations and medium size estates.

The issue of who pays for the additional charge from a single transaction if it is not inclusive to the suppliers list of charges. The development of environment costs usually includes additional charge for the services provided. Logistics management refers to the concept of an organization achieving greater goods-related efficiency, whether those goods are raw materials for manufacturing, getting finished product to distribution centers, or forecasting with greater accuracy. Nearly all aspects of business from design through delivering as being contained within the supply chain[3] This also implies to the entrepreneurial strategic alliances and smart partnership of marketing and retailing in smallholders agro

monoculture SMEs in agro mono products like scrap rubber, latex and fresh oil palm fruits bunches to the factory in Malaysia.

The ultimate goal of supply chain management is to integrate many of the aspects of total quality management that contribute to increased manufacturing efficiency and quality while reducing costs and maintaining the customer as the ending station of the production line[4]. Therefore as for the smallholders agro monoculture supply chain marketing and retailing business, it is necessary to calculate this perspective, otherwise it may loose out to their competitors. Normally scrap rubber, latex and oil palm fresh fruit bunches will have to sell immediately or otherwise it will spoil and rotten. On the other hand, smallholders' farms need to be fertilizing with fertilizer and agro chemical for the de weeding process. All this will add up to the cost to maintain it. If those process not done immediately, it will also burden the logistic company in term of extra fuel to transport it to the buyers. Therefore properly planning and calculation need to be done.

As far as marketing and retailing are concern, the suppliers must understand that to conduct and survive alone will be a very difficult task. One need to collaborate with other quarters to formed alliances and create a win-win situation especially the supply chain of agro monoculture products and agro supplies which is considers being upstream business. Even they alone could provide logistic facilities but to what extend? Certainly the various task in the supply chain of agro monoculture produces and supplies would not be able to accomplish unless with some other quarter's assistance. Therefore to create a strategic entrepreneurial alliance is important to fulfill the demand in marketing and retailing of both parties. The three main important market driving forces urge supply chain partners to collaborate [5], namely market segmentation, consumers' demand and low cost strategy. Especially for chain partners in developing countries who wish to participate on the global market (far away markets), supply chain collaboration is of utmost importance for the connection with profitable markets and consumer's demands, the flow of information, goods, technology and capital and to limit transaction costs.

Supply chain system is defined as “planning, coordination and control to all business process in the supply chain system to provide the highest value to the consumer at the lowest cost and at the same time to give the highest return to the stakeholder”[6]. Therefore the bulky task to managing the smallholders' agro monoculture produces and agro supplies of rubber and oil palm have a good supply chain system. What's more of transfer or loading, transportation and reloading on the smallholders' plot of land in the rural areas?

Therefore in the entrepreneurial strategic alliances and partnership of marketing and retailing of smallholders' agro monoculture supplies need to have a good supply chain maximization management system. Supply chain can also be defined as a series of physical activities and decision making is united with good flows, information, rights on goods throughout all levels and the participant of the organization. The supply chain combines various mediator and entities for example factories and its suppliers, logistics, warehouse, wholesaler, processor and consumer. Thus the supply chain can be defined from the perspective of “network” that connects various participant (or agent or entity) in the industry. Supply chain can also be defined as “a network between business entity that is responsible of procurement activity, production and distribution of output of various related output” [7].

Every entity in the chain has different objective and limitations, but they need and depends on each other to make sure the supply chain reached its objective, such as on time delivery, quality and

minimizing cost. Thus the performance of every entity in the supply chain depends on the performance of other entity and their willingness and ability to coordinate the activities in the supply chain [8]. Therefore, as for the smallholders' agro monoculture suppliers, they need to be precision in accomplishing their task of delivery. Planning is very important in these perspectives because to prepare the transportation of scrap rubber, latex and fresh oil palm fruit bunches directly to the collecting centers, warehouse, or factory and sending the agro supplies directly to the farms. All this task need precision synchronizing, otherwise it will be too early or too late to supply to the customers and loose out to other supplying competitors. Therefore, the management of the performance in the supply chain is important at both level of individual and organizational. The management of the performance of supply chain system can be defined as a cycle covering problem identification, understanding main problem, taking decision to overcome the problem, validating the data and process [9].

The calculation of cost to market and retail the much sort after smallholders' agro monoculture produces and agro supplies, among the important management aspects are delivery cost, efficiency, fast response, high quality services and quality of goods. The management of performance has to be done by all parties in various levels in an organization. In reality, for an entity to maximize profit in business it has to take a strategy that will bring benefit to their entity without disrupting the supply chain system performance. Based on the supply chain system definition in the literature, studies have identified six main elements that have been main indicators that determine the system. These elements are individual, supplier, governance, quality system, technology and logistics.

A good supply chain of agro supplies will also bring additional benefit to business operation. Supply chain models allow emphasis on operational information, especially in material, information and financial flows in a marketing cooperative [10]. It is also equally important to determine variables used for determining performance. Study has been done on supply chain design and analysis to determine appropriate performance measures to determine efficiency of existing system [11]. Performance measures are also use to design proposed system by placing importance on decision variable that yield highest desirable level of performance. Among performance measure that can be used are to minimize cost, minimize average inventory level and to maximize profit.

On the other hand, this study is most interested to know on what variables that determine or contribute to performance. A conceptual framework has been developed for measuring the performance of agriculture supply chain, that indicators are grouped in 4 main categories which are efficiency, flexibility, responsiveness and food quality [12]. These are also viewed as key performance indicators to as each supply chain member are also evaluated using these four categories.

### **3 Objectives**

The objectives of this study are to determine benefits of entrepreneurial strategic alliances of SMEs in smallholders' agro monoculture logistic and supply chain. The initiative in tapping of cost effectiveness and economic of scale in the supply chain where both parties could create a win-win economic environment that govern inter- dependency and livelihood and maximization in the utilization of resources especially in agro logistic perspectives. This study also seeks to create awareness in the important of entrepreneurial strategic alliances in smallholders' agro monoculture initiative and

increase the number of successful rural and suburban agro entrepreneurs, and seeks to provide a long term strategy to help smallholders as well as to create more opportunities for agro entrepreneurs either in the up-stream, middle or downstream business to consumer economy.

#### **4 Framework**

The dependent variable in this research is entrepreneurial strategic alliances of SMEs in agro suppliers' smallholders' agro monoculture logistics and supply chain whereas independent variable comprises of smallholders; agro suppliers; logistics and supply chain; managerial strategies; business culture and practices.

#### **5 Research Methodology**

This study uses survey methodology as researchers are able to gather data from the respondents, namely local Malaysian agro suppliers from four states of Malaysia, namely Johor, Pahang, Negeri Sembilan and Selangor, as these four states are the cradle of Malaysia's smallholders monoculture of rubber and oil palm. This is to determine more about the profits sharing system in the supplying the agro supplies supply chain and logistic of agro monoculture produces, a set of questionnaires has been designed and at the same time sessions of face to face interview the producers in the upstream and agro suppliers in the downstream to gather better insight of the whole smallholders agro monoculture logistic and supply chain enterprises..

Questionnaires tabulated comprised of 4 parts were design, which is the demographic continuum of the smallholders' SMEs and local Malaysian agro supplies suppliers, working experiences, business instinct and managerial quality.

The local Malaysian agro supplies suppliers were selected on the basis of their consistent presence in the market, their having been in business for at least a year and operation. The respondents were randomly selected of 30 agro supplies x4 (120 agro suppliers) and 30 smallholders in the rural region of each of the four states x4 (120 smallholders) were interviewed in this study, representing 20% of all the agro suppliers and smallholders in Malaysia..

#### **6 Result**

Reliability of instruments - Cronbach Alpha statistic is found to be 0.918; therefore the reliability of the questionnaire is acceptable.

##### **Data Analysis**

##### **Descriptive Statistics**

The respondents' demographic characteristics of this research comprise of 120 respondents each of local Malaysian agro suppliers and 120 smallholders from four states of Malaysia, namely Johor, Pahang, Negeri Sembilan and Selangor convenient randomly selected. Therefore total respondent in this research is 240 respondents. 83.3% are males and 16.7 are females. Combinations of races are 50 % Malays, 41.7% Chinese and 8.3% Indian. Their age combination is 12.5% between 21 – 30 years old, 33.3% between 31 – 40 years old and 54.2% are above 41 years old. Education levels of respondents are 50% each of lower secondary and 50% more are upper secondary. 83.3% of the total

respondents were married and the remaining are still single. 62% of respondents achieve annual income of less than RM30 000, 10.7% achieve between RM30 001 – RM45 000. 12.5% achieve RM45 001 – RM55 000. Only 6.3% achieve more than RM55 0001

## 7 Discussion

**Table 1: Estimated Yearly Return of Agro Suppliers**

	Frequency	Percentile
>RM500000	10	8.4
RM400000 – RM490000	22	18.3
RM300000– RM390000	25	20.8
RM200000 – RM290000	28	23.3
<RM190000	35	29.2
Total	100	100

Based on Table 1 above, it shows there are thirty five agro supplies suppliers received less than RM190000. Twenty eight of them received between RM200 000 to RM290 000. There were twenty five agro suppliers earning more than RM300 000 to RM390 000. There are twenty two of them earning between RM400 000 to RM490 000 annually. On average, these suppliers were generally earn between average of RM300 000 to RM400 000 per year from selling of agro supplies and collecting of agro produces using chartered or self transportation.

**Table 2: Monthly Maintenance Budget /Acre of Agro Monoculture**

	Frequency	%	Valid Percent	Cumulative Percent
<RM1000	40	25.0	25.0	25.0
RM1001 - RM5000	60	50.0	50.0	75.0
RM5001 - RM10000	10	12.5	12.5	87.5
RM10001 - RM15000	10	12.5	12.5	100.0
Total	120	100.	100	

Table 2 above shows half of respondents have to bear maintenance cost of between RM1 001 to RM5 000 for their agro monoculture venture. There are forty of them spent less than RM1 000, and ten each of RM5 001 – RM10 000 and RM10 001 – RM15 000 respectively. The cost of maintenance is a must

because to produce the best quality of agro monoculture produces that will yield higher income for the farmers' livelihood through the demand from the consumers.

**Table 3: Type of Agro Monoculture Farmers Used**

	Frequency	%	Valid Percent	Cumulative Percent
D X P GUTHRIE	75	75.0	75.0	75.0
Rubber (RRIM)	45	45.0	45.0	100.0
Total	120	100.0	100.0	

Table 3 above shows all the respondents who planted their smallholding with either oil palm of Guthrie Clone as this type of D X P can maximize its yield by second years after planting with proper maintenance. This variety of oil palm is stunted in nature and smaller font that enable the penetration of sunlight for the high percentage of oil content of its fruit bunches whereas the rubber variety come from RISDA, which is the government agency providing high yielding cloning to the smallholder and pay subsidies in the form of cash and material.

**Table 4: Results of Pearson Correlation tests (Agro suppliers)**

Correlation test	<i>t value</i>	<i>P value</i>	N
Agro suppliers' maintenance of own logistic and supply chain	0.67	<0.001	120
Independent Logistic Providers' services render in logistic and supply chain in agro monoculture	0.786	<0.001	120
Quality of agro supplies to stallholders	0.749	<0.001	120
Agro suppliers' work culture and ethic	0.835	<0.001	120

Note:  $\alpha = 0.05$ ;  $r$  = correlation coefficient; N= Total respondents

Table 4 above shows that as far as agro suppliers are concern, the maintenance of agro suppliers' own logistic and transportation of agro produces to factories and transferring agro supplies to the smallholders. The independent logistic providers' who rendering their logistic services and supply chain services to the smallholders and agro suppliers for a profit from the four states also shows high relationship. The quality of agro supplies as well as the ethic and work culture of agro suppliers from the four states in Malaysia shows significantly in high relationship too. Therefore, it is wise for the tripartite to collaborate and form a smart partnership in the smallholders' monoculture entrepreneurial strategic alliance to reap in profit together.

**Table 5: Results of Pearson Correlation tests (Agro Smallholders Monoculture)**

Correlation test	t value	P value	N
Smallholders initiatives in produce quality monoculture produces in logistic and supply chain	0.790	< 0.001	120
The proper maintenance of smallholding	0.673	< 0.001	120
Smallholders collaborative effort with the association and agro suppliers in the agro monoculture supply chain	0.756	< 0.001	120
Smallholders' acceptance of agro produces price.	0.655	< 0.001	120

Note:  $\alpha = 0.05$ ;  $r$  = correlation coefficient;  $N$  = Total respondents

Table 5 above shows that the smallholders from four states in Malaysia also significantly high in relation on their initiatives in produces high quality monoculture produces, as well as proper maintenance of their holdings. Therefore they are willing to spend money in buying adequate agro supplies such as fertilizers and agro chemical to increase the productions for the ever demanding both local and foreign market.

It also show that smallholders are willing to collaborate with each others through their smallholders association and agro suppliers in the agro monoculture logistic and supply chain ventures, this is due to they knew that they need each others for their survival and country's economy. With the smallholders willingness to collaborate, this also show that they are complement with the price paid to their agro produces.

Smallholders tends to demanding for more value added services from logistic services providers (LSPs) [13 & 14]. Therefore the agro supplies suppliers need to employed foreign workers like Indonesian, Nepalese, Bangladeshis or local part time laborers to carry out the work of loading and unloading the agriculture supplies as those materials like fertilizer and chemical are heavy in nature. This will added up extra cost if the agro suppliers were to using their own transportation or otherwise they can outsource to the logistic services provider itself to deal with the demanding smallholders. They deliver two to three time per week either to the smallholders' house or plantation.

Many times, the smallholders will have to carry by themselves with their station wagon or motorcycle. Minimum weight of agro fertilizer per bag will be approximately 50 kg unless the smallholders order in quantity that is big enough for the agro supplier to send through their own lorry or otherwise, the smallholders have to carry by themselves.

On the other hand, they will buy the agro produces from the smallholders at a very low price. Therefore, in actual sense, the agro suppliers are actually profiteering from this venture. The victims are the smallholders.

The cost of transferring agro supplies to the smallholders were borne by the smallholders, unless they are willing to carry themselves, which is very bulky and heavy. But to carry in small quantity to the smallholding with motorcycle or station wagon sometime is advisable due to the nature of the route, namely red mud route to the smallholding or if the smallholders are not going to put fertilizer yet, they will prefer to be sending to their home temporary.

In term of agro produces like rubber and fresh oil palm bunches. Definitely that the smallholders need to send or sell it to the agro collecting centers which located about between 3 – 8 kilometer away from their smallholders. Therefore the earning of the smallholders is dilute again due to the scavenging nature of the agro middlemen who act as the agro produces collectors.

It is in fact that the entrepreneurial strategic alliances and smart partnership of marketing and retailing in small and medium enterprises in agro supplies and agro monoculture produces supply chain would be most advantages and beneficial if the various agro supplies suppliers and the smallholders association as well as government agro agencies could participate together and form a cartel that enable the flow of transactions with the industry and logistic providers. Most of the smallholders want the suppliers of agro supplies to provide quality and guaranteed agro supplies to the smallholders. Most importer are not uniformly pessimistic about the ability of smallholders to meet their demand and almost one third agreed that they would work with smallholders because importers are interested in transactions in which the product meets consumer and government expectations and is grown on the buyer's term, the grower is reliable over time, the transaction is simplified and the grower handles transportation.

Local agro supplies supply chain need to gain the trust from the consumers whom consist of land owner, smallholder, estate operator and contractor as well as the government agencies like RISDA, Felda and Felcra that place large amount of orders from time to time since their land areas cover thousands of hectares and planting and replanting from stages to stages. These ventures need a lot of agro supplies from time to time. Customer satisfaction and service is perceived as more enduring than cost savings [16]. All managers recognize technology information and measurement system as major barriers to successful supply chain collaboration. However, the people issues such as culture, trust, aversion to change, and willingness to collaborate are more intractable. People are the key bridge to successful collaboration innovation and should therefore not be overlooked as companies invest in supply chain enables such as technology, information and measurement systems.

There is another issue pertaining to the strategic alliances between the agro supplies suppliers – logistic – smallholders in the supply chain of agro supplies and agro mono produces, namely social exchange and goal interdependence. The importance of relationship stability, trust of supplier, relational capital and commitment exert significant effects on the performance of supply chain alliances [17]. Collaboration from the perspective of social exchange and goal interdependency will yield perfect combination among the various quarters. The antecedents of relational stability in supply chain alliances and if the stability affects alliance performance in supply chain [18]. Then both the relational commitment and trust of supplier have positive effects on relational stability in supply chain alliance which in turn positively affects the alliance performance

Due to competitions, the agro supplies suppliers and agro logistic not only need to collaborate among themselves but also with the logistic providers. Companies nowadays will try to find ways to conduct their business and transactions in order to cope with the said increasing competitions more efficiently and effectively. Companies are increasingly aware that they need to work together with their logistics partners in order to best serve their customers and achieve business excellence [19]. However, the selection of a suitable partner for strategic alliance in a logistics value chain is not an easy decision and is associated with uncertainty and complexity.

## 8 Conclusion and Recommendations

The Malaysian government's national agriculture economic plan has chart the growth of agriculture sector as the third engine of national economic growth, the expectation of more individual and groups to involve in this sector has increase. This includes the upstream and downstream entrepreneurial ventures. Education is the most important tool to push forward the ideals. With education, the individual who involve could also utilize the know-how from the digital technologies especially ICT to constantly improve the sector.

Government intervention is necessary because the logistic provider will prey on the smallholders and they themselves always fall prey to the unscrupulous traffic enforcers if they carried or overloaded the lorry with agro produces especially oil palm and rubber. There must be some form of standard procedure set by the transport ministry to enable the small logistic companies to earn a living by collaborate with the smallholders agro monoculture venture and supplier to form a supply chain platform in providing services for this sector. Another way is to grant more licenses and reduce road tax of the logistic to make the supply chain business more competitive.

A nation-wide smallholder's agro monoculture and supplies logistic supply chain cooperative should be set up to facilitate the business competitiveness in supplying agro supplies throughout the country. This could bring sustainability and growth in this sector. Collaboration between agro supplies suppliers-logistic to form a national supply chain systematic platform and create entrepreneurs in this sector would be another option to boost the trade of agro monoculture supply chain in Malaysia.

A high impact logistic smallholders agro mono culture supply chain for oil palm comprising of oil palm smallholders - RRIM – MARDI –FAMA- MPOB – PORIM strategic alliances should be form at the national level and supervise by the collaborations of the Ministry of Agriculture and Ministry of Transport whereas another strategic alliances of rubber smallholder – RRI- RISDA and rubber suppliers cum logistic entities at national level should form. This would spur further the growth of smallholders' agro monoculture supply chain in Malaysia.

The Strategic alliances between smallholders and agro suppliers in logistic and supply chain may set forth an entrepreneurial venture and equity shared equally among them in the combine effort to prosper the agriculture community in Malaysia.

The Malaysian government may consider granting subsidies to individual or groups of agro suppliers and private logistic providers and companies for them to be competitive and further encourage the communal support especially from the smallholders and rural farmers' community. This would enable the realization and prosper of entrepreneurial strategic alliances and smart partnership of marketing and retailing in small and medium enterprises in smallholders' agro monoculture supply chain

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**Care, Citizenship and Coalitions: What can the Ethics of Care Offer Indigenous Social Movements?**

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## **Direct and Indirect Discrimination in European Union Law: How to Draw a Dividing Line?**

### **Abstract:**

The article focuses on the concepts of direct and indirect discrimination and tries to identify their specific features. Both forms are defined in the secondary law of the European Union. According to these regulations direct discrimination occurs where one person is treated less favourably than another is, has been or would be treated in a comparable situation, on the basis of any of the prohibited grounds such as sex, racial or ethnic origin, religion, disability, age or sexual orientation. Indirect discrimination takes place where an apparently neutral provision, criterion or practice would put persons protected by the general prohibition of discrimination at a particular disadvantage compared with other persons unless that provision, criterion or practice is objectively justified by a legitimate aim and the means of achieving that aim are appropriate and necessary.

As a result in the first part of the study the main differences between direct and indirect discrimination are presented. The second part concentrates on the role of the ground in drawing a dividing line between both forms of discrimination. It should be noticed that direct discrimination is based on the forbidden ground e.g. nationality or sex while indirect discrimination refers to neutral criteria whose application puts members of a particular group in a disadvantageous position in relation to other people. Consequently, it is important to state to what result the application of particular provisions or practices leads. Therefore, the third part of the study deals with the analysis of the result of a measure as a factor important for distinguishing direct and indirect discrimination. Finally, the former one can be justified only in situations predicted in the legal provisions, while the latter with reference to a legitimate aim. However, it should be proved that the applied measures are appropriate and necessary in other words proportional. These questions are presented in the fourth part of the study.<sup>1</sup>

**Keywords:** Equality Principle, Direct Discrimination, Indirect Discrimination, Objective Justification, Legitimate Aim, Proportionality.

**JEL Classification:** K – Law and Economics

### **1 Introduction**

Discrimination as a legal concept is difficult to define but there is a common agreement that this term is not equivalent to the distinction as such, but refers to the disadvantageous treatment of an individual

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<sup>1</sup> Article prepared in the frames of the project financed by the National Centre of Science (decision no. DEC-2011/01/B/HS5/00965).

based on a ground prohibited by law (M. Miné 2003: 30). Within the sphere of the European Union (EU) law, discrimination is connected with comparability and generally occurs when comparable situations are treated differently and different situations treated in the same way, unless such treatment is objectively justified (see eg. Case 106/83 *Sermide* [1984] ECR 4209). However, the EU anti-discrimination law contains definitions of different forms of discrimination which raises questions about their relations.

The distinction between direct and indirect discrimination is important not only from theoretical but also a practical point of view. From the perspective of the victim of the alleged discrimination, a finding of its direct form will always be preferable because of the usually more limited justification possibilities and because of the difficulties involved in proving disparate impact which is required in the case of indirect discrimination (Ch. Tobler 2005: 307). At the same time both forms of discrimination are complementary in the sense that if one cannot prove direct discrimination e.g. due to incomparability of the situation, at least in some cases it is possible to allege an indirect form of disadvantageous treatment. Therefore, it is important to define the main differences between these two concepts This problem is presented in the first part of the study.

The analysis is based on the regulations of the EU anti-discrimination law as well as on the case-law of the Court of Justice. It shows that although on the conceptual level direct and indirect discrimination differ from each other mainly in relation to the ground on which they are based as well as to the scope of justification, in practice the dividing line is not always so clear (J. Maliszewska-Nienartowicz 2012: 23). Consequently, the following sections of the study concentrate not only on these two elements but also on the effect of the measure.

## 2 The main differences between direct and indirect discrimination

According to the provisions of the Equality Directives<sup>2</sup> direct discrimination occurs where one person is treated less favourably on grounds of prohibited criterion (racial or ethnic origin, religion or belief, disability, age, sexual orientation or sex) than another is, has been or would be treated in a comparable situation. Thus, it relates to the disadvantageous treatment based on the possession of specific characteristics which distinguish an individual from other people. It is therefore necessary to determine a comparator e.g. a male worker, and a compared situation, which may be either past, present, or even hypothetical (see A. Masselot 2004: 96). The causation of the less favourable treatment and comparability of situations play an important role in the context of direct discrimination. This is confirmed in the definitions predicted in the Equality Directives. The motivation for the application of a directly discriminatory measure seems to be less important. The case-law of the Court of Justice confirms that it is not necessary to prove that it has had an intentional character.

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<sup>2</sup> These directives include: Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin, OJ L 180, 19 July 2000, 22-26; Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation, OJ L 303, 2 December 2000, 16-22; Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services, OJ L 373, 21 December 2004, 37-43 and Council Directive 2006/54/EC of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation, OJ L 204, 26 July 2006, 23-36.

Consequently, in the context of direct discrimination the link with the ground on which it is based is strong both in form and in substance. Regarding the form, the link is straightforward inasmuch as the prohibited ground is explicitly and obviously relied on (Ch. Tobler 2008: 48). It is also important to note that the effect of a directly discriminatory measure covers the whole group of people, such as women, people of different sexual orientation, disabilities etc. - all of them are at a disadvantage which confirms strong substantial connection with the prohibited ground.

In contrast indirect discrimination is based on neutral criteria which formally are not prohibited. According to the Equality Directives indirect discrimination occurs where an apparently neutral provision, criterion or practice would put persons protected by the general prohibition of discrimination (that is persons of one sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation) at a particular disadvantage compared with other persons, unless that provision, criterion or practice is objectively justified by a legitimate aim and the means of achieving that aim are appropriate and necessary. The effect of such a measure is similar to direct discrimination – an individual who belongs to the protected group is disadvantaged (I. Boruta 2004: 38).

Thus, in the context of direct discrimination a causation is a decisive element, whereas indirect discrimination is an effect-related concept. Therefore, it is an useful tool in combating covert forms of discrimination. However, it cannot be limited to them as sometimes indirect discrimination has an overt character (E. Ellis 2005: 89). It should also be underlined that in order to establish indirect discrimination a complainant has to identify a group of persons in order to make a comparison, not an individual (E Ellis 2005: 95).

As far as the link with the discrimination criterion is concerned it can be noticed that it is weaker both in form and in substance. “On the level of form, there is a reliance on an apparently neutral criterion. On the level of substance, it is characteristic for indirect discrimination that the division between the groups that are differently affected (i.e. those disadvantaged by the measure in question) is not quite the same as in the case of direct discrimination. Typically, the group of the disadvantaged is consisting not exclusively, but only disproportionately of persons that are protected by the discrimination ground in question” (Ch. Tobler, K. Waaldijk 2009: 737). This issue will be further discussed in the fourth section of the article.

Regarding the scope of justification, both the EU regulations and the case-law of the Court of Justice show that the list of exceptions to the prohibition of direct discrimination is a closed one and it has to be predicted in the binding law. However, it is not the same in relation to all the criteria of discrimination. For instance, direct discrimination based on sex can be justified by “a genuine and determining occupational requirement, provided that its objective is legitimate and the requirement is proportionate” (article 14 (2) of Directive 2006/54). Similar provisions are included in Article 4 of Directive 2000/43 and Article 4 (1) of Directive 2000/78). They both predict that Member States may provide that a difference of treatment which is based on a characteristic related either to racial or ethnic origin or to religion, belief, disability, age and sexual discrimination:

shall not constitute discrimination where, by reason of the nature of the particular occupational activities concerned or of the context in which they are carried out, such a characteristic constitutes a genuine and determining occupational requirement, provided that the objective is legitimate and the requirement is proportionate.

However, Directive 2000/78 provides also for other exceptions to the prohibition of discrimination based on religion or belief, disability, age or sexual discrimination. Article 2 (5) predicts that it is possible to apply such measures:

which, in a democratic society, are necessary for public security, for the maintenance of public order and the prevention of criminal offences, for the protection of health and for the protection of the rights and freedoms of others.

This exception is quite general and as such is criticised in the literature. In fact, one can speculate why it was necessary in a measure addressing discrimination on the grounds of religion or belief, disability, age and sexual discrimination while similar provision was not included in any of the other Equality Directives (M. Bell, L. Waddington 2001: 598).

Moreover, Directive 2000/78 provides for a special exception to the prohibition of discrimination on grounds of religion or belief. Art. 4 (2) allows the Member States:

to maintain national legislation in force at the date of adoption of this Directive or provide for future legislation incorporating national practices existing at the date of adoption of this Directive pursuant to which, in the case of occupational activities within churches and other public or private organisations the ethos of which is based on religion or belief, a difference of treatment based on a person's religion or belief shall not constitute discrimination where, by reason of the nature of these activities or of the context in which they are carried out, a person's religion or belief constitute a genuine, legitimate and justified occupational requirement, having regard to the organisation's ethos. This difference of treatment (...) should not justify discrimination on another ground.

The next Article 3 (4) of Directive 2000/78 relates to disability and age. It allows the Member States to provide that the provisions prohibiting discrimination on the basis of these two criteria do not apply to the armed forces. Finally, Directive contains a detailed regulation concerning exceptions to the prohibition of discrimination based on age. Article 6 (1) of Directive 2000/78 provides that Member States may justify different treatment on grounds of age “by a legitimate aim, including legitimate employment policy, labour market and vocational training objectives, and if the means of achieving that aim are appropriate and necessary”. This provision differs from the others since it predicts an open-ended possibility for Member States to justify direct age discrimination. As a result of the hierarchy among particular grounds race discrimination seems to be at its peak and age discrimination at the bottom since it can be broadly justified (M. Bell, L. Waddington 2001: 599 and 610).

There is no doubt that such a broad scope of justification for direct age discrimination blurs the distinction between direct and indirect discrimination. Still, the latter can be justified with reference to a wider list of legitimate aims which are not even mentioned in the provisions of the Equality Directives. On the contrary, the possible justifications for indirect discrimination are framed in very general terms (objectively justified by a legitimate aim). According to the case-law of the Court of Justice this concept allows to take into account any of potentially acceptable, legitimate aims which are not related to a discrimination ground. Moreover, they cannot have a purely economic nature (e.g. budgetary considerations in relation to the Member States activities) and the measures undertaken to achieve them should be proportional. The list of such legitimate aims is not predicted in the Equality Directives and has an open character. The Court of Justice has acknowledged that such status have e.g.:

- ensuring coherence of the tax system;
- the safety of navigation, national transport policy and environmental protection in the transport sector;
- protection of ethnic and cultural minorities living in particular region;
- ensuring sound management of public expenditure on specialised medical care;
- encouragement of employment and recruitment by the Member States;
- guaranteeing a minimum replacement income;
- the need to respond to the demand for minor employment and to fight unlawful employment (see further J. Maliszewska-Nienartowicz 2012: 307, 310-311 and Ch. Tobler 2008: 34).

### **3 Ground of discrimination - a decisive factor for distinguishing direct and indirect discrimination?**

As it was mentioned above, the ground of discrimination plays an important role in determining whether it is direct or indirect. The identification of the correct criterion on which the distinction is made should be one of the first steps taken by the court in discrimination cases. Sometimes it can be a difficult task and it also happens that one ground is treated as a basis of either direct or indirect discrimination. This is confirmed in the case-law of the Court of Justice concerning nationality discrimination. In some cases residence has been treated by the Advocates General as a ground leading to indirect nationality discrimination and the Court of Justice has held that if the residence requirement is imposed exclusively on nationals of other Member States, then discrimination is clearly (in other words directly) based on nationality.<sup>3</sup>

When analysing the facts, the court should also identify whose treatment is at issue. In some cases there may be more than just one possible approach and then the choice should be made in the interests of the plaintiff (Ch. Tobler 2005: 341). For instance, in the case *Schmid* (C-310/91 [1993] ECR I-3011) the plaintiff represented his daughter, demanding to grant her disability allowance which was denied because of her German citizenship. Therefore, the assessment of the Belgian regulations depended on whom the Court of Justice would focus its analysis: on the daughter or the claimant, who was also a German citizen. In the first case, there would be direct discrimination on grounds of nationality, while in the second indirect discrimination. The Court of Justice concentrated on the situation of the plaintiff and consequently, concluded that:

any provision such as that in Belgian law making entitlement to that social advantage conditional upon nationality is incompatible with Article 7, even if it also applies to the offspring of national workers. It is sufficient to point out that the condition of possessing the nationality of the country of residence

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<sup>3</sup> See e.g. case 249/83 *Vera Hoeckx v. Openbaar Centrum voor Maatschappelijk Welzijn, Kalmthout* [1985] ECR 973 where the Court underlined: “the residence requirement is an additional condition imposed on workers who are nationals of a Member State but not national workers. It therefore constitutes a clear case of discrimination on the basis of the nationality of workers (§ 24)”.

would be more easily fulfilled by the offspring of national workers than by the offspring of migrant workers (§ 24 and 25).

Thus, the Belgian regulation was treated as indirectly discriminatory and the Court of Justice did not analyse if it could be justified. In this case it extended the protection of the migrant workers to their children which was generally advantageous for them despite the possibility of justification connected with indirect discrimination.

Another approach was taken in the case *Lindman* (C-42/02 [2003] ECR I-13519). Although the plaintiff claimed her unequal treatment as a recipient of services, the Court of Justice focused on the analysis of the situation of service providers offering different types of lotteries. As a result, it found that foreign service providers were treated differently for tax purposes - only winnings from games of chance which were not licensed in Finland were regarded as taxable income, whereas winnings from games of chance organised in that Member State were not taxable income. Therefore, foreign service providers were at a disadvantage compared to their domestic counterparts. The Court of Justice came to conclusion that the Finish legislation had a manifestly discriminatory character (§ 22) which meant that it resulted in direct discrimination on grounds of nationality. Thus it can be seen that the analysis of the facts of the case may sometimes lead to different conclusions about the nature of discrimination. As indicated above, it is important to take into account the interests of the plaintiffs. It seems, therefore, that if it is possible to interpret the facts of the case in a different way, the courts should try to establish direct discrimination as it may not be justified as widely as indirect discrimination.

The analysis of the facts of the case should be followed by the analysis of the potentially relevant law (Ch. Tobler 2005: 338). However, a particular ground can be included in the list of prohibited grounds in some provisions and not explicitly taken into account in others, which may be important in determining whether it leads to direct or indirect discrimination. For instance, the requirement of residence may, depending on the area where it is applicable, lead to direct or indirect discrimination. The former situation takes place in relation to the freedom of establishment for companies and the latter in the field of the free movement of workers and services. Similarly, reference to the marital or family status can have different legal consequences - if it is regulated in the relevant provisions as a separate ground then discrimination based on it has a direct character. However, usually this criterion is not taken into account in the legal provisions. As a result the Court of Justice takes the position that it leads to indirect discrimination on grounds of sex (see e.g. the case *Teuling*, 30/85 [1987] ECR 2497).

Moreover, it should be noticed that according to its case-law direct discrimination may occur also where criterion which appears to be neutral is in reality inextricably linked to the ground prohibited in the European Union law. The best example in this regard is pregnancy discrimination which is generally considered by the Court of Justice as direct discrimination. In the case *Dekker* (C-177/88 [1990] ECR I-3941) it found that “only women can be refused employment on grounds of pregnancy and such a refusal therefore constitutes direct discrimination on grounds of sex”. It also underlined that:

the reply to the question whether the refusal to employ a woman constitutes direct or indirect discrimination depends on the reason for that refusal. If that reason is to be found in the fact that the person concerned is pregnant, then the decision is directly linked to the sex of the candidate. In those circumstances the absence of male candidates cannot affect the answer to the first question (§ 17).

This position is generally accepted in the doctrine and seen as advantageous for pregnant women – direct discrimination cannot be justified in such a broad way as indirect one. It is even underlined that in this way the Court takes into account the remedial function of the anti-discrimination law (e.g. *Ellis* 1994: 568). However, some authors notice that treating pregnancy discrimination as direct sex discrimination in all cases makes some of the Court’s decisions difficult to explain (*R. Wintemute* 1998: 29).

Indeed, the Court in the case *Hertz* (C-179/88 [1990] ECR I-3979) decided on the same day as *Dekker* found that:

In the case of an illness manifesting itself after the maternity leave, there is no reason to distinguish an illness attributable to pregnancy or confinement from any other illness (...) Male and female workers are equally exposed to illness. Although certain disorders are, it is true, specific to one or other sex, the only question is whether a woman is dismissed on account of absence due to illness in the same circumstances as a man; if that is the case, then there is no direct discrimination on grounds of sex (§ 16 and 17).

This shows that the Court is not willing to treat all disadvantageous treatment related to pregnancy and maternity as direct sex discrimination. Only during the pregnancy and the statutory pregnancy or maternity leave it is granted legal recognition as discrimination on grounds of pregnancy and thereby directly on sex. Thereafter, it is considered to be based on illness and as such could amount to no more than indirect sex discrimination if it can be shown that considerably more women than men suffer from such long-term ‘illness’ (*Ch. Tobler* 2005: 347 and 348)

On the whole it can be seen that the case-law on pregnancy discrimination is not completely consistent. Consequently, some commentators suggest to treat discrimination on grounds of pregnancy and maternity as indirect sex discrimination (see further *R. Wintemute* 1998: 30-36). However, such a position is not generally seen as correct in particular because of the possibility of broader justification than is the context of direct sex discrimination. It seems that this was one of the main reason why the Court of Justice decided to treat pregnancy discrimination as direct sex discrimination. Therefore, it will not be willing to change its position in this regard. The Court could, however, consider if in cases concerning unfavorable treatment after the statutory pregnancy or maternity leave there was at least indirect discrimination on grounds of sex (*J. Maliszewska-Nienartowicz* 2012: 350).

Generally, the case-law on pregnancy discrimination shows that a differential treatment based on a criterion which is inextricably linked to the ground prohibited in the legal provisions leads to direct discrimination. The same approach was taken by Advocate General Juliane Kokott and the Court of Justice in the case *Ole Andersen* (C-499/08 [2010] ECR I-9343) that concerned age discrimination. Advocate General noticed that:

a direct difference in treatment based on age must be assumed to exist not only where one person is treated less favourably than another is, has been or would be treated in a comparable situation expressly on grounds of age, but also where such treatment is afforded to that person on the basis of a criterion which is inextricably linked to – absolute or relative – age (§ 36).

The Court of Justice agreed with her opinion and underlined that national provision which deprives certain workers of their right to the severance allowance on the sole ground that they are entitled to

draw an old-age pension from their employer under a pension scheme, which they joined before attaining the age of 50 years, is based on a criterion inextricably linked to the age of employees. Consequently, it leads to direct discrimination based on age.

Thus, it can be seen that in certain situations even though the ground seems to be neutral at first sight, it may lead to direct discrimination. However, it should be proved that such a criterion has a specific character in that sense that it is naturally linked to another ground explicitly prohibited by the EU law. The Court of Justice has referred in its case-law to sex and age in this context but there is no doubt that the same conclusion can also be made in relation to other grounds e.g. religion or disability.

#### **4 The effect of the measure and its role in drawing a dividing line between both forms of discrimination**

As it was mentioned above, a directly discriminatory measure has such an effect that the whole group of people, e.g. women, people of different sexual orientation or the disabled are at a disadvantage. In the case of indirect discrimination the effect is not so far-reaching in the sense that not all, but a disproportionately greater number of persons protected is at a disadvantage which, however, does not mean that this group does not contain unprotected person, e.g. men in the group of part-time employers which consists mainly of women. Such conclusions can be drawn from the recent case-law of the Court of Justice, as initially it put the emphasis on the formal aspect - any measure that did not formally rely on a prohibited criterion would be assessed in the context of the framework of indirect discrimination, even if its effect was practically the same as in the case of direct discrimination (Ch. Tobler 2008: 49).

The best example of such a formal approach is the case *Schnorbus* (C-79/99 [2000] ECR I-10997). It concerned rules on access to practical legal training in Land Hesse which provided that if the number of applicants exceeded the number of training places, an applicant who had completed military or substitute service (obligatory only for men) was to be immediately admitted to the training and did not have to satisfy any further requirements in that regard, whereas the admission of other applicants (female and male) could be deferred by up to 12 months. Thus, the question arose if such regulations gave rise to direct or indirect discrimination on grounds of sex. Advocate General Francis G. Jacobs in his opinion given in this case first noticed that:

the discrimination is direct where the difference in treatment is based on a criterion which is either explicitly that of sex or necessarily linked to a characteristic indissociable from sex. It is indirect where some other criterion is applied but a substantially higher proportion of one sex than of the other is in fact affected (§ 33).

Then he pointed out that under German law priority was given for those applicants who had completed military or civilian service and women were excluded from this group. According to Advocate General their situation seemed to be similar to the situation of pregnant women but there was a distinction between them as no legislation “can render men capable of bearing children, whereas legislation might readily remove any discrimination between men and women in relation to compulsory national service” (§ 40). Consequently, he came to conclusion that in the present case there was no direct discrimination as the rule in issue differentiated between those who had and those who had not completed compulsory national service as a result of a statutory obligation, and not between men and women as such. Advocate General’s argumentation concerning the difference between the situation resulting from the

physical characteristics of one sex such as pregnancy and from national regulations is not convincing, because in fact the measure has the same effect – all women are at disadvantage.

Unfortunately, the Court of Justice took similar approach though it did not explain it further. The Court just stated that the national rules did not constitute direct discrimination as according to the settled case-law “only provisions which apply differently according to the sex of the persons concerned can be regarded as constituting discrimination directly based on sex” (§ 33). However, they gave rise to indirect discrimination in favour of men since women were not required to do military or civilian service and therefore, could not benefit from the priority in access to practical legal training. The Court of Justice also found that such national provisions could be maintained if they “are justified by objective reasons and prompted solely by a desire to counterbalance to some extent the delay resulting from the completion of compulsory military or civilian service” (§ 47).

Both Advocate General’s opinion and the Court's decision were criticised in academic writing where it was suggested that in view of their substantive effects such case should be analysed in the context of direct discrimination (see Ch. Tobler 2005: 312-313 with further references). It was underlined that the distinction between those forms of discrimination should also take into account the effect of the measure. If it turns out that a criterion, though formally neutral, has in fact the effect of favouring all persons of one group and/or of disadvantaging all persons of the other group, it must be understood as leading to direct discrimination (Ch. Tobler 2005: 316).

This approach has been gradually adopted by the Court of Justice. First signs of the change of its formal attitude towards grounds of discrimination can be seen in the case *Nikoloudi* (C-196/02 [2005] ECR I-1789). It concerned General Staff Regulations applied by the defendant company - Organismos Tilepikinonion Ellados AE that employed Vasiliki Nikoloudi. Under those rules only women could be employed in half-time cleaning posts. At the same time they provided that temporary employees must be employed full-time in order to be able to be appointed to an established post. The specific collective agreements clarified the conditions for this appointment - they made applications by temporary employees conditional on full-time employment and two years’ continuous service. The plaintiff worked full-time for a little less than two years and for this reason she was not appointed to an established post. Before the national court Ms Nikoloudi contended that her exclusion from the provisions of the specific collective agreements constituted discrimination on grounds of sex prohibited by Community law. However, the defendant stated that she could not have been appointed to the established staff since she did not fulfil the condition of full-time employment, which applied regardless of the person’s sex. Probably therefore, both the plaintiff, the European Commission and the Advocate General Christine Stix-Hackl were of the opinion that this case was an example of indirect sex discrimination. The Court of Justice took another approach and stated that:

(...) the subsequent exclusion of a possibility of appointment as an established member of staff by reference, ostensibly neutral as to the worker’s sex, to a category of workers which, under national rules having the force of law, is composed exclusively of women constitutes direct discrimination on grounds of sex (...) should the premiss that only part-time female cleaners have been denied the possibility of appointment as an established member of staff prove incorrect, and if a much higher percentage of women than men has been affected by the provisions of the agreements at issue, the

exclusion, brought about by those agreements, of the appointment of part-time temporary staff as established staff constitutes indirect discrimination (§ 40 and 57).

It means that the Court of Justice made the qualification of the rules at issue dependant on whether the group at disadvantage was composed exclusively or predominantly of women. In the first situation there would be a case of direct discrimination, even though the provisions of the General Staff Regulations and collective agreements did not refer to sex.

The Court of Justice took similar approach in the case *Maruko* (C-267/06 [2008] ECR I-1757) which concerned discrimination based on sexual orientation. Mr Maruko entered into a registered partnership with a designer of theatrical costumes who had been a member of the Versorgungsanstalt der deutschen Bühnen (Vddb) and was socially insured in that pension fund. After his death Mr Maruko applied to the Vddb for a widower's pension but the application was rejected on the ground that its internal regulations did not provide for such an entitlement for surviving life partners. Consequently, he brought an action before the Bayerisches Verwaltungsgericht München (Bavarian Administrative Court, Munich) claiming that the refusal of the survivor's benefits amounted to discrimination on grounds of sexual orientation of his partner. Both the plaintiff and the European Commission maintained that refusal to grant the survivor's benefit to life partners constituted indirect discrimination, while the national court referred in its questions to Article 2 (2) (a) of Directive 2000/78 which contains definition of direct discrimination. Advocate General Ruiz-Jarabo Colomer in his opinion given in this case underlined that:

refusal to grant a pension on the grounds that a couple has not married, where two persons of the same sex are unable to marry and have entered into a union which produces similar effects, constitutes indirect discrimination based on sexual orientation, contrary to Article 2 of Directive 2000/78 (§ 102)

However, the Court of Justice first recalled the definitions of both forms of discrimination. Then, it analysed Mr Maruko situation in the light of information on German law given by the referring court. According to it Germany created for persons of the same sex a separate regime, the life partnership, the conditions of which had been gradually made equivalent to those applicable to marriage. This partnership, while not identical to marriage, placed persons of the same sex in a situation comparable to that of spouses so far as the survivor's benefit at issue in the main proceedings was concerned. However, the entitlement to that survivor's benefit was restricted, under the provisions of the Vddb Regulations, to surviving spouses and was denied to surviving life partners. Therefore, the Court stated that:

if the referring court decides that surviving spouses and surviving life partners are in a comparable situation so far as concerns that survivor's benefit, legislation such as that at issue in the main proceedings must, as a consequence, be considered to constitute direct discrimination on grounds of sexual orientation, within the meaning of Articles 1 and 2(2)(a) of Directive 2000/78 (§ 72)

Thus, the Court of Justice found that in this case there was a direct sexual orientation discrimination if, under German law, registered partnership places persons of the same sex in a situation comparable to that of spouses. The referring court was to determine whether there was such a comparability in relation to the survivor's benefit provided for under the occupational pension scheme managed by the Vddb.

This line of reasoning was maintained in the case *Römer* (C-147/08 [2011] ECR I-3591) which concerned regulations on supplementary pensions payments to former employees of the Freie und Hansestadt Hamburg and their survivors. Those rules differentiated, in calculating the amount of pension payable, between married pensioners and all other pensioners. Consequently, supplementary pension paid to a married pensioner was more favourable than that paid to a pensioner who had entered into a registered life partnership with a person of the same sex.

Advocate General Nilo Jääskinen in his opinion given in this case stated that an increase in a retirement pension based solely on the criterion of marriage constituted direct discrimination on the basis of sexual orientation. Therefore, the national court should consider the comparability of the situations of persons having entered into a contract of marriage and that of persons linked by a registered civil partnership under the national law. If, however, it is established that life partners and spouses are not in comparable situations as regards the pension concerned, which would preclude the existence of direct discrimination, then the national court should take into account indirect discrimination. In this regard it should determine if the provisions, which provide a more favourable method of calculating a supplementary retirement pension for a married pensioner, generate a particular disadvantage to the detriment of any pensioner who has entered into a registered life partnership, and do not objectively reflect a legitimate aim or do not constitute an appropriate and necessary means of attaining that aim (§ 113).

The Court of Justice came to similar conclusion but it did not explain why the rules at issue constituted direct discrimination. The Court just stated that Directive 2000/78 precluded national provisions:

under which a pensioner who has entered into a registered life partnership receives a supplementary retirement pension lower than that granted to a married, not permanently separated, pensioner, if in the Member State concerned, marriage is reserved to persons of different gender and exists alongside a registered life partnership such as that provided for by the LPartG, which is reserved to persons of the same gender, and there is direct discrimination on the ground of sexual orientation because, under national law, that life partner is in a legal and factual situation comparable to that of a married person as regards that pension (§ 52).

The Court of Justice left the national court with the task of assessing the comparability, but gave it some instructions – it should focus on the respective rights and obligations of spouses and persons in a registered life partnership, which are relevant taking account of the purpose of and the conditions for the grant of the benefit in question. Thus, it should be noticed that both *Maruko* and *Römer* cases concerned rules which were not based on sexual orientation but an apparently neutral criterion of marriage and yet their result was such that all persons in registered partnerships were at disadvantage.

It seems, therefore, that the Court has shifted the focus from the form to the content of the measure when qualifying it as discriminatory, either directly or indirectly. It is not important whether it refers to a forbidden criterion or not, but whether it has a similar effect to measures directly based on this criterion - the whole group of people protected is at disadvantage. This means that direct discrimination now includes cases where reliance on a formally neutral criterion in fact affects one group only; in contrast, indirect discrimination relates to cases where an apparently neutral criterion has an effect that is less far-reaching but still reaches a certain level (Ch. Tobler 2008: 50).

## 5 The importance of the scope of justification for demarcation of direct and indirect discrimination

Direct and indirect discrimination differ from each when it comes to the range of possible justification grounds. The traditional approach in this regard is that direct discrimination can be justified only by particular reasons clearly set out in legislation. Therefore, the list of justification grounds is a closed one. In contrast, in the context of indirect discrimination it is possible to refer to the legitimate aims which are not further defined in the legislation. Thus, objective justification operates in an open system and the range of possible justification grounds is by definition wider than the specific justification grounds expressly mentioned in EU non-discrimination law (Ch .Tobler 2005: 316)

In practice, however, the traditionally perceived dividing line is not a strict one – the examples of a different approach to justification can be found both in the case-law of the Court of Justice and specific regulations of the secondary law of the EU. With regard to the position of the Court it should be noticed that in certain cases it took into account the possibility to justify direct discrimination although it was not predicted in the provisions of the Treaty. For instance, article 18 of the Treaty on the functioning of the European Union (TFEU) which relates to discrimination on grounds of nationality and article 40 (2) of the TFEU which provides for the prohibition of any discrimination between producers or consumers in the framework of the common organization of agricultural markets do not refer to the possibility of justification. However, the Court in the case *Sermide* (106/83 [1984] ECR 4209) underlined that:

Under the principle of discrimination between Community producers or consumers, which is enshrined in the second subparagraph of article 40 (3) of the EEC Treaty (*now article 40 ( 2) of the TFEU*) and which includes the prohibition of discrimination on grounds of nationality laid down in the first paragraph of article 7 of the EEC Treaty (*now article 18 of TFEU*), comparable situations must not be treated differently and different situations must not be treated in the same way unless such treatment is objectively justified (§ 28).

Thus, the Court of Justice referred to objective justification in a general way and did not provide that it could apply only in the context of indirect discrimination. Such an approach may be connected with the specific nature of the common agricultural policy – in this area the EU institutions have a discretionary power which corresponds to the political responsibilities imposed on them by the Treaty<sup>4</sup>. This power allows to take into account different interests and factors such as political, economic, social and monetary (see further J. A. McMahon 2000: 36). Undoubtedly, the concept of objective justification is useful in this context also in cases of direct discrimination.

It seems, therefore, that because of the specific nature of the common agricultural policy the position of the Court should be treated as unique, in particular that the possibility of justifying direct discrimination has not be confirmed in relation to other Treaty provisions, including article 18 of the

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<sup>4</sup> It was underlined by the Court of Justice in many cases see e.g. case 265/87, Hermann Schröder HS Kraftfutter GmbH & Co. KG v. Hauptzollamt Gronau [1989] ECR 2237, case C-8/89 Vincenzo Zardi v. Consorzio agrario provinciale di Ferrara [1990] ECR I-2515, case C-331/88 The Queen v. Minister of Agriculture, Fisheries and Food and Secretary of State for Health, ex parte: Fedesa i inni [1990] ECR I-4023, joined cases C-133,300 and 362/93 Antonio Crispoltoni v. Fattoria Autonoma Tabacchi and Giuseppe Natale and Antonio Pontillo v. Donatab Srl. [1994] ECR I-4863.

TFEU (J. Maliszewska-Nienartowicz 2012: 359). However, the case-law of the Court of Justice on this regulation is not entirely clear. For instance, in the case *Saldanha and MTS Securities Corporation* (C-122/96 [1997] ECR I-5325) first it found direct discrimination on grounds of nationality but then it considered the defendant's arguments on objective justification. Finally, the Court stated that:

even though the object of a provision such as that at issue in the main proceedings, namely that of ensuring enforcement of a decision on costs in favour of a defendant who has been successful in proceedings, is not as such contrary to Article 6 of the Treaty (*now article 18 of the TFEU*), the fact remains that that provision does not require Austrian nationals to provide security for costs, even if they are not resident and have no assets in Austria and are resident in a non-member country in which enforcement of a decision on costs in favour of a defendant is not guaranteed.

Consequently, the Court held that this national provision was incompatible with the general prohibition of discrimination on grounds of nationality. Thus, indirectly it confirmed that it was not possible to justify measures based directly on nationality. However, it seems that the Court should be more clear and explicitly refer to this issue by underlining that direct discrimination on grounds of nationality can be justified only when it is predicted in the legal provisions. In any case, in academic writing it is stressed that the prohibition of direct discrimination on grounds of nationality has an absolute character and as such cannot be justified (see A. Wróbel 2012: 401 with further references).

On the whole it can be seen that the Court of Justice does not always take a traditional approach according to which direct discrimination can be justified only by particular reasons clearly set out in legislation. It would be good if it was more precise and explicitly stated that in contrast to indirect discrimination direct form cannot be justified if it is not predicted in the legal provisions. Such a case-law would contribute to a better demarcation of these legal concepts.

Unfortunately, also certain provisions of secondary law of the EU are formulated in a way which raises doubts whether justification is an important factor for distinguishing both forms of discrimination. The best example in this regard is the regulation of article 6 of Directive 2000/78. As it was mentioned above, it provides that the Member States may justify different treatment on grounds of age “by a legitimate aim, including legitimate employment policy, labour market and vocational training objectives, and if the means of achieving that aim are appropriate and necessary”. It also lists the examples of such differences of treatment: “a) the setting of special conditions on access to employment and vocational training, employment and occupation, including dismissal and remuneration conditions, for young people, older workers and persons with caring responsibilities in order to promote their vocational integration or ensure their protection; b) the fixing of minimum conditions of age, professional experience or seniority in service for access to employment or to certain advantages linked to employment; c) the fixing of a maximum age for recruitment which is based on the training requirements of the post in question or the need for a reasonable period of employment before retirement”.

This provision refers generally to different treatment which means that it includes both direct and indirect discrimination. As a result, it predicts an open-ended possibility for Member States to justify direct age discrimination. Therefore, it was criticised in the academic writing (see e.g. M. Bell and L. Waddington 2001: 599). It was also underlined that the regulation of article 6 of Directive 2000/78 blurs a distinction between direct and indirect discrimination (H. Meenan 2007: 304). In fact it refers to

elements which are typical for the latter – justification by legitimate aims whose examples are listed and compatibility of the measures with the principle of proportionality.

This was underlined by the Court of Justice in the case *Age Concern England* (C-388/07 [2009] ECR I-1569). The national court asked several questions concerning article 6 inter alia if “there is any, and if so what, significant practical difference between the test for justification set out in Article 2(2) of Directive in relation to indirect discrimination, and the test for justification set out in relation to direct age discrimination at Article 6(1) of Directive?” The Court of Justice generally noticed that:

in choosing the means capable of achieving their social policy objectives, the Member States enjoy broad discretion. However, that discretion cannot have the effect of frustrating the implementation of the principle of non-discrimination on grounds of age. Mere generalisations concerning the capacity of a specific measure to contribute to employment policy, labour market or vocational training objectives are not enough to show that the aim of that measure is capable of justifying derogation from that principle and do not constitute evidence on the basis of which it could reasonably be considered that the means chosen are suitable for achieving that aim [see, by way of analogy, Case C-167/97 *Seymour-Smith and Perez* [1999] ECR I-623, paragraphs 75 and 76] (§ 51).

It should be noticed that the Court of Justice referred directly to the case which concerned indirect discrimination on grounds of sex. However, in the further part of the judgment it underlined that “the scope of Article 2 (2) (b) and that of Article 6 (1) of Directive 2000/78 are not identical”. The former is applied only in relation to indirect discrimination while the latter allows Member States to introduce into their national law measures providing for differences in treatment on grounds of age which fall within the category of direct discrimination. The Court also noted that article 6 (1):

gives Member States the option to provide, within the context of national law, that certain forms of differences in treatment on grounds of age do not constitute discrimination within the meaning of that directive if they are ‘objectively and reasonably’ justified. Although the word ‘reasonably’ does not appear in Article 2(2)(b) of the directive, it must be observed that it is inconceivable that a difference in treatment could be justified by a legitimate aim, achieved by appropriate and necessary means, but that the justification would not be reasonable. Accordingly, no particular significance should be attached to the fact that that word was used only in Article 6(1) of the directive. However, it is important to note that the latter provision is addressed to the Member States and imposes on them, notwithstanding their broad discretion in matters of social policy, the burden of establishing to a high standard of proof the legitimacy of the aim pursued (§ 65).

It can be said that the Court recognises the differences in the scope of application of article 2 (2) (b) and article 6 (1) of Directive 2000/78, in particular the fact that the latter applies to direct discrimination, but does not set other standards of justification in relation to both provision. The result of this approach can be such that in cases of discrimination on grounds of age the Member States will rely on article 6 (1) of Directive 2000/78 rather than on its regulations concerning indirect discrimination. This is confirmed by the case-law of the Court which relates mainly to this provision. The result of the explicit rules of Directive 2000/78 on justification of direct age discrimination is such that in these cases it does not matter whether a measure leads to direct or indirect discrimination as both forms can be justified in the same way.

The presented examples of case-law of the Court of Justice and the provisions of secondary law of the European Union show that sometimes it is possible to justify direct discrimination in a way characteristic for indirect discrimination. It seems, however, that such a possibility is connected with the specific character of areas within which directly discriminatory measures are undertaken. Common agricultural policy involves political responsibility of the EU institutions and therefore, this is an area of their wide discretion. In the case of discrimination on grounds of age, the situation on labour markets of the Member States is taken into account. Consequently, the preamble of Directive 2000/78 underlines that ‘it is essential to distinguish between differences in treatment which are justified, in particular by legitimate employment policy, labour market and vocational training objectives, and discrimination which must be prohibited’.

## 6 Conclusion

It can be concluded that although the EU law contains separate definitions of direct and indirect discrimination, in practice it is not always so clear what form occurs in a particular case. There is, however, no doubt that apart from the ground on which a measure is based also its effect should be taken into account. This is a rather recent approach of the Court of Justice as at the beginning it presented a formal attitude – any measure that did not formally rely on a prohibited criterion was assessed in the context of indirect discrimination, even if its effect was practically the same as in the case of direct discrimination. In cases *Nikoloudi*, *Maruko* and *Römer* the Court decided to take into account also substantive effects of the provisions and came to conclusion that they led to direct discrimination since the whole protected group was at disadvantage. Such an approach better addresses the interests of those affected by discriminatory measures, taking into account the fact that generally direct discrimination cannot be justified in such a broad way as indirect one.

However, the case-law of the Court of Justice concerning the scope of justification in the context of both forms of discrimination is not always clear. It happens that the Court takes into account the possibility to justify direct discrimination although it is not predicted in the legal provisions. It refers generally to objective justification which is characteristic for indirect discrimination. Such a case-law raises doubts about the importance of justification in distinguishing these legal concepts. Similar can be said about certain legal provisions, in particular about article 6 of Directive 2000/78 which allows for an open-ended possibility for the Member States to justify direct age discrimination.

Undoubtedly, the lack of a uniform approach to the issue of justification does not help in the demarcation of these legal concepts. However, the general possibility of justification of both forms, regardless of the legal provisions, does not seem to be a good solution. It should be underlined that in the case of direct discrimination a measure is based on a prohibited ground and therefore, it can have an intended character. Indirect discrimination is usually not connected with the intention of unequal treatment – a discriminatory effect may be even accidental. It appears that this is a sufficient reason for a broader range of possible justification grounds in the context of the latter.

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## **Levinus Mbah**

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### **The Impact of Interest Rates on Foreign Direct Investment: A Case Study of the Cameroonian Economy (February 2009-June 2011)**

#### **Abstract:**

The impact of interest rates on foreign direct investment: A case study Foreign direct investment (FDI) is very low in Cameroon and this is resulting in low levels of economic growth and standards of living and has hindered efforts to promote economic prosperity and sustainable development for the country. Hence this research seeks to find the relationship and impact of interest rates on FDI inflows. It also sought to find out other determinants that significantly affected FDI inflows in Cameroon in the period February 2009 to June 2011. The research tested the hypothesis that high interest rates have a positive impact on FDI inflows. Secondary data was collected from various institutions like , International Monetary Fund reports, World Bank reports, Ministry of Finance, Failed Nations. Monthly data was used to make a total of 29 observations. Data was analyzed using the classical linear regression model, ordinary least squares approach.

Policies that reduce country risk levels and campaigns that promote peace, anti-corruption and transparency and also a reduction in interest rate or no interest rate on lucrative investments should be encouraged if the economy is to realize long term inflows of FDI.

**Keywords:** Foreign Direct Investment, Interest rates, Investment.

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### **Political Thought and Science in Iran: A Historical Survey**

#### **Abstract:**

One of the birthplaces of classical political thought and science is Iran. The first declaration of human right by Cyrus founder of Achaemenian dynasty in 2500 years ago, political discourses of pre-Islamic Iranian emperors of Achaemenian, Ashkanid(Parthian) and Sassanid dynasties excavated on stones, advising books and essays of some grand vesirs(prime ministers) and princes such as Bozorgmehr, Nezam-al-Molk, Khajeh Nassir and Onsor-al-Maali as well as political thoughts and teachings in the works of poets and thinkers like as Roudaki, Ferdowsi, Sadi, Farabi, Avicenna and Ghazzali are a part of Iranian and universal legacy of political science and thought. In this article, this historical background would be considered. In continuing, forming of modern and academic political science, establishing School of Political Science in 1899 as the first high educational center in Iran, situation of this academic discipline in Iranian universities, compiling and translation of books and textbooks in political thought and science are introduced.

#### **1 Introduction**

History of political thought in Iran is as oldness as Iranian history; since Iran as a state was born near three thousand years ago on the base of kingdom or emperor idea. In fact some of Iranian kings or their grand ministers were philosophers of this political idea or thinking. After coming Islam in Iran, political thought concentrated on religious or in fact Islamic faith and law. In the Islamic period also Greek political philosophy formed another political thought in Iran and other Islamic societies. This third political thinking came in Islamic world by Muslim and especially Iranian scholars and philosophers. This scientific and philosophical background created a diverse and flourishing political thought and science and ended to compiling a great political literature in turn. In modern time, western political ideas, ideologies and theories came in Iran by Iranian translators, authors, dispatching students and professors. The modern political thought was widely demonstrated in Iranian political literature as well as academic courses in universities.

#### **2 Pre-Islamic Iranian political thought**

One of the first birthplaces of political thought and science is Iran. The first declaration of human right by Cyrus the great founder of Achaemenian dynasty in 2500 years ago was in fact a political doctrine based on peace and justice. Political discourses of pre-Islamic Iranian emperors of Achaemenian, Ashkanid(Parthian) and Sassanid dynasties excavated on stones are other sources of political thought in ancient times. But the most important sources of pre-Islamic Iranian political thought and science are advising books and essays of some grand vesirs(prime ministers) such as Bozorgmehr.

### **3 Islamic Iranian political thought and science**

In the post-Islamic Iran, advising book writing tradition continued by the grand vesirs such as Khajeh Nezam-al-Molk Toosi and Khajeh Nassir-al-Deen Toosi as well as princes like Amir Onsor-al-Maali. Siassat Nameh(Book of Politics) by Nezam-al-Molk, Akhlagh-e-Nasseri by Khajeh Nassir and Ghaboos Nameh by Onsor-al-Maali are three famous books in this manner of political writings. In this period two other trends in political thought and science came into existence in Iran. One trend concentrated on Islamic faith and law. Mohammad Ghazzali Toosi and Fakhr Razi were two of the representatives of this trend (Tatabaee, 1989: 73&97). Another one was in fact Greek political philosophy. This political thought came in Iran and other Islamic societies mainly by followers of Plato and Aristotle. Iranian scholars and philosophers such as Farabi, Ebn Meskavaih, Ameri and Avicenna were the great representatives of this trend (Tabatabaee, 1994: 117, 147 & 177).

### **4 Modern Iranian political thought, science and education**

Modern political thinking and science formed in Iran some 150 years ago during Qajar period notably by Iranian translators, authors, dispatching students as well as students and teachers of Dar-al-Fonoon, the first Iranian modern and comprehensive school (Mahboobi Ardakani, 1999: 1/253). The first formal institution allocated to high education in Iran was School of Political Science established by Iranian foreign ministry in 1899 when Mozaffar-al-Deen Shah the Qajar was king of Iran. In 1906 Iranian political system of absolute monarchy changed to constitutional monarchy (Azghandi, 1999: 15-17). In 1921 the second independent faculty in Iran, School of Law, was opened and five years later these two schools joined together in the name of Law and Political Science.

In 1934 Tehran University was opened by Reza Shah founder of Pahlavi dynasty, the last royal family in Iran. Tehran University was established in French universities style and the school joined it in the name of Faculty of Law and Political Science (Farasatkah, 2009: 186-188). During kingdom of Reza Shah from 1925 to 1941 number of university students including political science students increased from 600 to 3300 (Abrahamian, 2011: 133). Professors and graduated students of the school and the faculty were among the outstanding Iranian political thinker and scientist as well as author and translator of many academic books and articles in politics.

In 1960, National University of Iran, the first non-governmental university, was opened. Politics in this university are studied in Faculty of Political and Economic Science. Another non-governmental center of high education, named Institution of Political Science and Party Affairs was established in 1971 by the governmental ruling party of Iran-e Novin namely Modern Iran (Azghandi, 1999: 55&67). This institution joined to University of Allameh Tabatabai in the name of faculty of Law and Political Science after 1979 revolution.

A great experience was happened in non-governmental Iranian high education including political academic studies by establishing Islamic Azad University in 1982 (Farasatkah, 2009: 610). This University founded tens of faculties for political studies in the name of political science or law and political science in Tehran and many cities throughout the country.

Iranian universities have tried to develop political literature. Political journals are a part of their publications. Many governmental and private publication centers have published political books too. Institute of Political and International Studies (IPIS) is one of them.

## 5 Conclusion

Political thought, science and literature has a long history in Iran. It at least backs to 2500 years ago. During this historical period – from pre-Islamic to modern times – many political trends, theories and doctrines have issued by Iranian politicians, philosophers, writers and even poets. So that Iranian political literature has a relief role in universal political legacy.

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**Role of Medical Tourist's Companion in Sustainable Medical Tourism Industry**

**Abstract:**

Medical tourism is considered as one of the leading contributors towards the country's revenue and economic growth. Hospitals involved in the medical tourism industry need to address the involvement of the key players and their role on the quality of medical care assessment. Most literatures talked about patient's perspective, whilst, investigation on the importance of patient's companion is very limited in the current literature of medical tourism. Patient's companion refers to individuals who accompany patients to healthcare encounters as they are a productive part of the medical consultation. Companions presence constitutes an important source of psychological stability for patients, support for better recovery, feeling of love, safety, comfort, and assurance as well as medical decision making. Moreover, the role of companion such as spouse, children, partners, friends and relatives is vital for the maintenance of quality of life in hospitalised patients in medical tourism. Hence, the insight forwarded in this article could provide some basis for future studies in medical tourism, particularly, on the role played by a patient's companion. Indeed, exploration in companion's experience is much needed to improve understanding of their significant impact in relation to hospital service quality which will contribute to the body of knowledge in driving the sustainability of the medical tourism industry.

**Keywords:** Health Tourism Management, Medical Tourism, Medical Tourist's Companion, Patient's Companion, Service Quality.

## **Mehdi Momeni**

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### **The Effects of Pollution on Human Health: A Case Study of Isfahan**

#### **Abstract:**

Isfahan is an urban area with extreme population growth from 200 000 in 1950 to more than 1600000 presently. Large size steel plants, cement factories, refineries, and hundreds of other polluters have been working without filtering. The consequence has led to the increase of air, water, and soil pollution resulting in the pollution of the agricultural products causing the highest record of cancer, Multiple Sclerosis (MS), lung and eye illnesses. An applied orientation with an analytical method of investigation was used to examine air, water and soil. The constituting elements were identified by using standard methods of comparison. The findings show that the proportion of lead in the water and silt in Zayandehrud river is higher than the permissible degree. Cadmium in soil is found higher than normal levels which will soon result in a catastrophic situation. The study proposes some measures for avoiding the future critical outcome.

**Keywords:** Environmental Issues, Health, Air, Water, And Soil Pollution, Lead, Isfahan.

#### **1 Introduction**

The effects of particles on different parts of respiratory system depend on their diameter. Particles of 2-10 micron will be expelled after they encounter the cilium on the surface of trachea and bronchi . Particles of 0.1 – 2 micron will go into the lungs and may stay there permanently. Particles smaller than 0.1 micron will enter the pulmonary alveoli but they will exit by exhalation.

Even some gases will penetrate into the lungs by particles of 0.1-2 micron. Entering the pollution into the lung tissues causes some problems like blood diseases, blood cancer, lung cancer and heart attack. According to the studies done by Isfahan University of medical science, the high density of coiled Hydrocarbons, has increased the occurrence of different types of cancer and the last estimations show that Isfahan has the greatest number of cancer cases compared to its population.

Big steel and cement companies, refineries as well as hundreds of polluting units are built. This contributes to the increase of different kinds of pollutions including water, air and soil pollution which in turn lead to the increase of diseases especially cancer and MS. The purpose of the research is to attempt to show the pollution conditions and their disastrous impacts on human health.

The methodology of the research is descriptive, and analytical. The soil and water sampled has been analyzed in laboratory and compared with standard tables. The findings of the research show that the amount of lead and cadmium is higher than the standards in the water of Zayandehrud and the soil of this area respectively.

As far as the air pollution is concerned, Isfahan is also the second polluted city in Iran where if the current condition is remained, the environmental crisis in this city will be unavoidable.

## 2 Statement of the problem

Although cities occupy a negligible expanse of the earth they influence the geographic environment significantly. As cities enlarge, they embed the urban quarters, counties, rural lands and the ambient environments proportionally and finally consume the prosperous villages (Haggett, 1972).

At the turn of 21st century the population of the urban areas exceeded the 50% limit of the whole population of the world and it is predicted that in 2025 it will exceed the 61% limit (Nazarian, 2001). The rapid growth of population and its concentration in cities throughout the world has influenced most human beings outlook for life. Poverty, environmental damage, lack of municipal services, reduction in the present foundations and lack of access to decent houses are among the present important crises especially in the underdeveloped and developing countries (Derakhshani Nasab 2006). With continuation of population demands for urban lands, some of the ecologic and environmental functions undergo unwanted changes (Jim & Chen 2007). Since the industrial revolution in the middle of 18th century, the concerns about pollution have mostly pivoted around air pollution and wastage products. During the last decade monitoring the pollutions made by industrial units has been taken into account at regional, national and global levels (World Bank 1994). The environmental problems and concerns have been intensified parallel to the industrial developments and technological changes in modern societies; and air, soil, food and drinkable waters have been exposed to a variety of pollutions (Tuulia 2004). With most people residing in the urban societies throughout the world, we can say that a significant part of pollutions result from a variety of urban activities (Corra 1993). The urban districts have encountered dense population units, widespread economical activities and high density of pollutant units; these pollutants seriously endanger the health of citizens. Some unfavorable consequences of these pollutants such as cancerous and respiratory diseases, skin allergies, and some optic ailments prevail in societies (Brussels 1990).

The urban pollutants have continually increased the potential of some respiratory diseases (WHO 2000). The urban pollutants have influenced the ecosystems at local, regional, national and global levels ranging from urban environment pollutions to acid rains and global changes in climate (Piracha 2003). Some of the chemical substances produced by manufacturing, service and industrial workshops are invisible and scentless. Circulation of these chemicals in urban environments entails many potential dangers; therefore, it is required that in job units where these chemicals are used certain environmental regulations and hygienic procedures be followed. (Megreevy 2003).

Urban environments pollution is caused by many factors the most important of which are: vehicles, industrial activities and garbage incineration. (Sherbinin and Martin 2007). The dire consequences of environmental pollution depend on the degree of poisonousness of different pollutants and the number of people exposed to them (UNDP 2004).

Monitoring the human environment requires some appropriate actions to be taken concerning air pollution control, good quality of water, wastage management and noise pollution reduction (Tomang 1975). It is worth mentioning that pollution control and prevention policies take effect only when they are given considerable attention by factories and companies in course of their plans. (Liu 1999). City

managers in developed and underdeveloped countries have taken a variety of actions against worsening conditions of air and environment. These actions include location of factories, finding how to set up industrial activities in cities, transportation procedures and so on (Hag et al 2002).

The break in the union of man and nature at the turn of 20th century has brought about a crisis in Iran, it has given an unfavorable and unorganized feature to cities and has changed the citizens for more apathetic, indignant and impatient. In Iran Unfortunately little attention has been paid to this factor in the course of urban developments and civil discipline in the recent years (Zangi Abadi & Mokhtari 2005). On the basis of the current situation some intellectuals propose that the best solution to urbanity issues is to boost the union of the urbanite and nature. If we consider the fact that green environment is tantamount to the lungs of cities lack of which will do away with both physical and mental health, the importance of green environment expansion parallel to industrial developments will become more tangible. Green environment plays a significant role in protection of social and ecological systems of cities (Barbosa 2007). Sustainable urban development is a constant procedure moving from alteration towards adaptation and consistency with urban environment. This procedure takes into account the extension of economical and social welfare of the current generation on the one hand and guarding the human and environmental resources of both the current and future generations on the other (Hamgrouh Counseling Engineers 1992). With planners and city managers growing more and more cognizant of various dimensions of development and the actions to be taken in order to reach social and ecological balance, the grounds will be paved for urban sustainable developments to take place (Ziari 1993). Today, Urban systematization against the disorderly process of urban development is necessary and inevitable. Environmental issues can only be prevented through proper land use, setting the consistent units in the space, and isolation of the units which are inconsistent with the other units (Bahram Soltani 1992).

### **3 The Geographical conditions of Isfahan**

The city of Isfahan is located in central Iran. The geographical location of this city, the existence of mountains, the placement of the city in a low altitude area, quite air in most seasons of the year, conditions of causing a center of anticyclone resulting from Ciboria the spread of which extending to the central regions of Iran including Isfahan, the storage of waste products in the region, and the inversion of air, all together result in the intensity of air pollution in the metro pole of Isfahan. (Gandomkar 2007) Results gathered from weather station reports show that within the 50km radius of Isfahan, there is no air movement and wind speed is less than 1 m/s at almost 55% times of a year (Bureau of meteorology 2010)

With establishment of major heavy industries in 1960's, the historical city of Isfahan became the second most industrial city in Iran and ever since mass migrations towards it has been underway, to the extent that its population which was about 200000 in 1950, is now more than 1600000 (Momeni, 2010)

### **4 Methodology**

The method of the present study is applied in terms of the goal, and is descriptive-analytical in nature. To determine the density of polluting material in the air, the fuel consumption rate of city was taken from National Iranian oil refining and Distribution Company in Isfahan. Based on the standard tables

which show the amount of polluting material produced by 1000 liters of petrol, gasoline and gas, the density of polluting material released in the air was calculated. In order to analyze, soil and water were sampled and their composition was compared as illustrated in standard tables.

## 5 Polluting elements

Isfahan is influenced by gas and particle pollution. This city as the second industrial pole in Iran is the second most polluted city in the country. According to studies conducted by Isfahan University of Medical Sciences, generally 91% of polluting materials are of gas nature and the other 9% are some particles like Zinc, Copper and Aluminum, which are far more dangerous compared to gases. According to the studies these particles are released from fossil fuels while burning. The degrees of pollution produced by different sources in Isfahan are as below:

Motor vehicles and industrial units	<b>78%</b>
Energy producing plants	<b>12%</b>
Indoor and commercial usage	<b>4%</b>

The number of cars in Isfahan has increased threefold in less than 15 years. By now, according to the number plate center of police force there are 830000 cars in Isfahan that make 1700000 intra-communal trips. Isfahan is now one of the most fuel-consuming cities in Iran. According to the reports issued by Statistics and Information Section of National Company of Petrol Consumption Distribution of Isfahan, presently about 410151000 liters of petrol and 215352000 liters of gasoline are distributed in Isfahan. According to standard tables that show the amount of polluting material released by burning 1000 liters of petrol and gasoline (scoro, 1993), the density of polluting material in Isfahan will be as table 1. The measurement done in different squares and intersections of Isfahan in summer 2012 show that the average CO has been equal to 30.02(ppm), while the standard rate is 9 (ppm).

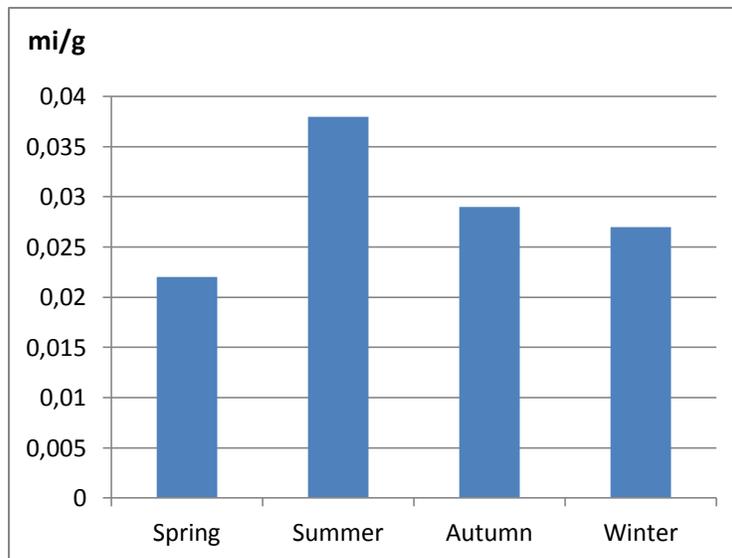
**Table 1: The polluting materials spread in the air space of Isfahan based on metric tone in 2011 resulting from petrol and gasoline.**

R-cho	Pb	Solid materials	Ch	Nox	Sox	Co
291	229	404	14159	14151	2717	125741

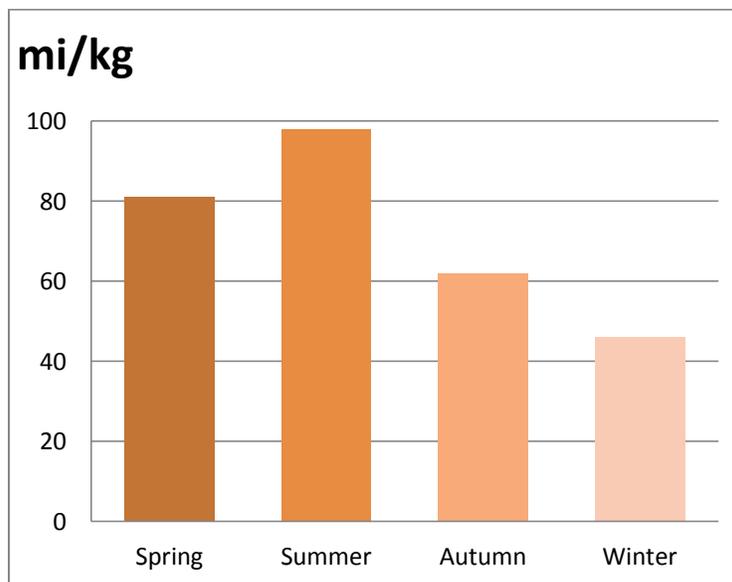
Source: Calculations by the authors based on the standard tables.

According to estimations done in various regions in Isfahan's squares and cross roads in 2012, the mean score of Co has been 30.02 (ppm), while the standard accepted by Organization for Environment Protection is 9 (ppm).

As for Zayanderood river which is the only river in Isfahan, studies done in 2011 by sampling water and silt in different seasons show that in spring the Lead density in water reaches 0.04 mg/l (the standard rate is 0.05 mg/l). Although in other seasons it is less than 0.03 mg/l (Fig 1).

**Fig 1: Lead concentration in Water samples taken from Zayandehrud river in 2011**

Also sludge sampling shows that Lead density in the sludge of river exceeds 85 mg/Kg (Fig. 2).

**Fig 2. Lead density in sludge sample taken from Zayandehrud (in milligrams) per Kilogram.**

Sampling done from soils of Northern Isfahan, 2 to 3 kilometers far eastern from chemical industries and refineries from 0-10 cm depth and their respective analysis showed that Cadmium and Lead density in these soils is 3.08 and 37.23 respectively, higher than the standard density for Cadmium which is 2 mg/ Kg. However, lead density is less than the standard.

## 6 The effects of pollution on human health

The effects of particles on different parts of respiratory system depend on their diameter. Particles of 2-10 micron will be expelled after they encounter the cilium on the surface of trachea and bronchi. Particles of 0.1 – 2 micron will go into the lungs and may stay there permanently. Particles smaller than 0.1 micron will enter the pulmonary alveoli; however, they will exit by exhalation. Even some gases

will penetrate into the lungs by particles of 0.1 to 2 micron. Entering the pollution into the lung tissues causes some problems such as blood diseases, bone diseases, and cancer. Blood as well as lung cancer, and heart strokes are resultant from such pollution. According to the studies done by Isfahan University of Medical Sciences, the high density of coiled Hydrocarbons has increased the occurrence of different types of cancer and the last estimations show that Isfahan has the greatest number of cancer cases compared to its population.

Moreover, air pollution can stimulate eyes, throat and lungs. Eye irritation, coughing and feelings of pressure on chest are popular while exposure to air pollution. Heart and lung patients react more severely to polluted air. Nowadays heart and vessel diseases are the first causes of death in Isfahan. Also Isfahan has the largest number of MS patients (Sarrafzadegan, 2011)

## 7 Conclusion

Isfahan weather is so that it has a large number of inversions, as according to the studies in 263 days of year inversion has especial potential for pollution. The thickest inversion happens in autumn; its thickness reaches 700 meters. Generally in 72% of the year, Isfahan is encountered with inversion and this rate is higher in the late summer and the beginning of autumn (Nasr Esfahani, 2006). Moreover irregular growth in population, increase in the number of cars, development of industries around the city and not observance of environment protection principles has caused the spreading air, water and soil pollution in Isfahan while the processes have been increasing in rate. The results of such a process are serious effects on human health and if strict actions to control pollution not be taken into consideration, in recent future critical dangerous situations will happen to Isfahan. To avoid the consequences, suggestions have been offered to control the present status:

- Seriousness in technical check of 500000 cars that do not have technical check certificate. Experts say that it can reduce the pollution to 23%.
- Prevention of old cars and motorcycles from going back and forth and doing away with them
- To make filtering obligatory in all industries and prevention from pouring the wastes into soil, water and air.
- To change the energy source for consumption of plants to a gas consuming system
- conducting land use and sustainable development plans for positioning industrial regions in Isfahan.
- constructing subway in Isfahan metropolitan.

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**Economic Competition and Survival Endurance:  
The Efficiency Losses of Competition**

**Abstract:**

The economic behaviors of competition and cooperation influence not only the transactions involving currency and valued items but virtually all the exchanges throughout the lives of individuals and organizations. When the results of the competition and cooperation patterns are compared for rationality, the advantages of the cooperation patterns are clear, both for immediate and for future outcomes. However, the dominant pattern of behavior that emerges in real exchange opportunities is not a pattern of cooperation but instead a pattern of competition. In this study the competition and cooperation patterns are observed empirically under a decision game, in which two teams are presented with a sequence of 10 exchange opportunities for which a decision must be reached. The experimental setting involves a component of decision under uncertainty since the scores can only be calculated after both teams reached their decisions. The analysis of the results of 80 full experimental trials of a decision game shows a clear dominance of competition, leading to efficiency losses when the rational possible results of the game are compared with the experimental results. The results are discussed and an explanation is proposed, arguing that the dominance of the competition pattern is favorable to the individual economic survival whilst cooperation protects the population economic survival endurance.

**Keywords:** Decision Games, Dominant Behavior Patterns, Economic Competition, Efficiency Losses, Survival Endurance.

**Published in IJoES 2(3), 2013: <http://www.iises.net/?p=8191>**

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### **Exploring Business Communication Strategy of CEFR**

#### **Abstract:**

This paper explores communication strategy (CS) usage for international business. It has been argued that the use of specific CS is essential to negotiate with business counterparts from different cultural backgrounds. However, there seems to be few guidelines to present authentic goals regarding how to develop such negotiation skills for English as a foreign language (EFL) learner. It is claimed that the Common European Framework of Reference for Languages (CEFR) could be used for the instruction and assessment of foreign languages learning. It is regarded as the useful guideline to describe achievements of learners of foreign languages across Europe (CEFR: LTS, 2001). As the reference levels of the CEFR were developed by focusing on European languages, it seems to be difficult to introduce the CEFR as it is in Japanese context. Therefore, the applicability of CEFR-J which is the modified version for Japanese EFL learners has been investigated (e.g. Koike et al., 2008). In particular, it is necessary to develop the precise descriptions aiming at the Proficient User Levels such as C1: Effective Operational Proficiency and C2: Mastery who need higher skills of English for business purposes. However, little research has investigated to identify the specific features of CS of the proficient users. The aim of this study is to examine CSs for C1 and C2 levels of the CEFR through an open-ending questionnaire with 200 international business experts in Japan.

## **Fei Wan Ngai, Siew-Fei Ngu**

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### **Quality of Life Has Emerged as an Important Health Outcome in the Care of Perinatal Families.**

#### **Abstract:**

**Background:** Quality of life has emerged as an important health outcome in the care of perinatal families. This study was designed to examine the changes in quality of life among Chinese pregnant women during the transition to parenthood.

**Methods:** A longitudinal design was used, and a convenience sample of 224 Chinese pregnant women was recruited at the antenatal clinics. Data were collected during pregnancy, at 6 weeks and at 6 months postpartum. At each point, women completed the Medical Outcomes Study Short Form 12-Item Health Survey.

**Results:** The results showed that women experienced substantial changes in their quality of life during pregnancy and postpartum. The physical functioning of the women was found to be lowest during pregnancy and improved significantly after childbirth at 6 weeks (0.001) and 6 months postpartum (0.001). The mental health status of the women decreased significantly at 6 weeks postpartum (0.05), followed by gradual improvement at 6 months.

**Conclusions:** The findings of this study highlight the need for more attention to women's quality of life during the transition to parenthood. Culturally relevant interventions should be developed to assist women to cope with the new challenges and demands of parenthood, and in that way achieve a better quality of life.

**Louis Nkwatoh**

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**Transmission Mechanism of Monetary Policy and the Effectiveness of Monetary Policy in Nigeria (A Structural Approach)**

**Abstract:**

The role of monetary authorities in identifying the right channel by using appropriate instruments to hit the immediate required target, which will shorten the lag in response to monetary policy thus leading to an effective monetary policy, is crucial. In Nigeria, the main instrument used by Central Bank to influence the direction of the cost of funds in the economy is the monetary policy rate (MPR). Over the years, this rate has not effectively influenced both the operational targets (interbank call rates and open-buy back rates) and the intermediate targets of monetary policy, thus, failing to attain the final goals of monetary policy (price stability and sustainable economic growth). It there implies that CBN's first step in the transmission of monetary policy is weak. This study therefore, investigated the different stages of the transmission mechanism of monetary policy with the aim of identifying the most effective channel for transmitting monetary policy effectively from the instruments, to the intermediate targets via the operational target, and to the final goals of monetary policy. The study used secondary data and employed the ARCH and GARCH techniques from the period 1996 to 2010. The results showed that, the transmission of monetary policy is fairly strong in the first, second and third stages. However, the interest rate effect dominates the first two stages while the quantity effect dominates the last stage. This implies that the effectiveness of monetary policy rate (MPR) on the final goals depends on its effect on money supply. This suggests that, effective open market operations (OMO) may be critical to the effectiveness of monetary policy in Nigeria.

## **Sripathum Noom-ura**

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### **Perspectives on Project-Based Learning from Two ESP Classes**

#### **Abstract:**

This study investigated students' opinions on project-based learning (PBL). The closed-and open-ended questionnaire was distributed to two groups of students. The first group, from an international program, had fairly high proficiency in English while the second group, from a Thai university regular program, was labeled as very low proficient in English. The findings showed students' satisfactions in most areas gained from the teaching and learning approach. The limitations of implementing PBL in the two classes were also discussed.

**Serdar Ornek, Mehlika Ozlem Ultan**

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**The Segregated African Americans:  
The Relationship between American Movies and Segregation Policy**

**Abstract:**

In 19th century, the American Civil War caused the emancipation of American slaves. By the Fourteenth and Fifteenth amendments to the U.S. Constitution, some of the basic civil rights were secured. However, the struggle of putting these rights under the protection of federal level, states continued their segregation policies in practice. In Southern states, African Americans were segregated and struggled with various kinds of oppression, especially race-inspired violence. This segregation policy had gained a legal framework by Jim Crow Laws that separated African Americans and White Americans from all parts of daily life, such as theaters, schools, restaurants, parks, sports, transportation and so on.

By the second half of the 1950s, civil rights protests increased. These civil rights movements included boycotts, sit-ins and marches. The Montgomery Bus Boycott (1955–56) in Alabama, the Greensboro sit-ins (1960) in North Carolina, the March on Washington (1963) and the Selma to Montgomery Marches (1965) in Alabama were the examples of these protests. The aim of these social movements was to make racial segregation against African Americans unworkable. As a result, in 1964, Civil Rights Act was accepted which intended to end discrimination based on race, colour, religion, or national origin. Moreover, the Voting Rights Act of 1965 and the Civil Rights Act of 1968 were also the other remarkable legislative developments.

Although some legal regulations put into practice for ensuring positive discrimination through African Americans, the segregation can still be seen in some part of America. In order to empathize with African Americans, some American movies began to discuss segregation issues. The aim of this paper is to examine whether the movies are used as a political instrument that emphasized the African Americans' problems. And also it will be analyzed the possibility to understand the feelings of African Americans for White Americans, via these movies.

**Keywords:** Segregation Policy, Civil Rights Movements, Civil Rights Act, Jim Crow Laws, African Americans, American Movies.

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**Roles of Media, Psychological Tendencies, and Risk Characteristics in Predicting Personal- and Societal-Level Risk Perceptions: Three Risk Contexts in South Korea**

**Abstract:**

**Background.** Media play a critical role in shaping people's risk perceptions, but researchers continue to disagree exactly how they do so. According to the impersonal impact hypothesis, media influence people's risk perceptions at the societal but not at the personal level according to the differential impact hypothesis, this influence may vary according to media content (e.g., news versus entertainment). These hypotheses, however, have not been adequately tested with respect to other important personal and issue-related factors that could influence risk perceptions. The purpose of this study is to test the impersonal impact and differential impact hypotheses, and to expand them by investigating how each of the following factors predicts individuals' personal- and societal-level risk perceptions: exposure to entertainment and news media, optimistic bias as a psychological tendency that affects risk perception, and different characteristics of risk issues.  
**Methods.** A total of 1120 Korean adults conducted an online nationwide survey on three currently salient risk issues carcinogenic hazards (CH), H1N1 flu, and mad cow disease (MCD). Eight sets of four-block hierarchical multiple regressions (3 risk topics x 2 levels [personal and societal] of risk perceptions as DVs) were performed to control demographic characteristics in the first block and to see variance explained in each block (optimistic bias, risk characteristics [familiarity and dread], and media exposure [entertainment and news]). All the variables were measured with multiple items drawn from established research. **Results.** Exposure to news media, yet not to entertainment, was positively related to both personal-level (beta = .213, .001 for CH and beta = .098, .05 for MCD) and societal-level (beta = .312, .001 for CH and beta = .124, .05 for MCD) risk perceptions. Optimistic bias was generally a significant predictor of risk perceptions at the personal level (beta = -.143 for CH -.267 for H1N1, -.317 for MCD, all at .001), but not at the societal level. Meanwhile, the risk characteristic of dread, when compared to risk familiarity, was more consistently related to both levels of risk perceptions (beta = .454 and .378 for CH beta = .461 and .361 for H1N1 beta = .455 and .369 for MCD, all at .001). Finally, the models' variance was explained more by psychological tendency and risk characteristics than by media. **Discussion.** These findings challenge the impersonal and differential impact hypotheses. In predicting personal- and societal-level risk perceptions, media play a less significant role than optimistic bias and risk characteristics. Also, news media seem to be more significant predictors of both personal- and societal-level risk perceptions than entertainment media. Some different findings across the risk topics may indicate that people have preexisting perceptions about different risk issues. If researchers take such perceptions into account, they might improve understanding of how people perceive and react to various risks. Future studies should replicate and compare these findings across various other risk contexts.

## **Pallavi Pal**

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### **Russia's 'Security' Policy: Understanding the Change or Continuity**

#### **Abstract:**

Russia is constantly defining and redefining its interests, be it economic, energy or military. Of all these interests the most important and primary interest, whose definition has not changed and which occupies the first priority in Russia's foreign policy is, safeguarding national integrity and sovereignty.

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8322>**

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## **Supakorn Phoocharoensil**

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### **Syntactic Errors in L2 English Relativization: Difficulty and Pedagogy**

#### **Abstract:**

The present study aims at investigating the learning strategies on which Thai EFL learners rely in learning English relative clauses (ERCs). Not only do these strategies facilitate their ERC acquisition, but they are also found to lead them to certain kinds of problems. Such problems related to the learning strategies are first language transfer, transfer of training, avoidance, and overgeneralization. Thai learners seem to transfer a lack of some relative clause types in their native language to learning L2 ERCs. They also avoid the RC constructions, e.g. the object-of-preposition relative and the genitive relative, as well as the relativizers whose and whom, which they probably consider too complex or unfamiliar. In addition, the previous ERC instruction apparently has a negative effect on their subsequent ERC learning, making the learners overproduce the relative marker that. Furthermore, they even extend the use of that to non-restrictive RCs, which is grammatically incorrect in English.

**Marius Potgieter, Johan W. de Jager, Neels H. van Heerden**

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## **Tour operators' Perspective of the Macro Marketing Environment and their Marketing Information Systems**

### **Abstract:**

Tourism is recognised as a dynamic and competitive global force, influencing almost all countries and the lives of billions on a daily basis. Correspondingly, South Africa experiences an incessant escalation in international tourist arrivals and this progressively renders entrepreneurial opportunities, particularly in the domain of tour operating. Unfortunately this trend is not reflected by advancements in either the management models used and/or in the management decision-making ability of tour operators, neither in the support tools (such as a sophisticated marketing information system) available to tour operators.

However, tourism is exceptionally susceptible to influences and factors stemming from the marketing environment and this necessitates tour operators to be knowledgeable in this regard, in terms of the probability of occurrences and also the severity thereof. Information thus becomes an indisputably precious asset that needs to be planned and managed strategically. The marketing environment is composed of the micro, market, and macro marketing environments and the focal point of this paper is the macro marketing environment and tour operating. The challenge of this study was to obtain a description of the research population and to determine empirically whether: tour operators in South Africa view macro marketing environmental information as part of marketing intelligence as important; and, whether they view information concerning the various factors of the macro marketing environment as important. An exhaustive review of existing academic literature directed the conceptualization of this pioneering research in South Africa.

A quantitative descriptive survey was undertaken and a research frame was constructed with the aid of various published sources and electronic databases. The research instrument used was a real-time web-based self-completing questionnaire which was dispatched to 1 000 tour operators and six highly-priced sponsored incentives were provided in an endeavour to increase the response rate. A completion rate of 42% was recorded. Inferential statistics revealed that 59.6% of the tour operators in South Africa do have some sort of information system whilst only 41.9% of them indicated that they do have access to marketing intelligence although most do view this type of information as important. Tour operators view it as important that an information system should be able to provide them with macro marketing environment information. The current information systems used by tour operators in South Africa do not necessarily provide them with adequate information they need for management decision-making purposes and the reason for this is ascribed to the types of information systems used. Tour operators mostly use a personal computer with general data analysis programmes and this cannot be viewed as a sophisticated marketing information system providing tour operators with macro marketing environment information needed for management decision-making purposes.

Pragmatically, the results obtained indicate that information system innovation for tour operators in South Africa is indubitably imperative. Sequential research should be undertaken and it should be extended to incorporate all the sectors of tourism, as well as the member countries of the Southern African Developing Community (SADC) for not only comparative purposes but to investigate potential synergistic social and economic benefits on a national and regional basis, specifically in terms of marketing information systems and ultimately tourism.

**Keywords:** Marketing Information Systems, Information Technology, Macro Marketing Environment, Tourism, Tour Operators, South Africa.

**JEL Classification:** M3, M31

**Published in IJoSS 2(1), 2013: <http://www.iises.net/?p=8290>**

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## **Okun's Law in the Countries of Central and Eastern Europe**

### **Abstract:**

The paper focuses on examining how well Okun's Law fits in short-run unemployment movements in the countries of Central and Eastern Europe which are members of the EU since 2004. We examine the period from 2000-2012. We estimate Okun's Law using annual and also quarterly data. In our analysis we smooth the output and unemployment series with Hodrick Prescott filter. We find that Okun's Law fits in most of the surveyed countries. The coefficient in the relationship which describes the effect of a one percent change in output on the unemployment rate varies across countries. This variation could be explained by the special features of national labor markets in these countries.

**Keywords:** Okun's Law, Okun Coefficient, Hodrick Prescott Filter.

### **1 Introduction**

The labor market in comparison with the other markets has some special features and is also more affected by social factors as well as by economic crisis and shocks. Economic crisis in current markets economics too often leads to the closures of the enterprises, to the reducing of the demand for workers which in turns leads to decreasing of the employment and increasing of the involuntary unemployment in the economy. On the other hand, the periods of economic booms are often connected with the creations of the new jobs with their subsequent consequences on the employment and unemployment. Labour market is often in the centre of the interest not only by scholars and politicians but also in the centre of the interest of the common people who are not interested in the study of the economy, but are intensely interested whether they will have job or not. Recent period of deep economic depression show that involuntary unemployment is one of the permanent problems in modern, even in more advanced economies.

That is why many researchers are examining the relationship between changes in the performance of the economy and changes in the labor market. The one that has become a fixture in macroeconomics textbooks is known Okun's law named after Arthur Okun.

This study is focused on examining how well Okun's Law fits in short-run unemployment movements in the countries of Central and Eastern Europe which are members of the EU since 2004 (EU12). We have decided to look at more details in this group of countries because despite the fact that all of them are now members of the European Union declaring to have market economy, most of them have building this type of economy only since 90s of the 20<sup>th</sup> century. During the previous period of socialist economy labor markets in many of those countries where functioning in different way. Involuntary unemployment practically does not exist or was very low in comparison with current

situation. For example in Slovakia constitution guaranteed the right to work. The population of those countries still well remembers that during the previous regime there were no problem to find a job and contrasts it with the current situation where in many, especially poor regions in the countries demand for labor is really very low which leads to high rate of unemployment. For such kind of people unemployment is huge problem. We need also to take into account also the very low labor mobility in those countries together with high differentiation of wages in different sectors of the economy.

The goal of this paper is to examine how well Okun's Law fits in short-run unemployment movements in above mentioned countries. We focus on period 2000-2012. The paper consists of five sections. In the first section we very briefly introduce Okun's Law and alternative approaches to estimating it. Since Okun's Law is a fixture in many Macroeconomics textbooks in this paper we are not going to bring detail explanation of it. The following section describes the used data and the research design. The third section presents empirical findings. The fourth section contains an attempt to explain the cross-country variation in Okun's Law in examined countries. The fifth section presents a summary and conclusions.

## 2 Okun's Law

Okun's Law is commonly measured by the correlation between variation in unemployment and real output over the business cycle. There is an assumption that shifts in aggregate demand cause output to fluctuate around potential, which cause firms to hire and fire workers, which influence the unemployment in the economy. Using different models and versions of the relationship between unemployment and output, Okun showed on the U.S. data after the World War II that "in the post-war period, on average, each extra percentage point in the unemployment rate above four percent has been associated with about a three percent decrement in real GNP." (Okun, 1962, p. 99) Okun's Law is an important concepts in macroeconomics theoretically as well as empirically. Theoretically Okun's Law serve as a link between the aggregate supply curve and the Phillips curve. Empirically Okun's coefficient is a useful "rule of thumb" in forecasting and policy-making.

Generally, two methods are used in the literature for estimating Okun coefficient.

1. Method commonly known as: "Changes version":

$$(1) \quad \Delta U_t = \alpha + \beta \Delta Y_t + \omega_t,$$

where  $\Delta$  is the change from the previous period,  $Y_t$  is the output;  $U_t$  is the unemployment rate,  $\beta$  is the Okun coefficient,  $\alpha$  is the intercept and  $\omega_t$  indicates a residua. When estimating Okun coefficient by using changes version an important assumption should be take into account: the natural rate of unemployment is constant and potential output grows at constant rate.

2. Method commonly known as "Gap version"

$$(2) \quad U_t - U_t^* = \beta (Y_t - Y_t^*) + \varepsilon_t, \beta < 0,$$

where  $\beta$  is the Okun coefficient,  $\varepsilon_t$  indicates a residua. In the case of „gap version“, the difficult problem is to measure the natural rate  $U_t^*$  and potential output ( $Y_t^*$ ). There are several methods how to calculate them. According to Ball et.al (2012) the most obvious method is to smooth the output and unemployment series with the Hodrick Prescott (HP) filter.

### 3 Okun coefficient

Ibragimov et al. (2012) pointed out that the factors affecting the value of the coefficient  $\beta$  include labor market institutions (such as legislative employment protection, unemployment benefits, employment contracts and wage flexibility) and episodic events, such as the economic and financial crises, changes in housing prices, trade shocks, policy changes and economic and financial uncertainty. The other factors that seems to be important are: labor-force participation, wages and productivity growth, restructuring of corporates, average unemployment rate in the country, the share of youth unemployment in total unemployment, the share of long-term unemployment in total unemployment etc.

In the fourth section of this paper after examining whether Okun's Law fits short-run unemployment movements in EU12 countries, and calculating the Okun coefficients for them we will use some of the above mentioned factors that affect the value of the coefficient in attempt to explain the cross-country variation in Okun's Law in examined countries.

In calculating Okun's coefficient there are existing differences between countries, which leads to different value of Okun coefficient reflecting the idiosyncratic features of national labor markets. For example Moosa (1997) find in his study that the coefficient seem to be highest for the North America (Canada and USA) and lowest for Japan, a result that can be explained in terms of differences in labor market rigidities. Ball et.al (2012) also find in their study different Okun coefficient for different countries.

There is no consensus in the literature whether the coefficient  $\beta$  remain stable during the time or not. Some propose the idea that Okun coefficient may be different in expansions and contractions. According to Gabrisch and Buscher (2006), or IMF (2010) coefficient vary in different stages of economic performance.

Izyumov, A. Vahaly, J. (2002) as could be seen in Table 1 present a stylized classification of labor markets characteristics of the leading market economies and their linkage with Okun's Law based on findings of the other studies.

**Table 1. Labor market characteristics and Okun's law coefficient in mature market economics**

Labor market characteristics	Prevailing level of unemployment	
	High	Low
Rigid	Okun's ratio low to moderate and unstable	Okun's ratio high and unstable
Flexible		Okun's ratio low to moderate and stable

Source: Izyumov, A. Vahaly, J. 2002, p. 319.

It is also certainly worthwhile to mention, that there are some economists who claim that Okun's Law has broken down. They are speaking about jobless recoveries from economic recessions, in which there was weaker employment growth and higher unemployment than Okun's Law predicts (Gordon, 2010).

Scepticism about Okun's Law has grown in the wake of the Great Recession in 21th century. Some economists pointed out that there is little correlation across countries between decrease in output and increases in unemployment during the countries recession.

Following Okun, many economists were examining the relationship between changes in the unemployment and changes in the output. Although majority of the studies have focused on the US economy, the negative correlation between changes in unemployment and aggregate output was also tested for other countries. For example Moosa (1997) estimates of parameters of Okun's model for the G7 countries, the United States, Japan, Germany, France, the United Kingdom, Italy, and Canada. Harris and Silvestone (2001) provide estimates of Okun's Law in seven OECD countries. Lee (2000) was focusing on the 16 OECD countries. Ball et. al (2012) find out whether Okun's Law fits short-run unemployment movements in the United States since 1948 and in twenty advanced economies since 1980. Garbrisch and Buscher (2006) investigate the dynamics of unemployment and output in those eight post-communist countries which entered the EU in 2004. They use the first difference model. Izyumov and Vahaly (2002) investigates whether an Okun-type relationship between output and unemployment is taking hold in formerly planned economies as move towards the market. Using a first-differences variant of Okun's Law, they test for its presence in 25 transition countries divided into group of "reform leaders" and "reform laggards".

#### 4 Data and methodology

We estimate Okun's Law with both annual and quarterly data. Our specification is exactly equation (2): we assume that the output-unemployment relationship is contemporaneous.

In estimating Okun's Law in our analysis we follow approach which use Ball et.al (2012): we will use the term „potential output“ for long-run output and the „natural rate“ of unemployment for long-run unemployment. We smooth the output and unemployment series with the Hodrick Prescott (HP) filter. It is easier to estimate Okun coefficient using "changes version" equation (1) of Okun's law, because it does not include the unobservables  $U_t^*$  and  $Y_t^*$ . For many EU12 countries, however the implicit assumption of a constant natural rate of unemployment and constant long-run growth rate are not reasonable. We estimate the Okun coefficient for each country with OLS.

In the paper we use annual as well as quarterly data on output and unemployment. The data are taken from Eurostat database. We examine the period from 2000-2012. There are several reasons why we start our samples in 2000. All examines countries are now members of the EU. But till the end of the 80s of the 20th century most of them were centrally planned economies ruled by different economic principles than the market economies. In the 90s of the 20<sup>th</sup> century the process of tranformation their economies from centrally planned economies toward market economies widely began. This process was connected with the transformation recession. In this period we could not expect that Okun's Law holds. As pointed out by the Izyumov and Vahaly (2002) compared to developed market economies, former communist start their market transition from a situation of „permanent full-employment“ and cannot be expected to immediately acquire high output-employment sensitivity. Another reason why we start our sample in 2000 was the data availability. For some countries Eurostat does not provide the annual as well as quarterly data about output and unemployment before 2000.

## 5 Results

For each country in our sample Table 2 reports estimates of Okun's Law coefficients in levels, with  $U_t^*$  and  $Y_t^*$  measured with HP filter of  $\lambda = 100$  using annual data.

**Table 2. EU12: Estimates of Okun's Law**  
(Annual data, 2000 – 2012)

$$\text{Equation estimated: } U_t - U_t^* = \beta (Y_t - Y_t^*) + \varepsilon_t$$

	Coefficient beta	Standard Error	Obs	R Square	p-value
Bulgaria	-2,036	1,118	13	0,217	0,094
Czech Republic	-2,280	0,414	13	0,716	0,000
Cyprus	-4,496	1,478	13	0,435	0,010
Estonia	-3,478	0,566	13	0,759	0,000
Latvia	-1,431	0,538	13	0,371	0,021
Lithuania	-4,098	1,017	13	0,575	0,002
Hungary	-1,047	0,230	13	0,633	0,001
Malta	-0,996	0,496	13	0,252	0,068
Poland	-1,504	0,569	13	0,368	0,021
Romania	-0,425	0,121	13	0,507	0,004
Slovenia	-3,326	0,298	13	0,912	0,000
Slovakia	-1,078	0,389	13	0,390	0,017

Note: Natural rates ( $U_t^*$  and  $Y_t^*$ ) based on Hodrick-Prescott filter with  $\lambda = 100$ .

Source: own calculation.

The fit is good for most countries. The  $R^2$  exceed 0.36 in all countries, but Bulgaria and Malta. Slovenia's  $R^2$  of 0.91 is the highest. The estimated coefficients on the output gap vary across countries. Coefficients are statistically significant but Bulgaria and Malta ( $p > 0,05$ ). Most are higher in absolute value than 1, but two are lower (Malta and Romania). We have also estimated Okun's Law with a HP parameter of  $\lambda = 1,000$  for  $U_t^*$  and  $Y_t^*$ . The results are qualitatively similar to those in Table 2. Averaging across the EU12 countries the R Square is 0.511 for the  $\lambda = 100$  and 0.522 for  $\lambda = 1,000$ . The average coefficients are  $-2.18$  for the  $\lambda = 100$  and  $-2.31$  for  $\lambda = 1,000$ .

Table 3 presents the results for quarterly data. For the specification of Okun coefficient, we try smoothing parameters  $\lambda = 1,600$  and  $\lambda = 16,000$ , which are common choices for quarterly data. The results for  $\lambda = 16,000$  are not included, but they are qualitatively similar to those for  $\lambda = 1,600$ . Averaging across the EU12 countries the R Square in quarterly data is 0.41 for the  $\lambda = 1,600$  and 0.45  $\lambda = 16,000$ . The average coefficients are  $-1.92$  for the  $\lambda = 1,600$  and  $-2.05$  for  $\lambda = 16,000$ .

**Table 3. EU12: Estimates of Okun’s Law**

(Quarterly data, 2000Q1 – 2012Q4)

Equation estimated:  $U_t - U_t^* = \beta (Y_t - Y_t^*) + \varepsilon_t$

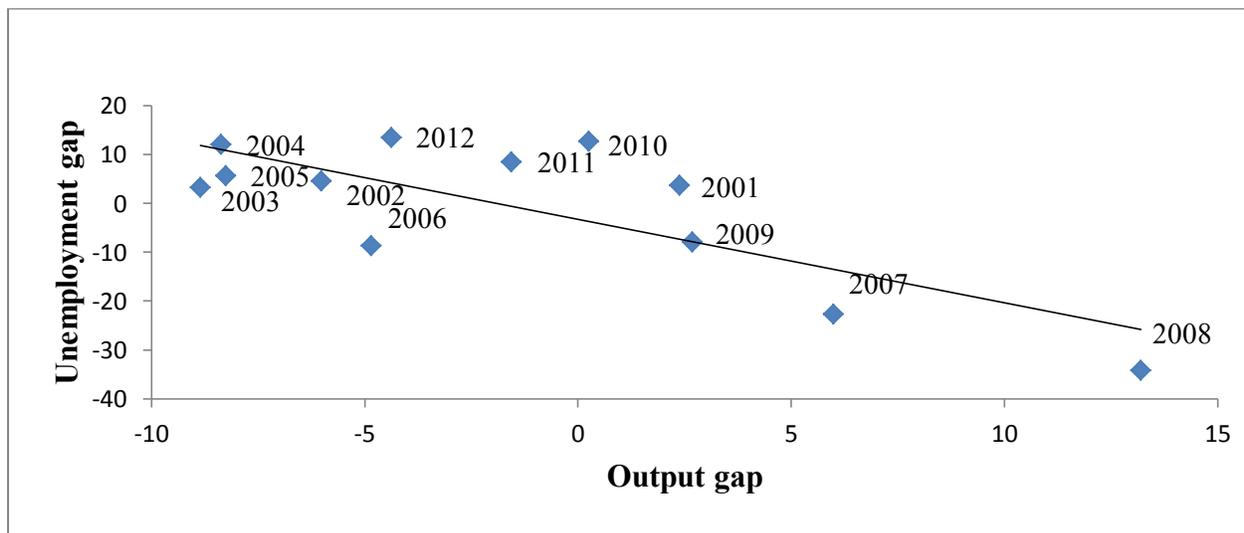
	Coefficient beta	Standard Error	Obs.	R Square	p-value
Bulgaria	-1,757	0,433	52	0,244	0,000171
Czech Republic	-2,216	0,270	52	0,570	0,000000
Cyprus	-3,851	0,857	52	0,284	0,000041
Estonia	-3,472	0,263	52	0,773	0,000000
Latvia	-1,772	0,199	52	0,609	0,000000
Lithuania	-3,673	0,409	52	0,613	0,000000
Hungary	-0,697	0,176	52	0,235	0,000237
Malta	-0,337	0,365	52	0,016	0,359782
Poland	-0,752	0,227	52	0,177	0,001717
Romania	-0,447	0,097	52	0,296	0,000026
Slovenia	-3,038	0,295	52	0,676	0,000000
Slovakia	-1,082	0,191	52	0,387	0,000001

Note: Natural rates ( $U_t^*$  and  $Y_t^*$ ) based on Hodrick-Prescott filter with  $\lambda = 1600$ .

Source: own calculation.

Figure 1 illustrates the fit of Okun’s Law by plotting  $U_t - U_t^*$  against  $Y_t - Y_t^*$  for Slovakia. No year is a major outlier in the graph.

**Figure 1. Slovakia: Okun’s Law (annual data) Natural Rates Based on HP filter with  $\lambda = 100$**



Source: own calculation.

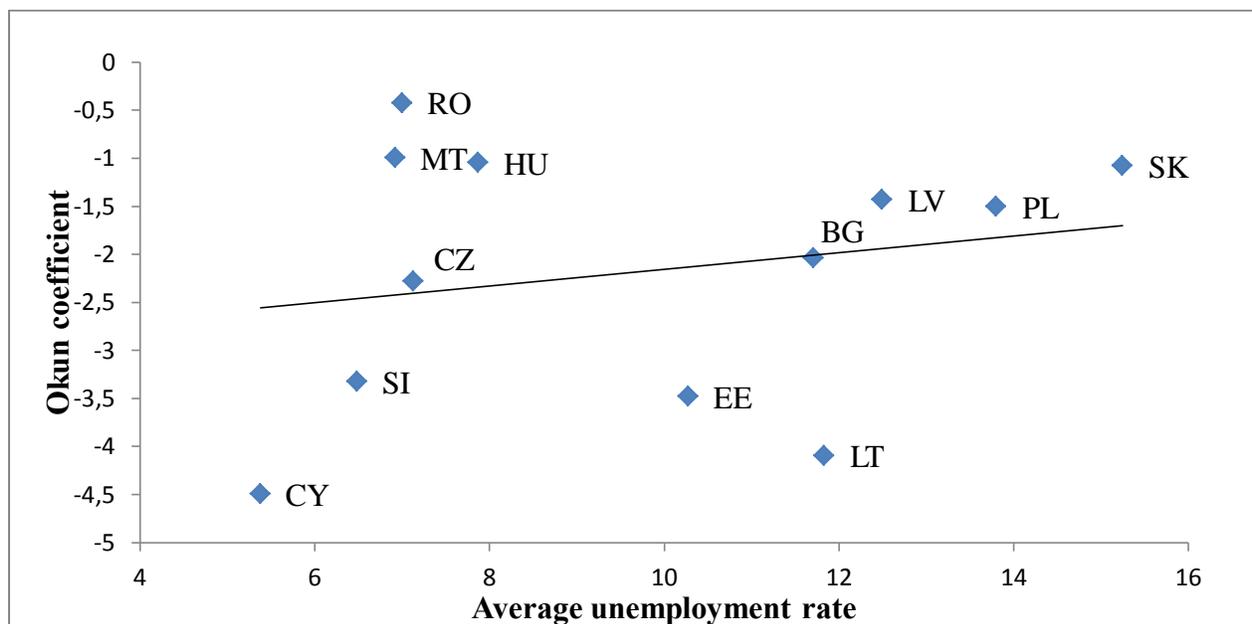
As was mentioned above some researchers suggest that the coefficient in Okun's Law varies over time. We consider time period that we examine too short to test whether the Okun coefficient is changing during the time or not. To extend our research in the future, in order to improve the fit of our equations for quarterly data, we plan to include two lags of the output term. They will capture the idea that it takes time for firms to adjust employment (and through the employment also the unemployment) when output changes and also for people to enter or exit the labor force due to changes in output.

From the Table 2 we can see that most of the EU12 countries have fitting Okun relationship, but the Okun coefficient differs across countries. Since value of Okun coefficient depends on many factors it is difficult to exactly explain the reasons of cross-country differences in Okun coefficients. In the next section we try to use some variables in order to explain these differences.

## 6 Explaining Cross-country Variation in Okun's Law

In an effort to determine the cause of the differences we follow Ball et. all (2012) who has tried to explain differences in Okun coefficient within 20 Advanced economies (OECD countries) using the average level of unemployment in examined countries. Figure 2 plots the estimated coefficients for EU12 countries against the average level of unemployment over 2000-2012.

**Figure 2. Okun coefficient vs. average unemployment rate**



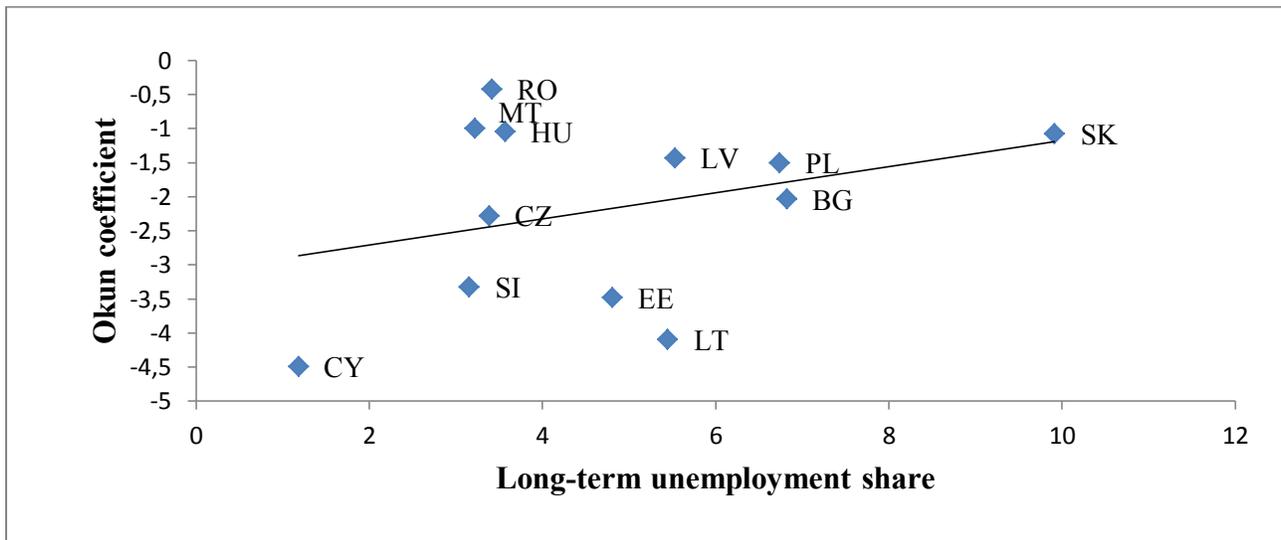
Source: own calculation.

It is clear from the figure, that there is no relationship between the average unemployment rate and Okun coefficient.

It seems that long term unemployment rate is connected with the structural changes in the economy, not with the business cycles in the economy. It means, that in countries with high share of long term unemployment rate short-run shifts in aggregate demand would not influence the whole unemployment so intense than in countries with lower share of long-term unemployment rate, so Okun coefficient should be lower in the countries with higher share of long-term unemployment rate, *ceteris paribus*.

Figure 3 plots the estimated coefficients for EU12 countries against the long-term unemployment share 2000-2012.

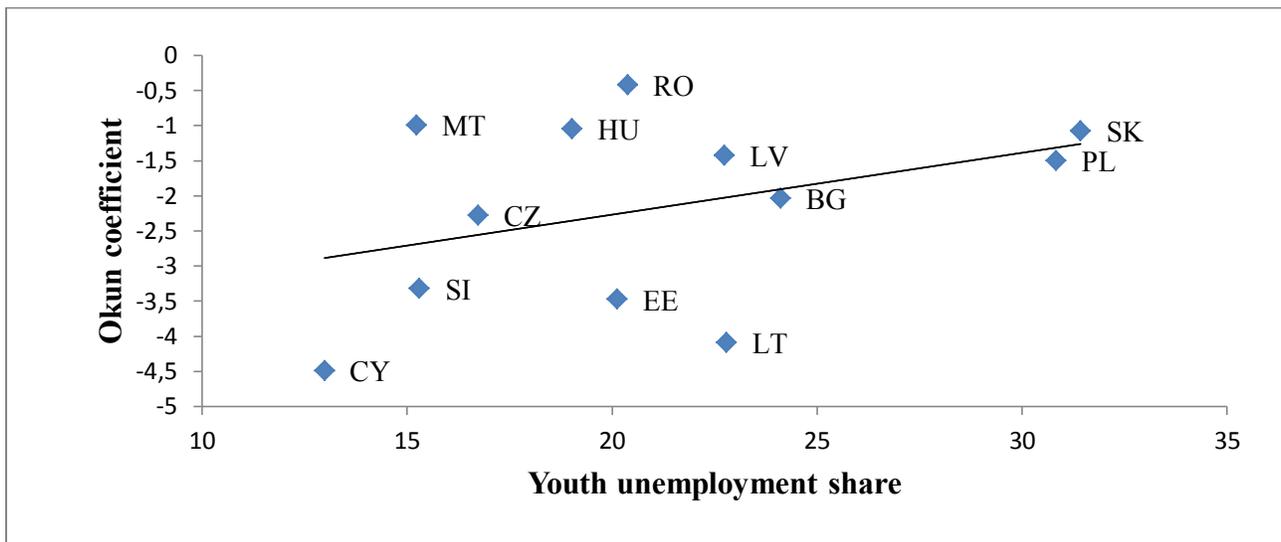
**Figure 3. Okun coefficient vs. long-term unemployment share**



Source: own calculation.

However, as can be seen in Figure 3, we find no relationship between long-term unemployment rate and Okun coefficient. The same results are when we examine mutual relationship between Okun coefficient and youth unemployment share. It is clearly seen from the Figure 4 that there is no relationship between Okun coefficient and youth unemployment share.

**Figure 4. Okun coefficient vs. youth unemployment share**



Source: own calculation.

It appears that there are many factors which influence the Okun coefficient in EU12 countries and their influence on the value of the coefficient is also different. Labor market of each examined country is very special each has its own specific features. These features of national labor markets probably account for most of the variation in the Okun coefficient.

## 7 Conclusion

Labor market is in the centre of attention by many scholars as well as politicians and also ordinary people. An extensive body of research is devoted to examining the mutual relationship between output of the economy and conditions in the labour market. One of them who describes relationship between variation in unemployment and real output over the business cycle is known as Okun Law after Arthur Okun. There is no consensus in the literature about the validity of Okun's Law. On the one hand there are some studies which are strongly supporting it. On the other hand, many economists question Okun's Law and are speaking about "jobless recovery" after the economic recessions. The critics of Okun's Law points out the Great Recession 2008-2009, when there was little correlation across countries between the changes in output and unemployment. Some studies, especially on international data suggests that Okun's Law is unstable in many countries, while authors of the other studies find out that Okun's Law is strong and stable relationship in examined countries.

In this paper the relationship between unemployment and output described by Okun's Law has been re-evaluated based on the data for EU12 countries. We find that most of the EU12 countries have fitting Okun relationship, but the Okun coefficient differs across countries. We have not found a variable that explains the coefficient more generally. Since we examine quite short time period, we did not test whether the coefficient is changing over time

This paper is based upon work supported by the Project: Mobility – enhancing research, science and education at the Matej Bel University, ITMS code: 26110230082, under the Operational Program Education cofinanced by the European Social Fund.

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**Aleks Prifti, Engjellushe Zenelaj**

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## **Office Abuse from Public Functionaty in Albania**

### **Abstract:**

The object of topics is to exposing some principled elements that constitute to the crime of office abuse, provided by provision of the Penal Code of the Republic of Albania, namely in Article 248. Signifier of such a theme dictated by heavy consumption of this crime, as well as its Impunity often selectively, with a severe disability and by the serious shortcomings of the justice system, which included the region the Western Balkans and claiming membership in the European Union. Through this paper, the authors hope to provide a modicum of contribution in the field of penal studies, in a so problematic direction as abuse of office within the public administration, where arbitrary violations of the law are as frequent as the conflict.

**Keywords:** The notion of public office and public service; illegal behavior of the person exercising a public function, material and nonmaterial benefits; subjective element; competition from other criminal acts, sanctions.

**Published in IJoSS 2(1), 2013: <http://www.iises.net/?p=8289>**

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## **Mojtaba Rafiei, Nasser Broujerdian**

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### **Role of Government and public administration in Economic Institutions**

#### **Abstract:**

In traditional economics, which is based on neo-classic economic growth theory, the role of governments has long been believed to be negative, but in recent years it seems the governments have different roles in economic institutions. These roles can be economic, politic, and regulative and so on. These roles can be negative or positive for economic institutions.

Economic institutions are constitutional in nature and define how an economy is allowed to develop and function to achieve sustainability and growth. Typically, there are three main functions of economic institutions. Such functions include determining and safeguarding property rights, enabling and facilitating transactions, and allowing the economic participants to organize and co-operate.

Public Administration is the art and science of management as applied to the affairs of the states and for " Luther Gullrich, "Public Administration is that part of science of administration which has to do with the government and thus concerns itself primarily with the executive branch where the work of government is done.

In this paper we are trying to response to following questions about economic institutions and role of government in them. What are economic institutions? Does the government has some role in economic institutions? What is public administration and its role in economic institutions? Role of public administration and government in economic institutions Is positive or negative? Is a state or government a trouble maker? Or is it a solution?

In other part of paper we described insights from institutional economics to an analysis of three important and recurring reform initiatives to improve public sector performance in service delivery -- government contracts, fiscal decentralization, and performance budgeting.

In this paper we concluded that government and public administration can affect on economic institutions by many ways such as budgeting, regulation, facility and so on. This effects depend to economic conditions can be positive or negative.

**Keywords:** Economic Institutions, Government, Public administration, Economic role of government.

## Jacob Rosenberg

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### Religious Law in the service of Society's Goals

#### Abstract:

Economists and other social scientists often suggest that by invoking higher powers, religions are frequently instrumental in resolving social prisoner's dilemmas and other forms of societal inefficiencies. For example, most religions deem theft to be a religious transgression punishable by god as well as a social transgression punishable by earthly authorities. To the extent that individuals' fear of god's punishment augments their fear of earthly penalties, the fact that theft is a religious sin will increase social welfare: if all other parameters are kept constant, the presence of a heavenly penalty will reduce the number of thefts.

And yet, religious authorities who are committed to religion as well as to social welfare may face a quandary. For example, to the extent that some individuals will not be deterred from engaging in theft despite this being a religious sin, the fact that theft is a sin may increase the number of religious sinners in society. Hence, with theft being a religious transgression, society may be more efficient but less religiously observant.

In Jewish law, the religious prohibition against theft is a biblical injunction. Rabbinical authorities have had to take this prohibition as given. However, the tension between attempting to increase societal efficiency and being concerned that the presence of a religious edict may cause more religious transgressions is illustrated in interpretations of biblical law and its application.

This research will consider the interesting Talmudic debate concerning the potential theft of fruit from a field that has not as yet been tithed. Eating such fruit is a religious transgression. The question under debate is whether the owner of such a field should make people aware that it had not been tithed. On the one hand, informing people of the field's non-tithed state will reduce theft from this field, since the heavenly punishment for eating un-tithed fruit is severe. On the other hand, those who nonetheless steal and eat fruit from this field will be committing a severe transgression of Jewish law.

Rabbinical authorities will have to weigh the benefits of increased social efficiency (less thefts) combined with less property related religious transgressions, against the costs of more people committing a severe religious transgression by knowingly eating un-tithed fruit.

We use a formal model to confront the general problem facing the religious authorities who are committed to religion as well as to social welfare.

## Orathai Saetang

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### **Health Promoting Behaviors of Thai Reproductive Aged Women in Suburb: A Case Study of Reproductive Aged Women in Naphong community, Uttaradit, North of Thailand**

#### **Abstract:**

Promoting quality of life among reproductive Aged Women (RAW), both nationally and internationally, has been increasingly concerned. These women are at risk for health problems that affect the functioning of the female reproductive systems during all stages of life. Disorders of reproduction include birth defects, developmental disorders, low birth weight, preterm birth, reduced fertility, impotence, and menstrual disorders. Health Promoting Behaviors (HPBs) of them can decrease these health problems. However, there are few studies about Health promoting behavior of RAW.

This study aimed to explore HPBs among this group. It was a descriptive study starting by a quantitative survey using a self-reported questionnaire based on the 2006 Pender's Health Promotion Model to assess their health promoting behaviors including responsibility, activities and exercise, nutrition, relationship, mental development, stress management. The subjects were 105 reproductive aged women at Naphong community in Uttaradit province, North of Thailand. The completed questionnaires were 100 (95.29%). Data were analyzed using statistical analysis including frequency, percentage, mean and standard deviation. It was found that the most of RAW were 20-34 years old, vocational level education, married status, housewives, and no income. In addition, the majority of their health promoting behaviors were good in nutrition dimension: eating vegetable and fruit, and drinking juice and sweet water every day life, and interpersonal relationship dimension: communicating and helping each other in community and joining religion club. On the other hand, the majority of their health promoting behaviors were lack of a good behavior in stress management dimension: being sleepless and keeping be quiet, and in responsibility dimension: screening carcinoma of breast and doing self examination of breast, and in activity and exercise dimension. Moreover, their opinion showed that their health status were good, and satisfaction their every day life. The study suggests that health promotion should be incorporated into human resource development policy. Meanwhile, public health providers should support a training program of Health Promotion Model, and continuously disseminate information about health promotion behaviors to people in community, so that the goal to improve quality of life will be reached.

**Keywords:** Health Promoting Behaviors, Thai Reproductive Aged Women, Suburb.

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## **E-Government Implementations and its Effects on Public Services from the Perspective of Public Officials**

### **Abstract:**

In our era, where the presence of information and communication technologies is significantly felt, usage of information and communication technologies has been mandatory for the governments not only to ensure international competition, but also to ensure efficiency and effectiveness of public services and to improve productivity in terms of public service provision. In this context, governments have to adopt e-government approach by leaving the traditional understanding of government. Adoption of e-government applications in public administration is required to ensure the effectiveness and efficiency in the provision of public services to both citizens and private sector organizations.

E-government initiatives will be able to achieve success in the same rate as they are adopted by all actors in society. Public officials are one of these actors, since public officials, are one of the most important elements in the implementation of e-government model. How e-government is perceived by public officials, what their expectations on the subject are, and what kind of problems they think to exist are important questions. In the study, the questions of how public officials in the province of Karaman perceive e-government and what their expectations from e-government implementations are, will be tried to answer statistically in the context of their perception on e-government in Turkey and the world. On the other hand, with this study it is aimed to determine to which level public officials working in Karaman take the advantage of information and communication technologies in the provision of public services, what the role of information and communication technologies is in increasing the effectiveness and efficiency of public services.

Survey method has been used in the study. Universe of the study is public officials working in Karaman city centre. In the universe in question, questionnaire forms were given to lower, medium and top levelled managers and officials by random sampling method. We have cooperated with Karaman Governor's Office for the distribution of the questionnaire forms. In evaluating the data, frequency distribution, percentage distribution, descriptive statistics methods and also one way ANOVA analysis methods have been used.

**Keywords:** E-Government, Perception of Public Officials, Expectations from E-Government, Field Study, Case of Karaman.

**JEL Classification:** H11, H19, H70

## 1 Introduction

Public service is an activity that is provided by public entities or private individuals or organizations under the supervision of the former ones, for the satisfaction of a common or general need, which has gained importance for society (Gülan, 1988: 148). The pursuits to come out of the mould of classical public service provision to citizens, started to gain momentum at the 21<sup>st</sup> century (Ökmen et al, 2004: 33). At the last years of the twentieth century and at the beginning of the new century, information and communication technologies that facilitate and accelerate, the effective and efficient functioning in terms of the public administration at almost all areas of social, economic and political systems and processes has become an increasingly indispensable. In this context, e-government applications, is considered to assume an important role in eliminating the defects in the functioning of the traditional public administration. From this point of view, it is suggested that; in the current era, the state needs to fulfil e-government applications effectively, to adapt efficiency, effectiveness, transparency, accountability and other criteria. This process of change, which is called electronic-government applications, deeply affects the public administration both locally and globally.

## 2 Transition to E-Government in the Provision Public Services

E-government has started to be conceived as a system, where citizen-state relations occur mutually in a network environment; public services are offered in a network environment without distinction of time and space; additionally citizens fulfil their duties and obligations of citizenship through the network (Kankaya, 2010: 6). E-government emerges as a structure to allow transport of all the bureaucratic procedures to electronic media for delivering public services that are more efficient, to citizens and institutions. Access of citizens to the information and official documents they need, through less bureaucratic process and faster, is one of the expectations (Ulusoy, 2002: 120). In addition, e-government applications are expressed -in terms of new public administration approach- to be able to close the deficits about budget, performance and trust, in the way of refreshing the eroded trust of the citizens in governments. (Tyreman and Hocking: 2001).

In e-government implementations, there is an interaction between governments and the citizens; governments and commercial institutions; governments and suppliers, and finally service providing governmental agencies and organizations in public administration. An interaction arises in many areas from education of the people and institutions to health care, land services and taxation services. In these areas, the benefits achieved through electronic interaction are at a level that cannot be underestimated. First of all, through e-government; transparency in the management of the government may be realized, reduced transaction costs, significant increases in efficiency can be achieved (Demirel, 2006: 95).

## 3 Universe and Method of the Study

In the study, questionnaire method was used. For the preparation of the questions in the survey, studies of Altınak (2003), Balci (2003), OECD (2003), Jaeger et al (2003), Arifoğlu et al (2002), Şahin (2008) basic services of e-Europe initiative were used.

In the questionnaire form; questions about the technical infrastructure, web page, e-government expectations, problems, services provided and achieved through the web page, take place. The research

is examined considering the four-stage classification of Backus (2001), by which the development of e-government applications is discussed.

The universe of the study is, public officials, working in the city centre of Karaman. The questionnaire forms were delivered according to random sampling method, to junior managerial officers, mid-level and senior managers and officers in the universe. Karaman Governor's Office has been cooperated with, at the distribution stage of the survey study.

#### 4 Findings of the Study

**Table: 1 Demographical Characteristics**

		<b>Frequency</b>	<b>Percent</b>
<b>Gender</b>	Male	124	72,5
	Female	47	27,5
	Total	171	100,0
<b>Age</b>	20-30 Years	48	28,1
	31-40 Years	83	48,5
	41-50 Years	36	21,1
	51 + Years	4	2,3
	Total	171	100,0
<b>Education</b>	Secondary School	28	16,4
	Associate Degree	46	26,9
	Undergraduate	77	45,0
	Postgraduate	20	11,7
	Total	171	100,0
<b>Duty/Appellation</b>	Senior Manager	2	1,2
	Mid-Level Manager	10	5,8
	Junior Managerial Officer	7	4,1
	Officer	144	84,2
	Not answered	8	4,7
	Total	171	100,0

The vast majority of the survey questions were prepared taking into account the 5-point Likert scale. Reliability of the survey data was measured, and the alpha coefficient of the data was found to be 0.81. Due to this value is close to 1.00, the results of the survey were considered reliable and taken into evaluation.

Questionnaire forms, which returned from the public officials working in the city centre of Karaman, were interpreted using the program SPSS 16.00. In evaluation of the data; frequency distribution, percentage, and descriptive statistics and also “one-way anova” analysis techniques were used.

As can be seen in Table 1, a total of 171 people were evaluated for the sample. 72.5% of the participants were men, while 27.5% were females. In a field survey, the views of women are important as much as those of men, in terms of the results of the research. One of the aims of the study is to measure citizens' perceptions of e-government, based on the gender factor.

When aging characteristics of the study sample is analyzed, it is observed that; 28.1% of the respondents are "20-30 years", 48.5% of them are "31-40 years", 21.1% them are "41-50 years", and 2.3% of them are "51 years and over".

When the participants' educational status are analyzed, it is seen that; 16.4% of the sample are "secondary school" degree, 26.9% of them have "associate degrees" 45% have "undergraduate degree", and 11.7% of the respondents have "graduate degree". If one looks at the percentage distribution, it is seen that; most of the participants have undergraduate degree and less have secondary school degree. In other words, about 83% of the participants associate, undergraduate and post-graduate degrees, in terms of educational status.

1.2% of the participants included in the sample are senior managers, 5.8% of them are mid-level managers, 4.1% are junior level managers and 84.2% of the respondents are composed of officers.

**Table: 2. The meaning of Information Technologies According to Public Officers**

<b>How Information Technologies evoke to you?</b>	<b>No</b>
Speed	165
Quality	100
Low cost	48
Trustworthiness	44
Plurality of Transactions	42
Complexity	13
Flexibility	13

The usage of information and communication technologies in public institutions and in this context introduction of e-government implementations, there are expectations from this situation in accelerating the delivery of public services, increasing service quality, reducing service costs,

providing flexibility in public services. For these purposes, it is known that; all developed and developing countries have initiated projects to take advantage of information and communication technologies and e-government applications. Therefore, in this study, it has been tried to put forward, what kind of a perception information and communication technologies form on the public officials, and in this context, what their expectations are from information and communication technologies, indirectly. The findings of the survey are arranged in the table. As can be seen from the table, the expectations outstanding in domestic and foreign scientific literature appear to be confirmed by the government officials working in the province of Karaman. According to public officials in public institutions, who are included in the sample, information and communication technologies used in the in public institutions, bring mostly the speed and quality of service into mind. Reducing the costs of service and trustworthiness are the leading ones among the factors, following the mentioned first two.

**Table: 3 Public Officials' Expectations from E-Government Implementations**

<b>Expectations from E-Government</b>	<b>Frequency</b>	<b>Ranking</b>
Saving time	104	1
Transparency in services	96	2
Providing services more quickly	93	3
Reducing paper usage	89	4
Accessing exact information	75	5
Improving life quality	58	6
Speed and convenience in decision-making	55	7
Integration of information between public institutions	47	8
Increasing the satisfaction of the beneficiaries	44	9
Increasing the trustworthiness of the institution	39	10
Reducing costs, increasing productivity	32	11
Providing a trust environment between citizens and government	28	12
Restraining bribery and corruption	19	13
More accountable and responsible public administration	14	14

Public employees included in the sample were asked; “By passing the public services offered by your organization on to the internet, what benefits targeted for your organization and the citizens, and what are your expectations?”. Responses received are arranged in Table 3. As can be seen in Table 3, the desired benefits of e-government applications of public institutions are listed in order of severity. Expectations and benefits listed here overlap with the objectives highlighted in the theoretical part of the study. Particularly, benefits having the first five rankings imply eliminate the classic bureaucratic processes and increasing speed, quality and efficiency of public services (Şahin, 2008). E-Government

implementations, which give the opportunity to achieve transparency in services and access to exact information, aims to eliminate the privacy, and self-enclosed approach, which had become a general rule of public administration (Eken, 1994), because of the reasons such as nature of the political regime, state security and diplomacy, protection of private life, tend to gain authority, justification of the public interest provision, the tradition of bureaucratic administration, poor administrative practices and trends of the public officials to protect themselves from audit risk (Eken, 2005: 7-15). Another benefit of the public services in the internet environment is building a transparent, accountable, responsible public administration, which has been put forward by good governance (Şahin, 2008).

A relationship between e-government implementation and governance is defined in the scientific literature. E-government is recognised as, implementation of public governance in a different dimension, with the use of information and communication technologies in public institutions. In this context, the benefits/expectations, listed in Table 3 emerge as the expression of the basic principles of governance in a different way. To summarize, according to public employees in the scope of the research, the most important benefits expected from e-government can be expressed as follows:

- ✓ Saving time
- ✓ Transparency in services
- ✓ Providing services more quickly
- ✓ Reducing paper usage
- ✓ Accessing exact information
- ✓ Improving life quality
- ✓ Speed and convenience in decision-making

Application of e-government implementations and dimension of their reflection on public services form the focal point of this study. The researches of this area in Turkey are mainly demand focused. In other words, studies taking the citizens as basis are a great deal in both theoretical and practical areas, in the scientific literature. Viewpoints of public institutions and public officials, which form the supply point of e-government, have significant importance in terms of analysing the dimensions of e-government and its reflection on public services, better. In this context, a field study was conducted on public officials, working in the province of Karaman. Questions to determine, how an effect e-government implementations have on public services, were asked to them. The findings are arranged in Table 4. Questions prepared according to the five-point Likert-scale were analyzed using descriptive statistical methods and ANOVA test was performed based on different factors (level of education, working time, position in the institution). When looked at the ANOVA test results according to age group, education level, gender, and the working position of public employees, a significant result was not obtained in the context of those factors and public officials' perception about the impact of e-government implementations on public services. However, the results of descriptive statistics based on the impacts of e-government implementations on public services are arranged in Table 4.

**Table: 4. The Effect of E-Government on Public Services**

<b>E-Government and Its Effect on Public Services</b>	<b>No</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>
Citizens' easier access to information about our institution has increased.	140	1,00	33,00	4,0357
Do you think that, current e-government implementation has on positive impact on the transactions and processes of public administration?	143	1,00	5,00	3,6503
It makes our institution accessible (in terms of citizens and staff).	141	1,00	5,00	3,5957
The usefulness level of the current web site of your institution, for the internet users.	144	1,00	33,00	3,5486
In policymaking process, citizens were given the opportunity to participate and express themselves.	139	1,00	44,00	3,5252
It reduced the cost of public services.	135	1,00	5,00	3,4148
Accountability and responsibility of the public administration and public officials have increased.	138	1,00	5,00	3,3913
It increased efficient usage of public resources.	141	1,00	5,00	3,3830
How successful is your institution, in providing public services through e-government implementations.	137	1,00	5,00	3,3723
Development was achieved in the internal consistency and accessibility of public policies.	140	1,00	5,00	3,3286
It reduced bureaucratic processes (paper work-unnecessary formalities).	137	1,00	5,00	3,3212
Transparency increases in public institutions.	141	1,00	5,00	3,3191
Some progress has been achieved about responsible and transparent bureaucratic structure.	141	1,00	5,00	3,3121
An efficient and productive public administration approach has developed.	141	1,00	5,00	3,3050
Some developments arose about the cooperation between government and civil society organisations.	139	1,00	5,00	3,2950
Public policies are re-organized in the way to overlap the citizens' needs.	138	1,00	5,00	3,2826
It increased the trust in government.	140	1,00	5,00	3,2143

(1. Totally disagree /Very negative, 2. Disagree/Negative, 3. Partially agree/Partly positive, 4. Agree/Positive, 5. Totally agree/Very Positive)

According to the public employees in the scope of the research, e-government implementations in Turkey, led to these benefits in public services:

- Information about public services and public institutions can be accessed comfortably.
- The current e-government implementations have a positive effect on public services.
- Citizens and government officials can access public institutions through e-government, more comfortably.
- Public web sites facilitate citizens need and reduce paperwork.
- The impact of citizens has increased in determining public policies. At least, thanks to e-government, opportunities to get more information about the issues related to public policy, has increased.
- • There is a reduction in the costs of public services.

## 5 CONCLUSION

This study focuses on the issues of, e-government implementations and size of their reflection on public services, in Turkey. In Turkey, most researches in this area focus on demands. In other words, citizens based theoretical and practical studies have a big proportion, in the scientific literature. Points of view of public institutions and public officials, which form the supply point of e-government, are significantly important to better analyse the e-government dimensions and e-government's impact on public services. Considering these points, a field study was conducted on public officials, who work in the province of Karaman. They were given a questionnaire including questions to determine their perceptions about how an effect has e-government implementations on public services. In this study, it has been tried indirectly to put forward, what kind of a perception information and communication technologies form on the public officials, and in this context, what their expectations are from information and communication technologies,. According to public officials in public institutions, information and communication technologies used in the in public institutions, bring mostly the speed and quality of service into mind.

In the scientific literature, a relationship is defined between e-government implementations and governance. E-government is recognised to be a different dimensioned public governance application, through information and communication technologies usage in public institutions. In this context, the most important benefits expected from e-government according to public employees in the scope of our research, are:

- ✓ Saving time
- ✓ Transparency in services
- ✓ Providing services more quickly
- ✓ Reducing paper usage
- ✓ Accessing exact information
- ✓ Improving life quality

✓ Speed and convenience in decision-making

According to the data derived from the answers of the public employees, who participated in the research, e-government implementations in Turkey, has these benefits for public services:

- Information about public services and public institutions can be accessed comfortably.
- The current e-government implementations have a positive effect on public services.
- Citizens and government officials can access public institutions through e-government, more comfortably.
- Public web sites facilitate citizens need and reduce paperwork.
- The impact of citizens has increased in determining public policies. At least, thanks to e-government, opportunities to get more information about the issues related to public policy, has increased.
- There is a reduction in the costs of public services.

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## **Ghada Salama, Beena Ahmed**

Texas A&M, University at Qatar

### **Spelunking the Engineering World; Analyzing the Impact of the Use of Visualization to Introduce Students to Real World Engineering Applications**

#### **Abstract:**

Most of the new incoming students have limited knowledge about the applications of engineering in industry. One of our goals, in the first engineering course that freshmen take namely the foundations of engineering course, is to help students better understand these applications and motivate them about their future careers. In this context we decided to include a session with 3D visualizations about the research conducted in the four engineering areas offered at Texas A&M University at Qatar.

Previously this session of introduction to engineering was performed by a faculty member from each discipline giving a conventional power point lecture , however students' feedback indicated that this method was uninteresting and did not provide them with much understanding on how these fields play a role in society.

The visualizations introduced for each discipline included the performance of a solar energy plant for the mechanical engineering, a gas to liquids plant for the chemical engineering, the recovery of oil from water-drive oil reservoir for petroleum engineering and, the human brain activity for seizure detection for the electrical engineering. All these presentations took place at our 3D immersive visualization facility (the cave), which consists of a 1200 curved screen showing images as large as 3576 x 1024 pixels.

Students' feedback about these presentations was obtained at the end of these sessions in a survey form. Among the questions asked were if the presentation helped them gain an understanding in real life applications in all four majors, we also asked them if they preferred this method than a conventional lecture and if the accompanying audio commentary was helpful. The results indicated the experience was positive but not perfect.

In the future we plan to make them more interactive to allow the students to be more engaged in the process. Also additional visualizations will be incorporated to improve the current experience provided by these sessions.

## **Pattama Sappapan**

Language Institute, Thammasat University, Pathum Thani, Thailand

### **Teacher into Counselor: Turning Obstacles into Opportunities**

#### **Abstract:**

Autonomous learning is a concept highly valued for its benefit in encouraging learners to seek knowledge by themselves, both inside and outside classroom contexts. Concerns have been expressed, though, that learners continue to need teacher guidance and assistance to facilitate their progress throughout the learning process.

In English Language Teaching (ELT), self-access language learning centers are widely accepted as educational facilities designed for students who are motivated to learn outside the classroom. In order to help learners acquire the knowledge and self-directed skills to manage their own learning, some self-access language centers have incorporated learner support, through counseling or advisory services, into their existing self-access learning system.

In the absence of a self-access learning center, this study looks for an alternative way in promoting autonomy by a teacher outside the classroom context. The participants were 24 dentistry students in their second year who were enrolled in a course in English for Health Science. Questionnaires, a learning styles inventory, the Strategy Inventory for Language Learning (SILL), and brief consultation sessions were major tools used in this study to raise students' awareness about problems and difficulties they face as well as to enable them to reflect on their own learning process.

Findings and implications regarding the teacher's role in providing learner support and foster learner autonomy will be proposed and discussed.

## **Siok Kun Sek, Ching Mun Lim**

Universiti Sains Malaysia, Minden, Malaysia

### **Modelling the Volatility of Malaysia Stock Market**

#### **Abstract:**

A number of previous studies have been devoted to investigate the properties of stock market volatility in emerging markets. In attempt to contribute to literature, this study compares the performance of several models in forecasting the volatility of stock market in Malaysia and at the same time, determines the factors contribute to the stock market volatility in Malaysia. The models to be compared include symmetric GARCH model or Generalized Autoregressive Conditional Heteroskedasticity model and asymmetric models such as TGARCH (Threshold GARCH) and EGARCH (Exponential GARCH) apply to the data set of KLCI-index over twenty years daily data ranging from January 1990 to December 2010. The models are evaluated using three statistical error measures tools which are MSE (Mean Squared Error), RMSE (Root Means Squared Error) and MAPE (Mean Absolute Percentage Error) for in sample and out of sample analyses. The results are compared among three time frames, i.e. pre-crisis 1997, during crisis and post-crisis 1997. The results show that GARCH model outperforms the other models for the pre-crisis period and crisis period using in sample analysis. For post crisis period of in sample analysis, TGARCH model performs the best. For out sample analysis, TGARCH performs the best for the pre-crisis period and post crisis period while GARCH indicate the best performance for the crisis period. The exchange rate and crude oil price have significant impacts on the Malaysia stock market volatility in pre crisis period and post crisis period but they do not have significant impact on the Malaysia stock market volatility in the crisis period.

## **Vanlee Siriganjanavong**

Thammasat University, Pathum Thani, Thailand

### **EFL Students' Awareness of their Own Word-Recognition Strategies**

#### **Abstract:**

The study aimed to explore Thai learners of English's awareness towards the use of their own word-recognition strategies. The subjects were 40 first-year undergraduate students. They were divided into two reading proficiency levels: low and intermediate, according to their university entrance examination scores. Results collected from verbal reports were compared with those found in the questionnaire, which yielded some differences in the most frequently used strategies. Specifically, questionnaire results showed that the intermediate-level group preferred using an English-Thai dictionary if they found unknown words while reading ( $M = 4.25$ ), whereas the low-level group chose to skip unknown words if the words seemed unimportant ( $M = 4.20$ ). Limitations of the study and recommendations for future research are discussed.

## **Usaporn Sucaromana**

Srinakharinwirot University, Bangkok, Thailand

### **Blended Learning: Enhancing Students' Satisfaction in the EFL Classroom**

#### **Abstract:**

This study investigated how the use of the blended learning affects the learning satisfaction of undergraduate students in an undergraduate English course. Comparisons were made on responses to a satisfaction test completed by students enrolled in two sections of an undergraduate English course. One section utilized the blended learning as part of its instruction while the other section participated in face-to-face learning environment. The study makes use of a quantitative method. Results demonstrate that the blended learning could be a valuable resource to increase their satisfaction to learn English as a foreign language.

## **Mohammad Taleghani**

Islamic Azad University, Rasht Branch, Guilan, Iran

### **The Relationship between Salary and Wage System with Human Resources Productivity**

#### **Abstract:**

This research is a descriptive study. The statistical society of this research is the people of Islamic Azad University of Rasht and its sample involves 142 persons (48 persons are members of scientific Board and 94 persons are personnel) which were chosen by classification method. The instruments of gathering data are Questionnaire and Financial documents of the university in a period of five years. In order to analysis the data, besides the descriptive methods, Single variable t-test, Toki, Friedman, Regression and Correlation coefficient were used too. The analysis of results shows that there is a meaningful and positive relationship between salary and wage system with human resources Productivity.

**Keywords:** Salary and Wage System, Human Resources Productivity, Welfare Services, Reward Punishment.

#### **1 Introduction**

Considering the changes speed in various social and economical fields and increase of competition among service and industrial organizations, human resources productivity becomes a key factor, because the life of each organization relates to the measure of grow and improve its productivity it should recognize the effective factors and based on their importance, do a suitable work (Soltani, 2006). One of the most important factors on human resources productivity is salary and wage system.

Productivity is one of the basic bases of competition and countries which do not notice to this subject face problems in global markets, because unproductively causes potential difference in using resources and these countries have to enclose with fences around their economy and close these fences causes severe unbalance in their economy (Taheri, 2009).

Countries which want to grow and improve in different aspects of economical, social and cultural should first reach to development in knowledge and thinking. The most important and valuable resources of each organization are knowledge, experience and skill of their personnel.

A good planning for organizations personnel (which is coordinated with the business, is a huge help for productivity and growth improvement (Mashayekhi, 2008).

Human resources productivity is the most important factor for producing products and services and because of its relation with total productivity, is the most common tool for measuring productivity and in the most related studies to Productivity; it is caused productivity as general.

Salary and Wage system involves legal receives which are salary, grocery and house costs, going and returning costs, production increase reward, yearly profit,....(Taleghani, 2005).

A research with the subject "The relationship of wage and salary, Age and Education with productivity of small industries" was done in Kermanshah, the results of this research showed that there is a positive relationship between salary and wage, the Average of personnel work record, Age and Average of education years with productivity but the effectiveness of these factors are not the same. Work records have the maximum effect and the age of personnel has the minimum effect on productivity (Ganjawar, 2005).

Another research was done in a Car Company in Arak and effective human factors on growth of efficiency and productivity were examined in this research. The priority of effective factors on productivity from personnel's view was monthly income, Job enrichment, work participation, and education and work life quality. The analysis of personnel productivity in Iran Poly Acril Company showed that there is a positive relation between promotion, reward and punishment system with personnel productivity (Ataee, 2000).

## 2 Materials and Methods

Statistical society of this research is Islamic Azad University of Rasht, the sample involve 48 persons of scientific board and 94 persons of university personnel. The necessary data for this research was collected through questionnaire, official documents and financial statements during 5 years.

The questionnaire was made by researchers; then modified by proficients and used after final approval. In order to examine the validity of questionnaire, 30 questionnaires were distributed among scientific board members and several classes of personnel and after statistical researches, it is recognized that the validity of questionnaire is 89 percent. The number of questions is as follows:

**Table 1- The number of questions relates to each of variables.**

Salary and Wage	Welfare services	Reward and Punishment
1-9	10-16	17-22

In this research, descriptive-investigative and correlation method were used. In order to measure the effectiveness of salary, welfare services, reward and punishment on human resources productivity, descriptive investigative method was used and in order to examine the relation of wage, fixed salary and job allowance (which are collected from real data in a five years period) with human resources productivity, the correlation method was used.

## 3 Findings

The comparison of average of wage, welfare services, reward and punishment points with the average of each question for scientific board members and university personnel (Rasht branch) shows that (the observed t from critical amount in table is more than 5% error, so the above factors are effective on human resources productivity and all the three hypothesis are approved.

**Table 2- Correlation Coefficient between Human Resources Productivity with Fixed Salary, Specialized allowance, attraction allowance and wage (Scientific board members).**

	Fixed Salary	Specialized Allowance	Attraction Allowance	Wage
Human Resources Productivity	r=0/385	r=0/730	r=0/248	r=0/851
	P=0/522	P=0/761	P=0/686	P=0/068
	N=4	N=4	N=4	N=4

Based on the findings of table (2), the correlation coefficient between human resources productivity with above factors at  $P \leq 0/05$  level was not meaningful, but the relation between human resources productivity with specialized allowance and wage is strong however because of few amounts of sample, it is not meaningful.

**Table 3 – Correlation Coefficient between human resources Productivity with fixed salary, bonus, overtime work, Job allowance and wage (Islamic Azad University Personnel).**

	Fixed Salary	Bonus	Overtime work	Jub allowance	Wage
Human Resources Productivity	r=0/146	r=0/217	r=0/962	R=0/766	R=0/694
	P=0/814	P=0/726	P=0/009	P=0/131	P=0/194
	N=5	N=5	N=5	N=5	N=5

Based on the findings of table (3), the correlation coefficient between human resources productivity with fixed salary, bonus, job allowance and wage at  $P \leq 0/05$  level is not meaningful but this coefficient between human resources productivity and overtime work is meaningful. The relation between human resources Productivity with job allowance and wage is strong but because of the few amounts of sample is not meaningful.

#### 4 Discussion and Results

The results of questionnaire and real data are as bellows:

Analyzing the data about first hypotheses shows that the effect of salary and wage on human resources productivity is high, so this hypothesis is accepted. This result 1 coordinates with other researches (Ganjawar, 2005, Ataee, 2000). The analysis of second hypotheses shows that on the view of scientific board members the effect of welfare services on human resources Productivity is relatively high and from the personnel's view this effect is high; therefore this hypothesis was accepted. The analysis of third hypotheses shows that from the scientific board members and university personnel (Rasht branch) view the effect of reward and punishment and human resources Productivity is high, so this hypothesis was accepted. This result coordinates with other researches (Alavi, 2009; Ataee, 2000).

Analysis of real data about scientific board members of Islamic Azad University (Rasht branch) shows that the correlation coefficient between human resources productivity with fixed salary, specialized

allowance, attraction allowance and wage at  $P \leq 0/05$  was not meaningful but the relation between human resources productivity with specialized allowance and wage was positive. About university personnel, the correlation coefficient between human resources productivity with fixed salary, bonus, job allowance and wage at  $P \leq 0/05$  was not meaningful but this coefficient between human resources productivity and overtime work was meaningful. The relation between human resources productivity with job allowance and wage is strong.

Totally the results of this research shows that there is a positive relation between wage and human resources productivity, but the results of scientific board and personnel opinions is clearer and more highlighted than the results of analyzing the data related to documents and Financial statements. This matter shows that there isn't a suitable coordination between salary and wage system with productivity system, so for better resulting it is necessary that organizations make a sensible and scientific coordination between these two systems. According to the results, it is suggested to determine the wage and its yearly increases based on human resources Performance and it is better to consider group performance besides personnel performance; in order to execute the suggestions, it is necessary to establish a flexible salary and wage system.

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### **The Effectiveness of Genre-based Instruction in a Business Writing Course**

#### **Abstract:**

The genre approach to the teaching of writing has received considerable interest over the past decade (Hyland, 2002). Various research studies have revealed insights into the potential of genre as a pedagogical tool for English for Academic Purposes (EAP) (Bunton, 2002; Cheung, Lai, 1997; Flowerdew, 2000; Holmes, 1997; Hopkins, Dudley-Evans, 1988; Hyland, 2002; Swales, 1990) and English for Professional Purposes (EPP) (Bhatia, 1993, 1997, 1999; Dudley-Evans, 1997; Flowerdew, 1993; Henry, Roseberry, 1998, 2001). Genre-based instruction (GBI), therefore, has become an increasingly popular teaching method in ESL/EFL writing courses.

This study explores the use of GBI in teaching business writing at the postgraduate level. It examines how GBI had an effect on Thai EFL students' proficiency in writing English business messages. The participants of the study were 40 postgraduate students enrolled in a business writing course at a Thai university. With the one group pre-test, post-test design, the students were taught how to craft different types of business e-mail messages based on the genre-based pedagogy. They were instructed on macro-level features, text structure, and grammatical features of positive-news, negative-news, and persuasive-news messages during the treatment. The participants' writings were collected before (pre-test) and after (post-test) the experiment. The data were analyzed in terms of the move structure and grammatical features relating to each type of messages. With the t-test analysis, the results revealed that the genre-based instruction had a significant effect on Thai postgraduate students' development of writing ability with respect to the business genre. These findings suggest that genre-based instruction in writing can be an effective approach to helping EFL learners of English improve their writing skills.

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## **The Relationship between Trust Propensity, Trust in Technology and Trust in E-Government Implementations: the Case of Konya**

### **Abstract:**

Social, administrative and technological developments have made government electronic. E-government has paved the way for the services provided by governments today. However, one should not forget that, e-government has some problems and disabilities as well as many opportunities.

Among these problems, trust issue makes it harder to adopt and widespread e-government implementations. In this sense, trust is a key concept for the governments and public agencies providing information and services through e-government. There are many factors affecting trust in e-government. The subject of this study is the effect of -among the other factors- trust propensity and trust in technology on trust in e-government implementations.

In the study e-government concept, importance of trust in e-government implementations, trust propensity and trust in technology concept will be discussed briefly, and some dimensions of the issue will be put forward through the literature. In the field study part, the results of the questionnaire study made in Konya will be evaluated. In this concept, divergently from other studies, the aim of this study is to discuss trust dimension of e-government and try to put forward trust in e-government and effect of the factors; trust propensity and trust in technology on this trust, using the sample of Konya.

**Keywords:** E-Government, Problems and Disabilities of E-Government, Relationship between Trust in E-Government and Trust Propensity, Relationship between Trust in E-Government and Trust in Technology, The Case of Konya.

**JEL Classification:** H11, H19, H42, I38

## **1 INTRODUCTION**

Information is the power in information society and it is impossible to keep information inside the nation state borders, unlike other basic tools. Information is fluid, and is now moving at the speed of light. Transition to information society, not only changed the expectations of the citizens from governments, but also it left the governments to behave in accordance with information society and meet changing expectations of the citizens. From this perspective, e-government implementations came to the rescue the governments, and some objectives in terms of saving time and costs could be realised. There are a number of benefits of e-government, which are achieved by realising and going beyond these objectives.

On the other hand, there are a number of obstacles and also some problems and limitations of e-government implementations. While governments try to implement e-government effectively, there

will be some people, who resist or cannot use these implementations due to some impossibility. Also, some people will think that this amount of access to information and services is inconvenient in terms of safety and privacy or some people will not trust in government as the provider or in technology as the environment of all these information and services.

Hence, trust is one of the necessary issues for the adoption and diffusion of e-government implementations. Governments and public institutions using the authority of government eager to develop the services they offer taking a step forward beyond traditional understanding, by introducing e-government implementations. However, for the acceptance and wide spreading of e-government implementations, citizens' equivalent and even more trust in e-government is needed, when compared with traditional government structure.

In this context; in this study, trust propensity and trust in technology, which are thought to be effective on trust in e-government, and trust in e-government will be examined, then the claims and findings of the literature will be checked through the case of Konya. It is expected that, the study will shed light on the trust in e-government implementations in Turkey, through the case of Konya and some strategies will be able to be developed in terms of trust problem in e-government implementations.

## 2 E-GOVERNMENT CONCEPT

E-government has been necessary, with the trend to transform from traditional closed government structure to open government, from citizens to customer approach, from vertical or hierarchical organisation to horizontal organisation and from single centred government to decentralised governance, which occur in line with the demands, emerged with the changes in the fields of social structure and public administration. E-government is the product of a service-oriented, transparent, participatory, fast and high-quality promising approach, which is sensitive to the demands of citizens (Okçu et al., 2010: 118). E-government, is more than a web site, e-mail, or transactions over the internet. As a result of the technological revolution in the information society, e-government brings up results such as transparency, accountability, citizen participation and efficiency in government functions (Almarabeh and Abu Ali, 2010: 30).

In terms of easy understanding different e-government definitions, which do not appear to be combined under one definition, are given in the following table:

**Table 11: E-government Definitions**

DEFINITION	SOURCE
Making governmental services online for the citizens to access them at anytime and anywhere they want and for the intra government organisations to provide information safely.	(Boudriga and Benabdallah, 2002: 292)
Usage of information and communication technologies together with organisational change and new opportunities by public authorities in order to develop democratic processes and increase support for public policies.	(EC) (Alabau, 2004: 17) (Ferro, Cantanmessa and Paolucci, 2004: 174)
A way to provide efficiency, affectivity and equity in the access of citizens and business to the government.	(Reddick, 2007: 290)

Using internet applications to support government functions.	(Ladner and Petry, 2009: 14), (Rana, Williams, Dwivedi and Williams, 2011: 1), (UN, 2005: 14)
Application of electronic trade implementations on the field of public administration.	(Lim, Tan and Pan, 2009: 62,63)
Provision of information and services to public, and citizens' participation in governmental processes.	(Bhatnagar, 2009: 3)
Usage of electronic technologies in the relations between public authorities and civil society, in the actions of public authorities on democratic processes and in the provision of public services.	(Bhatnagar, 2009: 3-4)
A system, where electronic communication devices are used in the communication with citizens, other public institutions and foreign governments and also in the integral communication, by the governments.	(Rahimi, Rana, Ahmad and Gupta, 2010: 71)
A government form, which adopts citizens service demands by providing high quality ICT services in time.	(Young-Jin and Seang-Tae, 2011: 33)

E-government definitions generally put emphasis on one or some of these four issues, which are the answers of how, who, for whom and what questions (Annttiroiko, 2008: XII):

- a) *Technological devices*: This concept, which is the primary and basic issues of all e-government definitions, means adopting and using ICTs and it corresponds to the small “e” in e-government.
- b) *Goals and role of government*: This second issue is the aim of adopting and usage of ICTs by the governments. It usually involves general goals of public administration's transformation and reforms or clearer goals such as improved efficiency, better service or increased citizens' participation.
- c) *Citizens, customers and stakeholders*: Many definitions in recent studies put emphasis on key stakeholders being affected by the adoption of e-government, especially citizens and business. This reflects relational approach to e-government and it is closely related to public governance.
- d) *Implementation areas*: E-government can be defined through implementation areas including administrative functions, financial management, service provision, policy-making, political leadership, public governance and democratic parties or other functional areas.

In the light of all these definitions, we can define e-government as; usage of information and communication technologies by the governments, in all administrative and political areas in order to provide better functions services by allowing civil participation and good governance.

### 3 THE CONCEPT OF TRUST AND ITS RELATIONSHIP WITH E-GOVERNMENT

E-government is a phenomenon, which has recently passed into the citizens' lives and is newly being used to. In this context, it should be known that; the adoption of this new phenomenon will not completely realise, despite the necessity of using information and communication technologies in

service provision due to the increasing demands of citizens for efficient, effective transparent and responsible governments.

On the other hand, like everything, which meets the expectations and significant and positive information is had about, trust in e-government implementations will arise and get mature in time. However it should not be forgotten that for this trust to emerge some preconditions such as citizens' positive perception on e-government and on some factors that cause their trust in e-government must be developed. Accordingly, in this part trust concept and the factors: trust propensity and trust in technology, which are thought to have an impact on trust in e-government, are discussed.

### **3.1 The concept of Trust**

With mistrust becoming one of the most important issues in today's politics in recent years (Ruscio, 1996: 461), many researchers working in the field of political science have focused on the concept of trust, which they see as one of the essential building block of modern democracies and they have put emphasis on the importance of trust in increasing the efficiency of political and economic processes and planting social solidarity. However, it must be emphasized that trust will help to achieve individual and social returns, if all other parties are in a position that deserves trust. Trust, which is a virtue, will turn into a naïve behaviour in the absence of reciprocity, ethics and accountability, rather than a factor supporting public welfare, and trust climate will be undermined (Letki, 2006: 305-306).

Trust is vital in healthy functioning democratic systems. Because, democracy in a sense depends on the existence of people, who are willing to lay their destiny in the hands of the society (Wuthnow, 2002: 64). For the development of social welfare and relations co-operation is essential. Trust, support the co-operation in a society. Regarding how powerful the trust is, the greater co-operation is (Putnam, 1993: 171).

Although many definitions suggest that trust is putting oneself to vulnerable position; according to Solomon and Flores (2001), trust should not be seen as a weakness or vulnerability. Trust has the capacity to open new doors. Thanks to trust, people can get many benefits by building relationships with people previously unknown to them. On the other hand, individuals and institutions, which are late in building trust, miss the opportunities, which trust can offer them (Solomon and Flores, 2001: 43).

Trust, which is effective in business and social relationships, is important for both private enterprise and the public sector, at the same time. This situation has become more pronounced after the industrial revolution in modern societies. Thanks to the existence of a trust climate, not only private sector make investments easier, but also public sector can perform better. This is either the case for ordinary citizens. Citizens, who trust in each other and in the government, have a more comfortable life through the government mechanism, which they think to be managed efficiently. As a result, elected governments holding the state power are concerned in their basic duties and do not lose energy because of the results of distrust (Braithwaite, 1998: 350).

## **4 TRUST PROPENSITY**

In a trust relationship, not only how the trusted party is perceived but also truster's characteristics is affective, and one of these characteristics is trust propensity, which is general tendency of the individual to trust in others (Skarlatidou, Haklay and Cheng, 2011: 1915). Trust propensity or trust

disposition is the tendency of the individual to rely on others in a wide variety of positions, and according to McKnight, Choudhury and Kacmar (2002), this trend is also effective on institutional-based trust (Jones, Leonard, and Riemenschneider, 2009: 198-199).

In other words some factors affective on trust level, which are outside the factors about the trustworthiness of the trusted party, are determined by the trusting party. Accordingly, the character of the trusting party is affective on trust. This means that some people trust more than others (Starnes, Truhon and McCarthy, 2010: 5). One of the factors identified by the trusting party is the propensity to trust. In this kind of tendency, recipients' social trust level is affective. In the studies considering trust completely a psychological attitude, it is suggested that every individual is equipped with a personality, which determines their tendency to trust in certain situations and is associated with other aspects of individual's characteristics. While this psychological characteristics, so-called trust gets stronger, probability to trust is expected to increase in a certain situation (Chopra and Wallace, 2003: 3).

Three premises are effective on trust propensity: personality experiences and culture (Schoorman, Mayer and Davis, 2007: 351). Whether individuals and organizations have already entrained in legal processes or financial losses by individuals or organizations they had trusted before, will affect their attitude of trust in the later cases (Schoorman, Mayer and Davis, 2007: 346), and also the acquired cultural sub-structure (Schoorman, Mayer and Davis, 2007: 351), and their personality that is shaped by this cultural infrastructure will have an impact on their trust.

However, individuals mostly have to make decisions before obtaining enough data to about the trustworthiness of counterpart. In this case, not the trusting party's past experiences, but his/her own dispositional characteristics about trust will be active. This characteristics is a situation of expectation on the counterparts statements and the words could to be trustworthy and in our era, when the possibility to know much things about the counterpart, this kind of tendency gains more important in social processes (Colquitt, Scott and Lepine, 2007: 911).

There is a relationship between trust and "optimism", trust and optimism are two integral parts of the view of the world and dispositions about the world. While optimistic individuals have high level of satisfaction and trust, pessimistic ones emerges as trustless, cynical and non-participating individuals (Delhey and Newton, 2003: 95). Therefore, not knowledge and experience but, characteristics is affective on propensity to trust. Good intentions or tends to good expectations of the individual determine the level of trust.

## **5 TRUST IN TECHNOLOGY**

According to Carter and Weerakkody (2008: 475), the two factors are effective on service-oriented trust. One of them is the trust in service provider, and another is the mechanism that mediates the provision of that service. In general, technology, and in particular the internet, can be evaluated within the scope of these mechanisms, in terms of trust in e-government. For the environments such as internet, where important and sensitive information is shared between far ends, trust in the institution is required, and in this context, institutional trust approach is valid for the Internet. So the adoption of e-government is related to the citizens' belief that this new technology is trustworthy (Carter and Weerakkody, 2008: 475-476).

On this topic, Yıldırım (2010: 9), and Srivastava and Teo (2005: 723) have similar approaches. Accordingly, one of the two factors that impact trust in e-government is trust in government itself and the other is trust in the way of providing of e-government services (Yıldırım, 2010: 9; Srivastava and Teo, 2005: 723). Trust in technology, which can be defined as belief in technology to be satisfactorily used to achieve the desired goal (Srivastava and Teo, 2005: 723), refers to the method of providing services. E-governments means and methods being suitable and proper will form a trust of users in these means and methods, and will feed the tendency to use e-government implementations. For information and communication technologies to be able to serve the social co-operation, and integration of the state with the public; the citizens' trust in technology and interaction to be built on this trust are required (Yıldırım, 2010: 9-10).

In e-Europe 2005 action plan, it is suggested that building trust in online transactions can be possible by acting through three components. These components are: (1) providing information symbols, which make sure that the users have security (2) branding (3) circulation, presentation and technology. at this point the solutions, which are produced by technology, should reflect quality and professionalism of the technology (Tassabehji and Elliman, 2006: 5).

On the other hand, although there is a general acceptance to consider trust about individuals and organisations, for the concept of technology, an effort to achieve trust or disappointing the trusting party is not the case. In this regard, some authors, indicates a doubt about evaluating a concept such as trust in technology in the scope of trust. However, many studies about human-computer interaction suggest that, despite the technology's lack of effort to ensure trust, in terms of technology, the relationship between human and machine can form interdependency in social aspects and a trust relationship can occur. From this point, due to human beings' interacting with technology itself not the power beside it, and technological factors' being able to maintain relationships, which can be considered socially, trust in technology will affect the usage of technology and technological factors. (Chopra and Wallace, 2003: 5). Therefore, trust in technology, will play a key role in using of e-government, which can be defined as the usage of information and communication technologies in governmental services.

Likewise, according to Horsburgh, Goldfinch and Gauld (2011) users' trust in built systems in the areas of service, where technological innovations are used, is effected by their perceptions of trust in technology and its confidence. Particularly security about the security of information shared through the system security, and perceptions about the good intentions of the ones conducting the system, have positive or negative effects on the trust in using this kind of systems (Horsburgh, Goldfinch and Gauld, 2011: 233).

## **6 TRUST IN E-GOVERNMENT**

In parallel with the recent changes in public administration approach, citizens' expectations from public administration also change. In the new era, information requests from public administration have increased and citizens' participation, transparency and cooperation have become indispensable elements for democratic governments. For both ensuring citizens' access to information to ensure transparency, and establishing participation and co-operation, modernization of the government is required. This modernization should take place in both physical and psychological dimensions. While physical

dimension is defined through equipment, and personnel related competencies, the principles form the psychological dimension. It should be noted that, moral disabilities of bureaucrats and public employees at the point of principle, will be able to sabotage even the progress in physical competencies. In this respect, gaining the trust of the citizens requires competency in both dimensions (Kutlu, 2003: 1-2).

For adoption of electronic services, which is a factor of physical modernization, among these two dimensions, especially when it comes to financial or personal information, trust gains important. This point of trust being an important factor in the adoption of e-government is emphasized by many researchers (Vrakas et al., 2010: 299; Carter and Weerakkody, 2008: 475-476; Srivastava and Teo, 2005: 722.723). Moreover, according to Kivanç et al., success of e-government is directly proportional to the trust of e-government actors in e-government (Kivanç et al. 2006: 3).

Importance of the problem of trust in conducting electronic services is the need of government putting forward a transformation in service provision to provide the former quality and trustworthiness in the provision of electronic services, at the same rate as that of the traditional service provision methods, in order to be reciprocated about this kind of initiative. This is "*conditio sine qua non*" for electronic transactions, i.e. a mandatory requirement for electronic transactions (Traunmüller and Wimmer, 2003: 10). Otherwise, e-government, for the sake of which a great resource is spent and which includes great expectations, will be defeated by traditional understanding of the services, progress and quality expectations will leave their place to a roll back.

In providing trust in electronic media such as e-government implementations, there are four important areas. These areas are information, information systems, e-commerce and online relationships. Our trust in the knowledge gained through the Internet and other electronic resources, computer-based systems that we cooperate when we transact with electronic media, computer-based, buyers and sellers, whom we transact in these systems, and those we build relationships in the information networks; define our trust in electronic media in total (Chopra and Wallace, 2003 : 4-5). When the issue is addressed in terms of e-government, ones trust in e-government implementations is basically determined by the trust in the information gained through the implementations, a built system (web site), the organisations acting in the system and the employees working in the back stage.

According to Carter and Weerakkody, e-government has not reached maximum maturity and like every new concept, one of the issues determining the trust in e-government entering recently into citizens' lives is the characteristic properties of them. The other issue affecting the trust in e-government is the information derived about the service and the past experiences about the institutions providing the service and the trust in them as well (Carter and Weerakkody, 2008: 475). On the other hand, it is possible to increase the number of these issues. In fact, the concept of trust in e-government will be able to put forward clearly by determining those factors affecting this trust completely.

## 7 FIELD STUDY

In this part of our study, the aim and importance of the study will be put forward. Additionally, the findings and evaluation of the field study take place in this part.

## 7.1 The Aim and Importance of the Study

Electronic government is a component of information society, which is based on information and communication technologies. Information society has emerged after the natural, agricultural and industrial societies. While the technological change in the industrial society caused a development in socio-economical system, it is not abnormal to expect a more or less parallel change from the transformation to information society. Due to this expectation, e-government has become one of the most important goals of our age (Costake, 2008: 101).

Information technologies will be used effectively, when they are trusted. In adopting a policy, governments will face some problems such as the expectations of the citizens in terms of responsibility and service quality. Therefore, the characteristics of the citizens should be determined before making decisions about e-government implementation and wide spreading strategies. (Colesca, 2009a: 8).

Thus, while one of the threats about wide spreading and adoption of an online service and especially e-government is the problem of trust between the institutions and citizens and institutions, increasing transaction areas deepens this gap. The citizens making transactions through e-government share some personal, private information about themselves with the system and they worry about their information to be captured by others through some malware or something else. As a result this situation makes it a dilemma to promote competition or privacy primarily, while making decisions about the policies on electronic transactions (Tataroğlu and Coşkun, 2005: 173). As one can see, the extensiveness and efficiency of e-government are blocked by the trust problem.

The aim of this study is to measure the trust in e-government implementations and to put forward the effect of trust propensity and trust in technology on trust in e-government implementations.

## 7.2 The Method and Sample of the Study

Questionnaire method was used in the study. The former studies of Srivastava and Teo (2005), Teo, Srivastava, Shirish and Jiang (2008) and Colesca (2009a, 2009b) were used to determine the questions and methodology of the questionnaire. The questionnaire was pre-estimated on a small-scale sample before giving the final form.

The universe of the study consists of the citizens living in Konya, who have used e-government implementations before. Participants were included in the sample according to simple random sampling method, for which probability of each unit making up the universe have equal chance to be in the sample (Ural and Kılıç, 2005: 32) and undergraduate students who reside in the province of Konya helped us for the distribution of questionnaires. 400 questionnaires were distributed between 10<sup>th</sup> of March 2013 – 17<sup>th</sup> of March 2013 and 362 questionnaire forms inclusive of 374 returned, which were duly filled, were taken into consideration.

There are many theoretical and empirical studies on the relationship between trust issue and e-governments (for the findings of some of the studies see: Tan and Thoen (2000), Chopra Wallace (2003), Uslaner (2004a, 2004b), Srivastava and Teo (2005), Tassabehji and Elliman (2006), Bissola and Carignani (2007), Chen and Saeedi (2006), Cullen and Reilly (2007), Mofleh and Wanous (2008), Teo, Srivastava, Shirish and Jiang (2008), Carter and Weerakoddy (2008), Bélagner and Carter (2008), Jones, Leonard and Riemenschneider (2009), Colesca (2009a, 2009b), Rokhman (2011), Alsaghier and

Hussain (2012)). Those theoretical and empirical studies were taken into consideration, while determining both the aims and the methodology of our study.

### 7.3 Analysis and Findings

In line with the aim of the study, close ended questions were used about trust propensity, trust in technology and trust in e-government implementations, together with the demographical characteristics. The questions below are the questions tried to be answered by making this field study:

- Whether there is a relationship between demographical characteristics and trust in e-government implementations, trust in technology and trust propensity.
- Whether trust propensity has an effect on trust in e-government implementations.
- Whether trust in technology affects trust in e-government.

To measure the reliability and intelligibility of the questionnaire, it was tested on 25 participants, and the final form was given to the questionnaire by examining the questions considering the feedbacks. Every question in the questionnaire except the demographical ones were prepared according to five point Likert Scale. While the answer of “1” means “Totally disagree”, “2” means “Disagree”, “3” means “Partly agree”, “4” means “Agree”, and “5” means “Totally agree”.

In evaluating the data derived from the survey, SPSS 16.0 (Statistical Package for Social Sciences) was used. To measure the internal consistency and reliability of the questionnaire Cronbach’s Alpha test is used (Gaur and Gaur, 2009: 134). The reliability of the survey was found to be 0,834. This shows that the questionnaire is reliable, due to Alpha is above 0,70. This means that the items in the questionnaire are harmonised and can be used to measure the same structure (Gaur and Gaur, 2009: 134). The table below shows the reliability analysis result.

**Table 12: Reliability Analysis of the Survey**

Cronbach's Alpha	N of Items
,834	13

As seen on the Table 2, reliability coefficient of the questionnaire is 0,834. Accordingly, it can be said that the questionnaire is consistent internally and the questions can measure the same structure. Therefore the data obtained from the survey was considered reliable and they were taken to be evaluated, in line with the aim of the study.

Another statistical method used in the study is frequency and percentage distributions of the data. Frequency is “how many times an event occurs” simply. By using percentage distribution “relative frequency” of the event, frequency of which has been measured, is determined (Bryman and Cramer, 2005: 86). Frequency and percentage distribution were used in the study to measure the distribution of the demographical data.

**Table 3 : Demographical Characteristics of the Participants**

<b>AGE</b>	<b>Frequency</b>	<b>Percent</b>	<b>GENDER</b>	<b>Frequency</b>	<b>Percent</b>
under 18 years	17	4,7	Female	142	39,2
19-25 years	68	18,8	Male	220	60,8
26-36 years	123	34,0	<b>EXPERIENCE</b>	<b>Frequency</b>	<b>Percent</b>
37-47 years	113	31,2	under 3 years	86	23,9
48-59 years	30	8,3	3-10 years	153	42,5
60 + years	11	3,0	10 + years	121	33,6
<b>EDUCATION</b>	<b>Frequency</b>	<b>Percent</b>	<b>INCOME</b>	<b>Frequency</b>	<b>Percent</b>
Literate	9	2,5	under 500 TL	27	7,5
Primary School	32	8,8	500-1000 TL	45	12,4
Secondary School	69	19,1	1000-1500 TL	49	13,5
High School	65	18,0	1500-2500 TL	123	34,0
Undergraduate	134	37,0	2500-3000 TL	73	20,2
Post Graduate	53	14,6	3000 TL and more	45	12,4

As it can be seen from the Table 3, most of the participants are between the ages of 26-47, undergraduate, male, middle level experienced about internet and have 1000-1500 TL income.

To determine citizens' perceptions on trust propensity and trust in technology and trust in e-government, descriptive statistics were used. Descriptive statistics were evaluated through mean values of the answers. The results are below.

**Table 4: Trust Propensity Frequency Analysis**

<b>Statement</b>	<b>Mean</b>	<b>Std. Dev.</b>
I easily trust someone / something.	2,21	1,139
My tendency to trust someone / something is high.	2,41	1,144
I tend to trust someone / something even though I have little information about that.	2,33	1,139

According to the Table 4, we can say that participants have a low level of trust propensity. It can be said that the participants having this level of trust propensity will have a low tendency to trust a newly emerged issue such as e-government.

**Table 5: Trust in Technology Frequency Analysis**

Statement	Mean	Std. Dev.
I always find the work carried out by the government trustworthy.	3,06	1,045
Information and communication technologies to support work carried out by the government is always safe.	2,99	,986
I always trust the technology used to by the public institutions to execute e-government services.	3,16	,928
The measures taken in internet is enough for me to feel comfortable when using it.	2,85	1,018
There are enough technological and regulatory issues for me to be protected from the problems on the Internet.	2,74	,938
During my transactions via the Internet, encryption and other technological tools provide enough for my safety.	2,91	1,007

The participants “partly agree” with the positive statements about trust in technology. This level is above the level of trust propensity. This shows that participants trust in technology, although they have a low-levelled tendency to trust.

**Table 6: Trust in E-government Implementations Frequency Analysis**

Statement	Mean	Std. Dev.
I think that e-government services are not used to benefit from citizens.	3,25	1,038
E-government services are trustworthy.	3,38	,903
E-government services are run in a way that will not give harm to me.	3,39	,899
I trust in e-government services.	3,34	,902

The participants trust in e-government more than technology. This means that participants, who do not have a high tendency to trust, partly trust in technology and e-government. However, higher values of trust in e-government can be evaluated in terms of trust in government behind the technology. It can also be stated that; for the citizens to prefer e-government implementations to traditional ways of service, trusted governments should take into significant policies in order to promote this situation on behalf of e-government.

Determining the direction and significance of the relationships between demographical characteristics and trust propensity, trust in technology and trust in e-government implementations, is one of the aims of this study. To achieve this aim, Pearson Correlation, which has the opportunity to measure the linear relationship between two factors (Elliott and Woodward, 2007: 78), was used.

**Table 7: Correlation of Demographical Variables with Dependent Variables**

		<b>Trust Propensity</b>	<b>Trust in Technology</b>	<b>Trust in E-government</b>
<b>Age</b>	Pearson Correlation	,053	-,062	-,016
	Sig. (2-tailed)	,319	,245	,760
	N	359	350	352
<b>Gender</b>	Pearson Correlation	-,005	,113*	,018
	Sig. (2-tailed)	,925	,034	,739
	N	359	350	352
<b>Experience</b>	Pearson Correlation	,051	-,128*	-,117*
	Sig. (2-tailed)	,338	,017	,028
	N	357	348	350
<b>Education</b>	Pearson Correlation	,042	-,164**	-,078
	Sig. (2-tailed)	,428	,002	,144
	N	359	350	352
<b>Income</b>	Pearson Correlation	,055	-,136*	-,084
	Sig. (2-tailed)	,299	,011	,115
	N	359	350	352

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

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

There are some linear relationships between demographical characteristics and trust issues; however the correlations are not so high. For Pearson Correlation, a significant linear relationship is considered between two variables, if  $r$  coefficient is above 0,25 and  $p$  coefficient is below 0,05 (Elliot and Woodward, 2007: 80-84). Therefore, it is seen that there is no significant linear relationship between demographical characteristics and trust variables.

According to the correlation analysis results between dependent variables on trust, there is a linear significant positive relationship between trust propensity and trust in technology at 99% confidence interval. In this sense, it is seen that citizens having higher values of trust propensity are probable to have a higher level of trust in technology. Additionally, the linear relationship between trust in technology and trust in e-government is positive and more significant at 99% confidence interval. According to the result citizens, who trust in technology, trust in e-government as well. Thus, it is important to provide trust in technology to increase citizens' trust in e-government implementations.

**Table 8: Correlation of Dependent Variables**

		<b>Trust Propensity</b>	<b>Trust in Technology</b>	<b>Trust in E-government</b>
<b>Trust Propensity</b>	Pearson Correlation	1	,230**	-,037
	Sig. (2-tailed)		,000	,489
	N	359	348	349
<b>Trust in Technology</b>	Pearson Correlation	,230**	1	,493**
	Sig. (2-tailed)	,000		,000
	N	348	350	342
<b>Trust in E-government</b>	Pearson Correlation	-,037	,493**	1
	Sig. (2-tailed)	,489	,000	
	N	349	342	352

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

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

While ANOVA test is used to measure the distribution ratio of the dependent variables over independent variables (Cronk, 2008: 65) One Way ANOVA test is used to form a distributional table through the mean values of independent variables, which belong to only one of them (Levine et al., 2003: 20). In our study, it was discussed whether gender groups have significant differences according to dependent variables, using One Way ANOVA:

**Table 9: Gender Groups One Way ANOVA**

	<b>GENDER</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Trust Propensity</b>	FEMALE	141	2,3239	,98153
	MALE	218	2,3135	1,05123
<b>Trust in Technology</b>	FEMALE	138	2,8442	,72807
	MALE	212	3,0197	,77310
<b>Trust in E-government</b>	FEMALE	138	3,3297	,74786
	MALE	214	3,3563	,71788

According to Table 9, the differences between gender groups, in terms of trust propensity, trust in technology and trust in e-government do not have significant values. In other words although there are low levelled differences between gender groups according to trust issues, it is difficult to say those differences are significant to take into consideration.

In our study, it was also discussed whether there are significant differences between age, internet experience, education and income levels of the participants according to their answers to trust related questions.

**Table 10: Distribution of Dependent Variables According to Age (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust Propensity</b>	Between Groups	4,906	5	,981	,937	,457
	Within Groups	369,782	353	1,048		
	Total	374,688	358			
<b>Trust in Technology</b>	Between Groups	6,185	5	1,237	2,181	,056
	Within Groups	195,124	344	,567		
	Total	201,308	349			
<b>Trust in E-government</b>	Between Groups	2,978	5	,596	1,123	,348
	Within Groups	183,474	346	,530		
	Total	186,452	351			

According to Table 10, there is no significant difference between age groups in terms of dependent variables.

**Table 13: Distribution of Dependent Var. According to Internet Experience (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust Propensity</b>	Between Groups	1,147	2	,574	,544	,581
	Within Groups	373,296	354	1,055		
	Total	374,443	356			
<b>Trust in Technology</b>	Between Groups	3,602	2	1,801	3,183	,043
	Within Groups	195,196	345	,566		
	Total	198,798	347			
<b>Trust in E-government</b>	Between Groups	2,793	2	1,397	2,653	,072
	Within Groups	182,672	347	,526		
	Total	185,466	349			

When one looks at the Table 11, it is seen that there is no significant differences between internet experience groups according to trust issues, except trust in technology (sig=0,043). Distribution of mean values of responses according to internet experience is given below.

**Table 14: Trust in Technology According to Internet Experience (Scheffe)**

	EXPERIENCE	N	1
<b>Trust in Technology</b>	<b>10 + years</b>	115	2,8623
	<b>3-10 years</b>	149	2,9329
	<b>under 3 years</b>	84	3,1290

Table 12 shows that trust of the participants in technology decreases while their internet experience gets higher. This can be a sign of dissatisfaction with internet and technological features. In other words participants do not enjoy using internet and their concerns about privacy, security and service quality increase day by day while they use internet.

**Table 15: Distribution of Dependent Variables According to Education (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust Propensity</b>	Between Groups	6,856	5	1,371	1,316	,257
	Within Groups	367,832	353	1,042		
	Total	374,688	358			
<b>Trust in Technology</b>	Between Groups	8,575	5	1,715	3,061	,010
	Within Groups	192,733	344	,560		
	Total	201,308	349			
<b>Trust in E-government</b>	Between Groups	2,537	5	,507	,955	,446
	Within Groups	183,914	346	,532		
	Total	186,452	351			

Table 13 puts forward similar results about trust in technology according to educational status. There is significant difference between mean values of groups according to education, in terms of trust in technology (sig=0,010). Distribution of mean values of responses to the questions about trust in technology, according to educational status is given below.

According to Table 14, undergraduate ones' level of trust is the lowest, while primary school graduates level of trust in technology is the highest. It can be said that while participants have higher education their trust in technology decreases. This can be a result of knowledge about privacy and security problems of technological tools and electronic communication.

**Table 16: Trust in Technology According to Education (Scheffe)**

	EDUCATION	N	1
<b>Trust in Technology</b>	Undergraduate	131	2,8168
	Post Graduate	48	2,9201
	High School	64	2,9479
	Secondary School	67	3,0149
	Literate	9	3,1296
	Primary School	31	3,3763

**Table 17: Distribution of Dependent Variables According to Income (ANOVA)**

		Sum of Squares	df	Mean Square	F	Sig.
<b>Trust Propensity</b>	Between Groups	2,131	5	,426	,404	,846
	Within Groups	372,557	353	1,055		
	Total	374,688	358			
<b>Trust in Technology</b>	Between Groups	4,902	5	,980	1,717	,130
	Within Groups	196,406	344	,571		
	Total	201,308	349			
<b>Trust in E-government</b>	Between Groups	2,414	5	,483	,908	,476
	Within Groups	184,038	346	,532		
	Total	186,452	351			

Table 15 shows that there is no significant difference between mean values of groups according to income level, in terms of trust propensity, trust in technology, and trust in e-government.

## CONCLUSION

E-government can be defined as; usage of information and communication technologies by the governments, in all administrative and political areas in order to provide better functions services by allowing civil participation and good governance.

Trust is one of the necessary issues for the adoption and diffusion of e-government implementations. Governments and public institutions using the authority of government eager to develop the services they offer taking a step forward beyond traditional understanding, by introducing e-government implementations. On the other hand, citizens' equivalent and even more trust in e-government is needed for the acceptance and wide spreading of e-government implementations then the traditional methods of public service.

The adoption of e-government as a new phenomenon will not completely realise, if trust of citizens in e-government does not emerge. However, if e-government meets the expectations and significant and positive information is had about it, trust in e-government implementations will increase in time. On the other hand, for this trust to emerge, some preconditions such as citizens' positive perception on e-government are required.

In field study part of our research, participants from Konya, who had used e-government at least for once before, were asked to respond some questions about trust propensity, trust in technology and trust in e-government implementations. Significant results of the study are below.

- Participants, who have low level of trust propensity, will have a low tendency to trust a newly emerged issue such as e-government.
- Participants trust in technology, although they have a low-levelled tendency to trust.
- The participants trust in e-government more than technology. These higher values of trust in e-government can be evaluated in terms of trust in government behind the technology.
- For the citizens to prefer e-government implementations to traditional ways of service, trusted governments should take into significant policies in order to promote this situation on behalf of e-government.
- There is no significant linear relationship between demographical characteristics and trust propensity, trust in technology and trust in e-government.
- Citizens having higher values of trust propensity tend to have a higher level of trust in technology, while citizens, who trust in technology, trust in e-government as well. Therefore, trust in technology is required to increase citizens' trust in e-government implementations.
- Trust of the participants in technology gets lower while their internet experience level of the participants increase. This may mean that citizens are not satisfied with the new technology and their concerns about privacy, security and service quality increase day by day while they use internet.
- While participants have higher education their trust in technology decreases. This can emerge from cognition about privacy and security problems of technological tools and electronic communication.

To conclude we can say that e-government requires to be trusted. Trust in technology is one of the most important issues about trust in e-government. New technologies should be promoted in terms of security and privacy problems.

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## **Omer Faruk Tekin, Mehmet Gokus, Ali Sahin**

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### **Civil-Military Relationship between 2000 and 2012 in Turkey in the Context of Modern State**

#### **Abstract:**

The EU process, shaping the dominant policy and enhancing civil liberty in Turkey and the implementations, desire and determination of the political government, which has governed the country since November 3rd, 2002, regarding wide spreading political field; together with the global and local progresses during 2000s, paved the way of military to give up their habitual immunities. Since 2000 to our time, it is certain that important steps have been taken and important developments have occurred regarding efforts for harmonization to EU standards, for the civil-military relationship to normalise just as the developed democracies. The events experienced in this process had reflections on political structure. However, it cannot be stated that impact areas of the military on civil life have been completely eliminated.

In this study, the legal regulations to be made and constitutional reforms needed; for the civil-military relations to normalise and be conducted on a proper and healthy base, just as a modern state, and for the democracy and law to rule over state affairs, will be discussed.

**Keywords:** Politics, Military, EU Process, Normalising, Democracy.

**JEL Classification:** D71, D72, D74, D79, H11

#### **1 Introduction**

Turkey is a country, which has for almost fifty years tried to enter the European Union and to become a modern state of law, and however, went away from its goals as a results of chronic decennial military interventions.

All the states, which want to take an active position in the world, have to renew their political, economic and legal systems and institutions according to the needs of the time. Taken steps, based on the principle of democracy and the rule of law, and the innovations in the EU process, in Turkey in recent years, significantly increased Turkey's international development level. However, the delay of change, have negatively affected the success of the whole state system in economic, legal and other aspects and delayed the solution of our problems blocking Turkey's being a developed country.

#### **2 Civil-Military Relationships in a Modern State**

It is observed in many states around the world that, the military do not constantly intervene the regime in order to have the power, and transfer it on a regular basis to its rightful owners. This situation is seen

in the Ottoman Empire and the Republic of Turkey. The power was transferred to Sultans during the Ottoman period, and since 1950 to the democratically elected governments in the Republic period (Cornell, 1998: 79).

Since the military coup of 27 May 1960 to the present day, TAF (Turkish Armed Forces), has become an essential element of political life either by having the administration of the country directly or by making its affect felt indirectly. Sometimes this effect was reduced, and sometimes reproduced, but it is difficult to speak of a period, when democratic control was implemented in accordance with international standards (Demirel, 2010: 4-5).

The reason that motivated Turkish Armed Forces (TAF) to interfere in politics directly or indirectly, finds an expression in 35<sup>th</sup> Article of Armed Forces Internal Service Law. Duty of TAF in this article is defined as “to protect and preserve Turkish homeland and the Turkish Republic of Turkey, which is determined by the Constitution...”. As part of this task undertaken, TAF has a prominent place in the national system as a ready, organized, disciplined, trained major power. In democracies, this great power is at service of the government, which comes to power legitimately. However, as a country in the process of development in Turkey, special attention is given to the position of the armed forces in the constitutional order. While armed forces have been tried to be prevented from being completely in control of political power, the military's specific structure and functioning has been provided not to be interfered. On the other hand, equilibrium points such as the National Security Council (NSC) and the Supreme Military Council (SMC) were established (Öztürk, 2006: 177).

Civil-military relations in Turkey and its institutional structure can be said to have three interpenetrated important features (Akay, 2009: 5):

- 1) An administrative structure based around the concept of an extensive and vague defined national security, which has been created and deepened with every military intervention in historical continuity.
- 2) A trusteeship model, in which the army role plays an auditor role rather than an audited one.
- 3) An internal organization in the army, which is autonomous and highly centralized among other institutions.

Before proceeding with how civil-military relations in a modern state should be, it is considered useful to refer to the dimensions of political modernization. In a modern society, dimensions of political modernization can be collected under three headings (Çam, 2002: 224-225):

**First, political modernization is rationalisation of political authority.** This, refers to political authority's, being ahead of religious, familial, ethnic and traditional political authorities. In modern-democratic societies, political decision-making mechanisms are centralized; departed from arbitrary methods and the authority coming from tradition is weakened.

**Second, political modernization is orientation of social groups to policy and governing, rather than political participation.** Modernization of this size can be explained as increasing the participation of modern participatory culture in political process, by people through groups and political parties and rational and legal legitimacy taking its basis from the sovereignty of the people.

**Finally, political modernization is a structural and functional change.** Administrative, legal, military and scientific fields are separated from political fields and independent specialized bodies fulfil the functions, according to their institutional purposes and structure.

Considering this last dimension of political modernization, a modern state is expected to provide happiness to the whole community, rather than to make a social class happier than others. Like civil servants, workers, farmers, bureaucrats, artists, scientists, traders, politicians and government officials, soldiers should make their profession. Not only no one except soldiers should intervene with their work, but also the soldiers should not interfere with the others' work (Plato, 2010: 116).

Armed forces are a very special kind of political organization. There are four reasons, which separate the army and other institutions and sometimes provide them a different and even an overwhelming advantage when compared with those of civil organizations (Heywood, 2007: 534-535):

- 1) As an organization established for war, the army generates a power of real monopoly of arms and as a result, compulsion. While the armed forces have the power to continue or overthrow a regime, their loyalty is mandatory for the survival of the state.
- 2) The military is a well-disciplined body, trained through the tradition of a rank hierarchy and absolute obedience, where a strict organisation is dominated. This generates organizational efficiency.
- 3) The armed forces motivates its personnel with a team spirit that motivates them to fight, to kill and even to die, through an always distinguishable corporate culture and value system.
- 4) The military protects security and the unity of the state; this causes them to gain significant status and respect. In particular, this situation increases the tendency of the military to interfere with the political life, when they notice a dangerous situation according to themselves.

According to Huntington, "Military profession requires has expertise and has a limited structure". While the members of the profession have a specialized competence in their field, they have shortcomings of knowledge and proficiency in the areas except their fields. Relationship of the military profession with the state, civil bureaucracy and the politics consists of only a natural division of labour. Military experts, political experts and public officials have different areas of competence. After the professionalization of military science in 19<sup>th</sup> century, it has become impossible for an individual to operate in both areas (Huntington, 2004: 99).

Politics is beyond the field that is covered by military competence and military participation in politics shades professional competency and professionalism of them. That, belonging to military science, not only is subject to the political field, but also it is independent from it and it should be as well. Such as the war serves to political goals, the military profession serves to the purposes of the state. However, public official has to respect military profession, its integrity and activity area. Soldiers, have the right to expect political guidance from public official as a political expert. It is possible to talk about civil audit, only when this autonomous profession is considerably subject to political purposes (Huntington, 2004:100).

In developed countries, armed forces, due to their training as a different professional group, are susceptible to be separate. Additionally, the administrative and political expertise is a factor that prevents the government or the economy to be managed by the military (Giddens, 2008: 324). In

democratic regimes, military serves as subject to the elected civilian authority. They explain their views in the relevant platforms of the state, not to public, except for the occasional exceptions. Soldiers do not work as though they are party or state in the state. If one is over the line, if does not care about the rules of the democratic tradition, will be shown the door, and wished success in civilian life (Cemal, 2001).

### 3 Intervention Fields of Soldiers to Civil Life

In Turkey armed forces, have undertaken effective roles; in *politics* through the National Security Council and the media, in *industry and trade* through foundations and OYAK, in *judiciary* through their military judicial privilege. Currently, the compulsory military service socialises military values and an understanding of secularism and nationalism rather than a civil- democratic culture, and a parliamentary oversight cannot be fully generated on defence expenditure. Therefore, in the EU accession process, democratization of the status and functions of the Turkish Armed Forces remains as one of the necessary arrangements (Yıldız, 2006: 12). TAF, which was a dominant force in civil-military relations in Turkey between the years 2000-2012 and before, provided its impact on civilians, using different instruments and a different channels. The followings are the fields, where soldiers' intervention is seen on political life, democratic and civil processes:

#### 3.1 Administrative and Political Field

The military make an effective intervention to administrative and political fields, by using their effectiveness in National Security Council and the Supreme Military Council, and using the individuals, who are close to themselves and have political and administrative positions.

In an analysis made in 2009, the remarkable scene in terms of civil-military relations of those days is summarized as follows (Akay, 2009: 5):

- 1) Even though the reform process especially including the NSC, which started in the 2000s, contained important arrangements for the demilitarization of the organization; NSC still serves as a centre producing official policies for a great field, through a description, limits of which are unpredictable, including external and domestic threats.
- 2) Despite civilianization of the NSC General Secretariat, some of the assignments reflected in the media, especially in the field of internal security, are the sign of the armed forces to retain their power.
- 3) Non-formal mechanisms, which began to be used by the TAF, claims of direct intervention on judicial process and attempts to social engineering, are the signs indicating that domination understanding has not changed.
- 4) Centralist understanding and autonomy, which means that the army retains all authority on its internal structuring, is still protected significantly in spite of some regulations made.
- 5) Due to some secret regulations, some practices having uncertain legal basis and confusion of authority and responsibility between institutions, in the field of internal security, the militarization of the field goes on.

### 3.2 Legal Field

First of all, the establishment of a military justice system parallel to the civil justice by the soldiers when they take over the control, lays behind the independent position of military against civil authority. (With May 27, 1960 military coup, the Military Court of Cassation had become a constitutional institution, for the first time. With March 12, 1971 coup, decisions of the Supreme Military Council were excluded to judicial review. Most important, military power formed a Military Council of State with the name: High Military Administrative Court.) Thus, the military became nearly a “*state in a state*” by giving itself a position which reviewed the system but did not give the permission for itself to be reviewed by the civil authority.. Soldiers broke themselves off civil judiciary by using their own courts. They created an administrative and criminal judicial area for only themselves in their chain of command, by using descriptions such as military zone and military mission, area of which were intentionally held widely (Cemal, 2010: 348)

Military domination avoided judgement of the military personnel in civilian courts even in non-professional actions, by establishing a self-styled military judiciary system, while they also intervened civil and political life through SSCs (State Security Courts), which were removed in 2004, SBJP (Supreme Board of Judges and Prosecutors) and CC (Constitutional Court), structures of which were changed by the constitutional amendment referendum on 12 September 2010.

### 3.3 Economic Field

There are two ways of the influence of the military in economic field: *First*, while the military domination system is constructed, making regulations allowing the military to make some commercial activities, moreover giving them some advantages such as tax exemptions. The other is lack of transparency, lack of audit on military spending differently from other public institutions, avoidance of relevant legislation or precedent on audit of the Court of Auditors and the parliament.

**Armed Forces Pension Fund (OYAK):** Through OYAK army, acting as a collective group of capital and having direct investments on production, service, trade and financial sectors is an important aspect of the militarization in Turkey (Akça, 2010: 17).

**Unauditability of Defence Spending:** Only the General Staff determine Priority and principles on the issues of Turkish Armed Forces’ personnel, organization, intelligence, training and logistics services. The government restricts itself to providing the necessary funds and approving them (Ünsaldı, 2008: 242).

### 3.4 The Field of Media

After the military coup, TAF, by giving up holding the administration in their hands, imposed the politicians to implement the National Security Policy determined by their own. Their assistant on this issue is are the accredited media and civil bureaucracy (Balçı, 2000: 241). TAF even intervened with and directed the next day headlines of the media outlets, which are close to them.

In addition, they led to the emergence of an atmosphere of censorship across the country including the academic community, using threats and judicial proceedings against the human rights defenders, journalists and academics. After that, a police raid was organised to the centre of Nokta Magazine, with

the order of the Public Prosecutor acting on behalf of the General Staff Military Prosecutor. An internal directive of General Staff limited freedom of the press on military issues. The directive prohibited invitation of the most critical journalists against the army; to military receptions and briefings (European Commission, 2007: 14).

#### **4 Some Regulations Made for Normalisation**

1. Military members were removed SSCs (State Security Courts) during 1999-2002. The number of members of NSC (National Security Council) was increased and NSC was turned into a board, commenting when required and evaluated by the government.
2. In August 2004, for the first time a civilian was appointed as Secretary-General of the NSC. In order to increase the transparency of the budget, the Court of Auditors, were given the authority to audit military and defence spending. Military representative assemblies were removed from civil boards.
3. Despite the attempts of the military to interfere in political life, during the 2007 presidential election process, and their statements to the public, result of the constitutional crisis in the spring of 2007 reaffirmed the primacy of the democratic process.
4. In February 2010, the government repealed the secret protocol of police, law enforcement and support units: named as EMASYA, which allowed the execution of military operations without the consent of the civil authorities.
5. Investigations launched about Şemdinli event, Ergenekon and coup plans led to the arrest of people, including the retired generals among them.
6. SSCs were removed as a part of a package of constitutional amendments adopted in May 2004.
7. The most important development of 2010 is September 12 Plebiscite, by which a referendum was hold on a constitutional amendment package. Constitutional amendment package proposed by the government brought up a change in the formation of Constitutional Court and SBJP (Supreme Board of Judges and Prosecutors), limited the powers of the military courts, recognized the right to appeal against the decisions of SMC (Supreme Military Council), included a legal arrangement for the September 12 coup to be judged, brought up the authority of Constitutional Court to judge Chairman of the Parliament and the high military bureaucrats and also the right to individual petition to the Constitutional Court.
8. Regarding civilian oversight of military expenditure, a positive development was made in December 2010 by adopting the Law on the Court of Auditors. That law provided an opportunity to external audit on the expenditure of the Armed Forces.

#### **5 Future of Civil-Military Relationships in Turkey and Recommendations**

Since the early 2000s, the Turkish Armed Forces' (TAF) political role and privileged position in the system, started to be questioned more than the previous years. Although the dominative line lost power, the political role and privileged position of the Turkish Armed Forces can be perceived as legitimate by the civilian bureaucracy and some social groups, so that a serious opposition can be put forward against the steps taken in accordance with democratisation. The ones, who wish normalization of civil-military

relations, should be aware of these trends in TAF. They should avoid the attitudes and behaviour, which have a high potential to strengthen the dominative line, as far as possible, while drawing the ones adapting controlled change to a more democratic line. (Demirel, 2010: 3).

For normalization of civil-military relations, however constitutional reforms are important, it is clear that these innovations will not be sufficient for the elimination of military domination system. Therefore, all legislation adopted since the May 27 military coup to now, should be revised systematically and the extraordinary powers given to military authorities should be taken back (Erdoğan and Yazıcı, 2011: 30).

Civil-military relations in Turkey require to be rearranged in line with the examples of modern democracies. In this context, in our day, when a civil constitution is being tried to be made, is thought to be beneficial to put forward the following recommendations (SDE, 2011: 21-22):

1. The General Staff should be affiliated to the Ministry of National Defence (MND), and force commands should be converted into units of the General Staff.
2. TAF should focus on overseas defence, which is the basic issue of them, obligation of domestic security and public order should not be their case.
3. A radical reform should be realised, which will provide a functional reduction, restructuring and modernisation in the structure of TAF, which was organized in accordance with the perception of threat in the Cold War era conditions, and did not make a significant reduction of power after the period of threat.
4. The number of Colonels in TAF has risen to 6.350 and the number of generals and admirals has risen to 363. This situation brings together a serious cumbersome structure. In TAF, promotion system should be given a structure, which highlights scientific and professional performance, in accordance with competitive environment, rather than within the framework of established practices.
5. Minister of National Defence, should sideline the military personnel, who are suspected for Balyoz and the Ergenekon lawsuits, due to the his authority coming from 65<sup>th</sup> Article of the TAF Personnel Law No. 926.
6. There should be no legal or practical obstacles for State Audit Court to audit TAF spending; and transparency and accountability should be dominated in this regard.
7. Budget, training, and personnel policy of TAF should be revised in order to have an accountable position.
8. Military Law should be rearranged under the new vision to be determined in terms of new requirements.
9. Military High Administrative Court and the Military Court of Appeals should be removed; military justice should face only military disciplinary offenses.
10. Military educational institutions, curricula should be revised. In this context, the military high schools should be removed.

11. In fighting terrorism, Ministry of Interior should take the initiative and this fight should be done by the professional teams composed of Gendarmerie and Police special forces.
12. Gendarmerie General Command should be affiliated to the Ministry of Interior, Gendarmerie should be civilised and given a professional structure such as the Police Service.
13. TAF should transform into professional army gradually.

## 6 Conclusion

Global and local developments in the 2000s, EU accession process, which continue to shape domestic politics, and increase freedom, and the applications, requests and stability of political power to expand the existing political space, shows the way to the military to give up their usual privileges in Turkey. The establishment of a democratic constitutional order requires armed forces to be regulated in an equivalent status with the other public institutions.

In Turkey, the development of democracy, human rights, freedom of belief and expression, social and democratic rights, making of a healthy constitution, transformation of the laws and the judiciary to an independent structure so as to make the really justice, civil-military relations need to be improved to how it is in developed democracies. Laws and institutions, which allows military authority to become an unaccountable, uncontrolled structure and which can be considered a kind of equilibrium point in terms of military domination, which should be changed and democratised. It should not be ignored that; soldiers -like all other institutions and authorities-, should be dependent to civil administration for being a democratic, secular, social state of law.

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### **Research of Comparison of the Effectiveness Level of the Promotion Mix Elements on the Hotel Choice of Thermal Hotel Guests and the Level of Consideration of Thermal Hotels to This Effect**

#### **Abstract:**

In this survey, it has been aimed to determine; the importance that the four-star and the five-star thermal hotel guests in Turkey give to the promotion mix elements which effect their hotel preference. From the point of thermal hotels, it has been aimed to determine the effectiveness level of the promotion mix elements that have been used to increase the sales and to ensure the guests to prefer their business. And consequently, in the light of this determination, it has been aimed to compare the impact level of promotion mix elements to the hotel preference of thermal hotel guests and the taking into consideration level of thermal hotels to this impact. For the study, two separate questionnaire forms have been prepared. With the questionnaire prepared for hotel managers, it has been reached to 36 four-star and 5-star hotel managers from İzmir, Afyon, Denizli and Bursa cities. With the questionnaire prepared for hotel guests, it has been reached to 603 current guests from these hotels. According to the test results, it has been determined that; thermal hotel managers find “the direct marketing activities” as the most effective promotion elements for thermal hotels. In the study, the promotion mix activities that are carried out by thermal hotels are regarded as the factors that effect the hotel preferences of guests. And the test results show that when they make a hotel selection the guests find “the sales promotion activities” that are carried out by hotels as the most effective promotion activity that affect their choice. Besides, with the hypothesis that have been tested, it has been seen that with the value that the hotel guests give to the advertisement, personel selling, public relations and publicity, and sales promotion activities that have been carried out by hotels; the taking into consideration level of hotels to this value doesn't match each other.

**Keywords:** Thermal Tourism, Promotion Mix.

## **1 INTRODUCTION**

Maintaining their existence, surviving against competition, answering to consumer needs and wants and being successful by means of these ways is proportional to enterprises correctly determining the strategies of marketing mix and acting in the direction of these strategies. It is important in terms of the profitability and the competitive advantage to correctly determine the consumer needs and wants and transforming these expectations into marketing mix strategies.

Because of the changing environmental conditions, increasing competition and the sensitivity of the tourism demand towards external factors, it's much more important to develop correct marketing strategies and correct marketing mix elements.

The world tourism market have reached to staisfaction for the standart tourism product. This situation have caused a rapid increase in the demand for new types of tourism. Development of alternative tourism activities is one of the methods of diversifying tourism services and products. Being a sub-branch of health tourism, thermal tourism is one of the alternatives to provide the tourism diversity, to spread the tourism activities country-wide and to prolong the tourism season year-round.

## **2 THERMAL TOURISM**

Being a sub-branch of health tourism, thermal tourism or thermalism with other name is a type of tourism that is including the meeting of requirements of transportation, accommodation, food & beverage and entertainment of tourists for use of hot and cold mineral water in external and internal applications for health (Dođaner, 2001: 74). People who are changing place for health cure and treatment in a specific time need facilities to meet their accommodation, food&beverage, cure and treatment services, entertainment and vacation demand in the places where they go. This case, which is becoming functional in the supply and demand rule of economy is named as thermal tourism and became an important kind of tourism nowadays (Tunç ve Saç, 1998: 22).

Turkey is one of the first seven countries in terms of their geothermal source richness. Being on a young mountain chain called Alpine-Orogenesis and in an important geothermal zone, Turkey has more than 1.000 geothermal sources. The thermal water obtained from these sources have superior qualifications than the thermal water in Europe; with its flow rate, temperature and various chemical and physical features and used in a wide treatment area. Turkey is offering a unique health tourism environment with its thermal source richness combined with its rich cultural values, natural values and climate (T.C. Kùltür ve Turizm Bakanlıđı Sađlık ve Termal Turizmi Geliřtirme Çalıřmaları)

Thermal tourism is an important type of tourism for our country; since it can easily be entegrated to other types of tourism, it enables the tourism season to prolong the year-round, it contributes to the development of underdeveloped regions, it creates employment in these regions, it raises the health level of nation and it increases the economical productivity. Being a raising value across the globe, thermal tourism which is a type of health tourism is a source that needs to be emphasised to rise the tourism revenue. Our country is rich in terms of its thermal tourism potential. Initially for treatment purpose, the thermal sources are used for leisure, sports, let off steam and recreational purposes. The effective use of these sources is highly important for national economy and competitive edge.

## **3 RESEARCH OBJECTIVES**

Enterprises can use different types of promotional methods to communicate with individuals, groups and institutions. When an enterprise uses different types of promotional methods together to promote a specific product, this combination generates promotion mix for that product. The four basic components of the promotion mix are; advertising, personal selling, publicity and public relations and sales promotion. Enterprises use all of these elements for some products and a few of them for some

others (Engel vd., 1975: 5), (Dibb vd., 1994: 386). Below some brief explanations about these elements are given place:

- Advertisement is a kind of paid and impersonal communication tool that is conducted for an enterprise and its products. Advertisement is transmitted to target market by mass media like; television, radio, newspapers, magazines, posting and mailing, public transport vehicles, open area exhibitions or catalogues (Mandell, 1976: 4).
- Personal selling involves the efforts of informing the customers by personal communication and convincing them to buy the product. When compared to advertising, personal selling has some advantages and also some restraints. While advertising is a kind of communication that aims to appeal to a large target market, personal selling is a more specific method that aims to communicate to one or several people. Reaching to one single person by personal selling has generally a stronger effect on the customer. Besides, personal selling provide feedback that will be instructive in sales and marketing activities. It can be easier to respond to customer needs and wants with the information obtained by the feedback (Dibb vd., 1994: 387).
- Publicity is a kind of unpaid and impersonal communication tool that is performed by mass media. Magazines about the enterprise and its products, news in radio and television can be examples of publicity activities. Although the advertising and the publicity are both the messages that are transmitted by mass media, the enterprises do not pay any fee for publicity activities. Public relations manage and control effective publicity activities (Dibb vd., 1994: 388).
- Sales promotion is one of the promotional activities conducted to encourage customers to purchase and to attract the intermediary firms to the product. Sales promotion is also the temporal and short-term efforts get down to increase the effectiveness of the purchasing power of customers (İslamoğlu, 2000: 464).

Hospitality enterprises, like other enterprises, use promotional tools to increase their sales and to make the customers prefer their enterprises. The effectiveness of the promotional tools that are used by enterprises towards their marketing objectives is important in terms of profitability and competitive edge of the enterprise. The needs and wants of the customers are instructive in determining the promotional tools that the enterprise will use.

One of the aims of the research is to determine the effectiveness of the promotion mix elements on the hotel preference of guests that prefer thermal hotels. Another aim is to determine the effectiveness level of the promotion mix elements, in terms of thermal hotels. After the determination of the attitudes of both the hotels and guests about promotion mix elements, the research aims to compare the effectiveness level of the promotion mix elements on the hotel preference of guests and the consideration level of thermal hotels to this effect. With the data obtained from the research it is aimed to contribute; to the development of promotion mix strategies that are suitable for the needs and wants of customers in hospitality enterprises, to insure the customer satisfaction and to the success of the promotional activities. Contribution to the tourism literature in another aim of the research.

#### **4 METHOD OF THE RESEARCH**

In the study, two different questionnaire forms has been used as a data and information collection tool. The first type of questionnaire forms are applied to the managers of four-star and five-star hotels in cities of Izmir, Ankara, Denizli and Bursa in Turkey. The second type of questionnaire forms are applied to the current guests of these hotels. These cities are chosen since they are the main destinations for thermal tourism in Turkey and they are the cities that have the most four-star and five-star hotels.

#### **5 THE UNIVERSE AND THE SAMPLE OF THE RESEARCH**

For the first questionnaire form of the research that is applied to thermal hotel managers, the universe is the thermal hotels in the cities mentioned above. There have been 40 four-star and five-star hotels in the period of time that the research has been conducted. At the end of the research, with the first questionnaire form that is named as “Manager Questionnaire”, 36 of these hotels have been reached and 36 usable questionnaire forms obtained. So that a sample of 36 hotels have been acquired. It can be seen that this sample represents the universe of 40 hotels in %90.

For the second questionnaire form of the research that is applied to thermal hotel guests, the universe is the guests of these 40 thermal hotels. The questionnaire form conducted to hotel guests is named as “Guest Questionnaire”. The questionnaires are conducted to the present guests of 36 four-star and five-star hotels. The present guests of these hotels that were staying in or just using the thermal facilities without accommodation answered the questionnaires. It has been reached to 603 available questionnaires at the end of face-to-face interviews. So a sample that consists of 603 hotel guests has been acquired. On the other hand, the research is limited with the information gathered from guests of four-star and five-star hotels in Afyon, Denizli, Izmir and Bursa.

#### **6 DATA COLLECTION**

The questionnaires are conducted in two different time periods to reach to different guest profiles and occupancy rates. First in August and September of 2010 and second in January and February of 2011 the questionnaires are conducted in 36 thermal hotels.

For the test of internal reliability of survey questions, measurement is performed considering the “alpha reliability coefficient” developed by Cronbach (1951). The Cronbach’s Alfa value is 0,911 for the Guest Questionnaire and 0,922 for the Manager Questionnaire. From these results, it has been seen that the reliability of the survey questions is high.

The data collected with questionnaires has been analysed within the scope and the objective of the research. The Statistical Package for Social Sciences 17.0 version is used for the analyses. To determine the convenience of the data to the normal distribution, it has been looked at the significance level of One Sample Kolmogorov Smirnov Test. The significance level of the test has been calculated as 0,000. Since this value is smaller than 0,05 significance level, it has been determined to be used non parametric test methods.

In this research, since the parameters are not convenient to normal distribution; in the comparison of non parametric two independent groups Mann-Whitney U Test and in the comparison of non parametric more than two independent groups Kruskall Wallis Test is used. Besides, for the

measurement of the dependence or relation between two categorical variables, Chi Square and Spearman Brown Test have been used.

## **7 HYPOTHESIS OF THE RESEARCH**

The hypotheses tested within the scope of the research are;

Hypothesis 1: The importance level of factors that the guests consider in their hotel choice differs from significantly according to the gender of guests.

Hypothesis 2: The importance level of factors that the guests consider in their hotel choice differs from significantly according to the age of guests.

Hypothesis 3: The importance level of factors that the guests consider in their hotel choice differs from significantly according to the educational status of guests.

Hypothesis 4: The importance level of factors that the guests consider in their hotel choice differs from significantly according to the occupation of guests.

Hypothesis 5: There is a significant relationship between the susceptibility of the guests towards advertising activities and the level of consideration of hotels to the advertising activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise.

Hypothesis 6: There is a significant relationship between the susceptibility of the guests towards personal selling activities and the level of consideration of hotels to the personal selling activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise.

Hypothesis 7: There is a significant relationship between the susceptibility of the guests towards public relations and publicity activities and the level of consideration of hotels to the public relations and publicity activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise.

Hypothesis 8: There is a significant relationship between the susceptibility of the guests towards sales promotion activities and the level of consideration of hotels to the sales promotion activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise.

Hypothesis 9: There is a significant relationship between the susceptibility of the guests towards direct marketing activities and the level of consideration of hotels to the direct marketing activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise.

## **8 FINDINGS OF THE RESEARCH AND ANALYSIS OF THE FINDINGS**

### **8.1 Effectiveness of the Promotion Tools Used in the Hotels that Participated in the Survey**

A question has been addressed to the hotel managers who participated in the survey, on the purpose of determining the effectiveness level of the promotion tools in terms of their enterprises. The information

about promotion tools used in the hotels that participated in the survey, to increase the sales of their hotels and to make the guests choose their enterprises can be seen above in Table 1.

**Table 1: Effectiveness of the Promotion Tools Used in the Hotels that Participated in the Survey**

Effectiveness of the Promotion Tools	Arithmetic Mean	Standard Deviation
Direct Marketing	4,72	0,45
Public Relations and Publicity	4,64	0,54
Personal Selling	4,61	0,65
Advertisement	4,53	0,65
Sales Promotion	4,44	0,70

Note: In the scale that means; 1= “not active at all”, 5 = “very active”. Factors are searched according to the Five Point Likert Scale

In Table 1 it can be seen that, among the promotion tools that are used in the hotels participated in the survey, “Direct Marketing” is the promotion tool that has the highest efficiency (arithmetic mean 4,72). “Direct Marketing” is followed by “Public Relations and Publicity”, “Personal Selling” and “Sales Promotion”. From this result it can be said that; the direct marketing activities, which can be conducted by methods like direct selling, direct posting and mailing, catalogue marketing, telephone marketing, television marketing, vending machine selling and internet marketing, is regarded as the most effective promotion tool by thermal hotels.

## 8.2 Participation Level of Guests to the Factors That are Effective in Hotel Choice

Another question has been addressed to the hotel guests who participated in the survey. In the question, there have been proposals about promotion mix elements that are thought to be effective in guests’ hotel choice. The participation level of guests to the factors effective is their hotel choice is examined with these proposals. The information about the factors that are effective in guests’ hotel choice can be seen in the Table 2 below.

**Table 2: The Importance Level of Factors That are Effective in Hotel Choice of Guests**

Factors Effective in Hotel Choice	Arithmetic Mean	Standard Deviation
While making a hotel choice, the sales promotion activities of the hotel is an important factor	4,08	1,05
While making a hotel choice, the advertising activities of the hotel is an important factor	4,00	1,13
While making a hotel choice, the public relations and publicity activities of the hotel is an important factor	3,91	1,04

While making a hotel choice, the direct marketing activities of the hotel is an important factor	3,91	1,00
While making a hotel choice, the personal selling activities of the hotel is an important factor	3,64	1,04

Note: In the scale that means; 1 = Strongly Disagree and 5 = Strongly Agree.

In Table 2 it can be seen that, among the factors that were assumed as effective in the hotel choice of guests, the “Sales Promotion” activities conducted by hotels is the most regarded one by guests (arithmetic mean 4,08). Sales Promotion activities are followed by the public relations and publicity activities of the hotel, the direct marketing activities of the hotel and the personal selling activities of the hotel in turn.

### 8.3 Tests of the Hypotheses

In the research, after the importance level of factors that are effective in hotel choice of guests have been determined, the hypothesis created to research if the the importance level of the factors that the guests consider in their hotel choice differ significantly according to gender, age, educational status and occupation of the guests are tested. The information about these hypotheses and their results are below:

#### Test of Hypothesis 1

Hypothesis No 1: “The importance level of the factors that the guests consider in their hotel choice differ significantly according to gender of the guests”. The results about this hypothesis have been given in Table 3 below.

**Table 3: Hotel Choice and Gender Relation**

Gender	N	Mean	Summated Rating	U	P	Significant Difference
Male	299	299,82	89.647,50	44.797,50	0,760	None available
Female	304	304,14	92.454,50			

Mann-Whitney U test, which is one of the non-parametric tests has been used to test the hypothesis; “The importance level of the factors that the guests consider in their hotel choice differ significantly according to the gender of the guests”. Since the significance level  $p\ 0,760 > 0,050$ , it can be said that the importance level of the factors that the guests consider in their hotel choice do not differ significantly according to their gender. For this reason hypothesis 1 is unverified. From this result it can be said that; the guests do not show similarity according to their gender in the point of the factors that they consider while choosing a thermal hotel.

#### Test of Hypothesis 2

Hypothesis No 2: “The importance level of the factors that the guests consider in their hotel choice differ significantly according to age of the guests”. The results about this hypothesis have been given in Table 4 below.

**Table 4: Hotel Choice and Age Relation**

Age	N	Mean	sd	Chi-Square	P	Significant Difference
16-25	51	231,95	4	17,977	0,001	Available
26-35	105	310,50				
36-45	145	274,31				
46-54	149	315,05				
55 and over	153	333,05				

Kruskal Wallis test, which is one of the non-parametric tests has been used to test the hypothesis; “The importance level of the factors that the guests consider in their hotel choice differ significantly according to age of the guests”. Since the significance level  $p\ 0,001 < 0,050$ , it can be said that the importance level of the factors that the guests consider in their hotel choice differ significantly according to their age. For this reason hypothesis 2 is verified. From this result it can be said that; the guests show similarity according to their age in the point of the factors that they consider while choosing a thermal hotel.

### Test of Hypothesis 3

Hypothesis No 3: “The importance level of the factors that the guests consider in their hotel choice differ significantly according to educational status of the guests”. The results about this hypothesis have been given in Table 5 below.

**Table 5: Hotel Choice and Educational Status Relation**

Educational Status	N	Mean	sd	Chi-Square	P	Significant Difference
Elementary Education	100	325,33	4	7,596	0,108	None available
High School	282	281,66				
<a href="#">Associate Degree</a>	72	311,49				
Undergraduate	132	321,49				
Post Graduate and over	17	309,47				

Kruskal Wallis test which is one of the non-parametric tests has been used to test the hypothesis; “The importance level of the factors that the guests consider in their hotel choice differ significantly according to the educational status of the guests”. Since the significance level  $p\ 0,108 > 0,050$ , it can be said that the importance level of the factors that the guests consider in their hotel choice do not differ significantly according to their educational status. For this reason hypothesis 3 is unverified. From this result it can be said that; the guests do not show similarity according to their educational status in the point of the factors that they consider while choosing a thermal hotel.

### Test of Hypothesis 4

Hypothesis No 4: “The importance level of the factors that the guests consider in their hotel choice differ significantly according to occupation of the guests”. The results about this hypothesis have been given in Table 6 below.

**Table 6: Hotel Choice and Occupation Relation**

Occupation	N	Mean	sd	Chi-Square	P	Significant Difference
Officer	96	311,20	8	27,945	0,000	Available
Labourer	91	268,54				
Retired	120	294,55				
Student	34	274,37				
Business Owner	57	337,22				
Housewife	92	294,27				
Employer	59	386,54				
Unemployed	13	337,85				
Other	41	234,82				

Kruskal Wallis test, which is one of the non-parametric tests has been used to test the hypothesis; “The importance level of the factors that the guests consider in their hotel choice differ significantly according to occupation of the guests”. Since the significance level  $p = 0,000 < 0,050$ , it can be said that the importance level of the factors that the guests consider in their hotel choice differ significantly according to their occupation. For this reason hypothesis 4 is verified. From this result it can be said that; the guests show similarity according to their occupation in the point of the factors that they consider while choosing a thermal hotel.

### Test of Hypothesis 5

Hypothesis 5: There is a significant relationship between the susceptibility of the guests towards advertising activities and the level of consideration of hotels to the advertising activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. The results about this hypothesis have been given in Table 7 below.

**Table 7: Guest and Hotel Relationship in terms of Advertisement Activities**

Spearman's rho	Correlation		Significant	
	Coefficient	N	P	Difference
Importance of Advertisement Activities for guests	1,000	603	0,452	None available
Importance of Advertisement Activities for hotels	0,130	36		

For the guests, is it how much important, the advertising activities of an hotel while they are choosing a hotel? For the hotels, is it how much important, the advertising activities they are using as one of the promotion tools, to increase their sales and to make the customers choose their enterprises? To test the hypothesis 5, Spearman Brown test is used. In the results of the test, the spearman's rank correlation coefficient is analysed. Since the relationship level  $P\ 0,452 > 0,050$  there is not a significant relationship between the susceptibility of the guests towards advertising activities and the level of consideration of hotels to the advertising activities, which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. For this reason hypothesis 5 is unverified.

### Test of Hypothesis 6

Hypothesis 6: There is a significant relationship between the susceptibility of the guests towards personal selling activities and the level of consideration of hotels to the personal selling activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. The results about this hypothesis have been given in Table 8 below.

**Table 8: Guest and Hotel Relationship in terms of Personal Selling Activities**

	Correlation Coefficient	N	P	Significant Difference
Importance of Personal Selling Activities for guests	1,000	603	0,282	None available
Importance of Personal Selling Activities for hotels	-0,184	36		

For the guests, is it how much important, the personal selling activities of an hotel while they are choosing a hotel? For the hotels, is it how much important, the personal selling activities they are using as one of the promotion tools, to increase their sales and to make the customers choose their enterprises? To test the hypothesis 6, Spearman Brown test is used. In the results of the test, the spearman's rank correlation coefficient is analysed. Since the relationship level  $P\ 0,282 > 0,050$  there is not a significant relationship between the susceptibility of the guests towards personal selling activities and the level of consideration of hotels to the personal selling activities, which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. For this reason hypothesis 6 is unverified.

### Test of Hypothesis 7

Hypothesis 7: There is a significant relationship between the susceptibility of the guests towards public relations and publicity activities and the level of consideration of hotels to the public relations and publicity activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. The results about this hypothesis have been given in Table 9 below.

**Table 9: Guest and Hotel Relationship in terms of Public Relations and Publicity Activities**

Spearman's rho	Correlation			Significant Difference
	Coefficient	N	P	
Importance of Public Relations and Publicity Activities for guests	1,000	603	0,659	None available
Importance of Public Relations and Publicity Activities for hotels	-0,076	36		

For the guests, is it how much important, the public relations and publicity activities of an hotel while they are choosing a hotel? For the hotels, is it how much important, the public relations and publicity activities they are using as one of the promotion tools, to increase their sales and to make the customers choose their enterprises? To test the hypothesis 7, Spearman Brown test is used. In the results of the test, the spearman's rank correlation coefficient is analysed. Since the relationship level  $P\ 0,659 > 0,050$  there is not a significant relationship between the susceptibility of the guests towards the public relations and publicity activities and the level of consideration of hotels to the the public relations and publicity activities, which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. For this reason hypothesis 7 is unverified.

### Test of Hypothesis 8

Hypothesis 8: There is a significant relationship between the susceptibility of the guests towards sales promotion activities and the level of consideration of hotels to the sales promotion activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. The results about this hypothesis have been given in Table 10 below.

**Table 10: Guest and Hotel Relationship in terms of Sales Promotion Activities**

Spearman's rho	Correlation			Significant Difference
	Coefficient	N	P	
Importance of Sales Promotion Activities for guests	1,000	603	0,283	None available
Importance of Sales Promotion Activities for hotels	-0,184	36		

For the guests, is it how much important, the sales promotion activities of an hotel while they are choosing a hotel? For the hotels, is it how much important, the sales promotion activities they are using as one of the promotion tools, to increase their sales and to make the customers choose their enterprises? To test the hypothesis 8, Spearman Brown test is used. In the results of the test, the spearman's rank correlation coefficient is analysed. Since the relationship level  $P\ 0,283 > 0,050$  there is not a significant relationship between the susceptibility of the guests towards sales promotion activities and the level of consideration of hotels to the sales promotion activities, which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. For this reason hypothesis 8 is unverified.

## Test of Hypothesis 9

Hypothesis 9: There is a significant relationship between the susceptibility of the guests towards direct marketing activities and the level of consideration of hotels to the direct marketing activities which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. The results about this hypothesis have been given in Table 11 below.

**Table 11: Guest and Hotel Relationship in terms of Direct Marketing Activities**

Spearman's rho	Correlation			Significant Difference
	Coefficient	N	P	
Importance of Direct Marketing Activities for guests	1,000	603	0,872	None available
Importance of Direct Marketing Activities for hotels	-0,028	36		

For the guests, is it how much important, the direct marketing activities of an hotel while they are choosing a hotel? For the hotels, is it how much important, the direct marketing activities they are using as one of the promotion tools, to increase their sales and to make the customers choose their enterprises? To test the hypothesis 9, Spearman Brown test is used. In the results of the test, the spearman's rank correlation coefficient is analysed. Since the relationship level  $P\ 0,872 > 0,050$  there is not a significant relationship between the susceptibility of the guests towards direct marketing activities and the level of consideration of hotels to the direct marketing activities, which is one of the promotion tools used to increase the sales of hotels and to make the guests choose their enterprise. For this reason hypothesis 9 is unverified.

## 9 CONCLUSION

In the research, it has been tried to test if the customer need and wants are and the services of the hotels meet each other. To test this, the parallel questions have been asked both to the thermal hotel guests and to the thermal hotel managers about; advertising, personel selling, public relations and publicity, sales promotion and direct marketing activities. As a result of the findings of the hypotesis tested with the outcomes of the research, it can be seen that thermal hotels can not meet the expectations of the guests about advertising, personel selling, public relations and publicity, sales promotion and direct marketing activities that a thermal hotel conduct. Thermal hotels care about the promotional activities to increase their sales and to convince the customers choose their hotels. But their efficiency about using promotion tools fall behind the expectations of the guests. Thermal hotels need to review their promotional studies according to customer expectations.

According to test results, it has been seen that the guests show similarity according to their age in the point of the factors that they consider while choosing a thermal hotel. From this result it can be said that; thermal hotels need to act by taking into consideration the age groups of guests while they are maintaining their marketing activities. It is important for them to offer services for different age groups and to give importance to different promotional and distribution activities for different age groups.

According to test results, it has been seen that the guests show similarity according to their occupation in the point of the factors that they consider while choosing a thermal hotel. From this result it can be said that; thermal hotels need to act by taking into consideration the occupational groups of guests while they are maintaining their marketing activities. It must be taken into consideration that the guests from the same occupation have similar expectations in the point of services offered and distribution and promotional activities. So the marketing activities need to be directed in the light of this fact.

### **ACKNOWLEDGEMENT**

This Study is supported by “Scientific Research Project Unit of Selcuk University Konya/TURKEY”

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### **Relationship between National Development, Regional Development and Local Development**

#### **Abstract:**

Providing the equally distribution of the economical welfare between society parts, cities and regions is showing up in todays societies by force of social state understaning. Providing the equilibrium mentioned is possible by the coordinately and compatible relationship between national, regional and local development programmes. This policy is, at the same time, among the important elements of economical and social rapport and communal stability.

In Turkey where serious development problems and instabilities have been experienced either on national or local scale, there have been some policies, projects and studies for the resolution of these problems continuing for many years. Turkey who lives the European Union candidateship process recently, exploiting the EU experience on development policies. National and regional development plans prepared by State Planning Organization, EU supported regional development grant programmes and etc. have made some predictions and presented some practice strategies.

In this study, the relationship between national and regional development will be examined. For this purpose, first the terms; development, national development, local development, regional development and rural development are tried to be defined to create a conceptual framework and then the improvement process for these terms briefly reviewed. After this conceptional introduction, the development policies that have been implemented in Turkey are tried to be classified according to their historical processes and implementation areas. Finally, a brief evaluation about the success of these development policies and practices has been done.

**Keywords:** Development, National Development, Local Development, Regional Development, Rural Development.

**JEL Classification:** O10, O18, O19, O38

## **1 GİRİŞ**

Especially after World War II, realization of national development with a balanced cooperation between various society parts and regions and in parallel with this situation, distribution of the outcomes of the development also between society parts and regions has taken part among primary topics of government programs and development policies. It has been becoming widespread the idea that; the development policies are not totally independent in their implementation areas and the national, regional and local development units are units that directly effect each other and that should complete each other in terms of aims and objectives. In this contexts, it can be said that it is

compulsory for the development programs to be planned in a body and to be in accord with subprograms. Considering this fact, implementation of development programs in tandem is also important in terms of target-result consistency.

## **2 AN OVERLOOK TO THE CONCEPT OF DEVELOPMENT AND NATIONAL DEVELOPMENT**

The development concept, in accordance with the improvement process of the societies, has gained different meanings in different periods and also has been used with different meaning within the same periods. And sometimes, the concept interlocked and used instead of the concepts that have similar meanings like; industrialisation, modernisation, progress, growth and structural alteration. But this situation has caused a scramble in the meaning of the development concept (Yavilioğlu, 2002: 59).

Development concept has been becoming meaningful in accordance with the effectiveness of the factors that play a part in the social change and has been commented in different ways by the economist, sociologists and historians that are analysing causes and effects of social changes.

The concept of development has been started to be analyzed comprehensively after the World War II. In this period, the lesson learned from historical experience of the developed countries has shown that the development concept is largely perceived as a period of real capital saving. In this context, with the entrance of the development concept to the literature of economics, the school of “economics of development” has been focused on the capital accumulation process and accordingly on the policies of development that will accelerate economic growth. 1950s and 1960s represent a period when the developed countries, as well as the developing countries has entered a rapid economic growth process (Farazmand, 1998: 1648).

Despite these positive growings in the area of economic growth, the unsolved problems of under developed and developing countries like poverty, unemployment, unfulfilled essential requirements, distribution of income and etc. has caused the reevaluation of the development process starting from the end of 1960s. The increase in the differences that already exist among underdeveloped countries on the basic subjects like historical experience, organizational structure, population and income level, has caused some conflict of interest even in the period of rapid growth of 1950s and 1960s and has deepened the latter problematical periods (Chang, 2003: 24-27). Within this scope, it has been faced to the more detailed works on the determinants of the process of economic growth and also the development concept has been seen as an alteration process that show up not only on economical but also on social and organizational structure (Şenses, 2001: 107). Consequently, the concept of development has been perceived as a whole that is formed by separate pieces and it has been accepted that the theory of development is closely connected to the social, cultural, political and psychological factors as well as the economical factors.

The terms of development and growth in economical meaning are among the most confused terms. They have been used instead of each other since the end of the World War II. From a general point of view, economical growth means more products. Besides, economical development has a wider meaning since it includes both more products and product diversity. The concept of development includes these five elements unlike the concept of growth: (Adelman and Yeldan, 2000: 95-109):

1. Sustainable growing,
2. Structural change in the patterns of production and consumption,
3. Technological development,
4. Social, political and institutional modernisation,
5. Development in human conditions

By comparing to the term growth, it can be said that economical growth expresses mostly the simple increasing process on the same thing, and economical development expresses the structural change process. Still the terms development and growth cross in a common point. The term development expresses an economic growth that can be expressed by general numbers as well as some other economical and social changes. They are also included to the concept of development the changes like; the balanced distribution of the national income, shift to a real industrial society that will enable the usage of the country resources in accordance with the conditions of social structure, the increase of the productivity of production relations and production activities that take place in all parts of the society, with a radical alteration, direction of substructure and social investments towards underdeveloped regions of the country, constitution of healthy nutrition conditions, reaching to a level of education system that comprises contemporary technological information and etc. (Ekonomi Ansiklopedisi, 1983: 722).

With a general description, development is the improvement of human life in material and spiritual areas with the alteration of a country's economical, social and political structures and the improvement of public welfare increasingly (Gülçubuk, 2006: 60). In a wider description, development is the process of increase in the opportunities of humanly life, improvement in the distribution of income, usage of the natural resources unthreateningly and reflexion of the riches to the life of the individual (DPT, 2006-a: 12).

From the days when the arguments above have been experienced and it has been tried to figure the extent of the concept of development to these days, development has been tried to be realized on certain scales. These can be separated for a country as; regional development, local development and rural development as well as national development.

## **2.1 Regional Development**

Either in developed or in underdeveloped countries, there have been important differences between regions in terms of economical and social development levels. The intensity of this difference is higher in underdeveloped countries compared to developed countries. This situation shows that regional unbalance exists both in developed and underdeveloped countries (İldırar, 2004: 15).

Regional development concept doesn't have a long history. Even if it emerged as a result of the differences between east and southeast Europe, the concept of regional development has a place in all the underdeveloped regions (Gök, 2004: 76).

It can be seen that western countries that have faced the problems of unemployment and full employment after World War I, have realized the problem of regional imbalance first. Even the

foundations of the theory of development hasn't been laid yet, it has been insisted on the need of the government intervention for the decreasing or totally removing of imbalance in these countries.

When the regional imbalance is evaluated as a subject that has both the economical and social dimensions; repairing of the imbalances that has social dimensions includes a range of regulations that have government support and that are public based. These regulations generally involves the activities based upon substructure. The economical dimensions of the regional imbalance involves the acceleration of the regional development. In this case, the concept of regional development resembles to each other with the development problems of an underdeveloped country. The concept has been entered to the economics literature after World War II and it has gained a spatial dimension to the economical and social development problems. In this period, it has seen that some researchers like Perroux, Mrydal, Hirschman, Amin and Rostov have conducted analysis about regional development and imbalanced improvement (Ildirar, 2004: 16).

According to the definition of the State Planning Organization, regional development is the efforts that consider the regional vision consisting of the mutual interaction of the regions of a country to other regions and to the world. Regional development takes as principle the terms of participation and sustainability. And it is a complement of efforts to increase the regional welfare by improving the human resources and by bringing the economical and social resources into action (DPT, 2003 (a): 27).

Regional development has been realized within the frame of some principles as “social profitability” and “development pole”. It's known that the private utility and social utilities do not show parallelism in so much cases when the distribution of limited production resources among alternative usage areas has been decided. Before anything else, the firms go towards the investment areas and regions that will maximize their profit. But the investments that have low economical profitability but high social profitability has to be made to start development and to minimize the economic and social improvement differences among regions. So that, the public investments have to be done by the state, and this is the result of the principle of “social profitability” (Ildirar, 2004: 17).

And according to the principle of “development pole”, that has been described by French economist F. Perroux; economical development can not start in all the regions of a country at the same time (Perroux, 2005). Development starts in some areas that have the best conditions for development and concentrates on these regions. After reaching to a particular intensity, it spreads to the whole economy by ultimate effects changing with various channels (Aktaran: Dinler, 2005: 273).

The aims of regional development can be summarized as follows (Dinler, 2005: 273):

- Decreasing the regional unbalance,
- Facilitating the compliant distribution of resources, economical activities and population among regions,
- Organizing the region,
- The spread of development to the country and regional development,
- Integration of regional economies,
- Encouragement of the balanced improvement in the regions,

- The balanced distribution of industry among regions,
- Having a fair share of underdeveloped regions from national economical development.

Regional development is the reduction of national development efforts to regional units.

It causes the creation of some problematical areas in national places; the unbalanced distribution of sources like national resources, qualified work force, technology, social, physical and economical substructure and also the differences in the historical, physical, structural and organizational features of the society. The main objective of the regional development is repairing these inequalities among regions.

Regional development efforts aim to remove the interregional unbalances by regional plannings and policies. It can only be possible by the efforts of regional development; to eliminate the problems that are caused by underdevelopment and to start a dynamical development process. The efforts of development, conducted according to the needs of the regions and the potential development factors, provide the transformation of existing differences to opportunities.

## 2.2 Local Development

Local development plays an important role on the provision of social and economical combination in all parts of the world. It helps; to the resuscitation of an urban location, encouragement of tourism in rural areas, improvement of derelict lands in industrial areas, introduction of specific food of an area, to the support of local enterprises in their competitive activities and etc. All of these activities contribute to the development of a specific local area, so to the development of regions.

At the end of 1970s, with the of ravel Fordist production system and passing to the post-Fordist production system, the old traditional regional planning and regional develepment understanding has started to lose prestige. Within the frame of post-Fordist theories, it became a current issue, the understanding of local development that examine the dynamism of location and decisiveness in the process of socio-economical development. The transformation of location to an effective factor on explanation of economical and social events, has caused the enterence of discussions of local development approach that evaluates the originality and dynamism of location in local development models (Karaçay-Çakmak and Erden, 2005: 112).

The main emphasis points of local development can be summarized as follows (Göymen, 2004):

- Development should be human oriented. Approaches that aim mere growth and neglect how the improvement reflects to individuals and to society are not sufficient.
- Development should be equitable and inclusive as far as possible. It should be watched to see how the results effect different levels of society and if needed protector and positive discriminant policies should be carried out for groups that could not take equal share from development process.
- Development is a multidimensional process (economical, social, political, cultural) and it should create a “complementariness effect” among these dimensions.

### 2.3 Rural Development

Rural development can be described as the process of; increase in the opportunities of people living in rural areas to the humanly living conditions, discovering of individuals their own forces, increase in incomes of individual, increase in education and health opportunities, usage of natural resources by protecting them, reflexion of richnesses to the lives of individuals (DPT, 2006-a: 12-13).

The rural areas where rural development efforts take place, can be described as areas that have unique identities with the density they have, social structures and way of livings, spatial and functional structures, economical structures and relations to their natural surroundings (Eminağaoğlu, 2005: 80). According to the report of 9th Development Plan of State Planning Organization, rural areas are described with the expressions like; “natural geographical area”, “areas out of borders of municipality urban area”, small and disordered settlements out of urban areas that have unique natural geographical features and areas with low population density (DPT, 2006-a: 10).

Policies of rural development take shape with the purpose of improvement in economical, social and cultural opportunities of rural population. Society and state work together to enhance the rural population to reach to the national standard of living and join the national development totally. The main objectives of rural development practices are; increasing the income level, education, health, residence, social security services of rural population and enhancing the adequate and balanced nutrition of individuals in rural areas (Yüksel and Dicle, 2009: 201).

## 3 POLICIES OF NATIONAL, REGIONAL, RURAL AND LOCAL DEVELOPMENT IN TURKEY

It have been continuing some policies, projects and works for many years in Turkey for the solution of development problems and unbalances. Living the European Union candidateship process intensely, Turkey has been benefiting from the EU experiences in its development policies. The national development plans prepared by State Planning Organization, regional development plans, regional development grant programmes supported by EU and projects so on have made some predictions and presented some implementation strategies. These studies will be examined below.

### 3.1 Development Plans

In Turkey, it has been searched for a solution for socio-economical problems with an understanding of planning since 1963. The aim has been determined as; better employment, better income distribution, better settlement system, better education, healthier life and better populating to help development. With the planned period, it has been determined as a basic target by force of the understanding of social welfare, the increase of income and balanced distribution of income among social classes and regions. Plans have been carried out under the leadership of state for an all out development (Sencer, 1991: 26).

All of the nine development plans prepared since the First Five-Year Development Plan, have presented various policies and targets to decrease development plans and regional development differences. The last development plan, The Nineth Development Plan, published in gazette no. 26215 on July 1st, 2006, includes the period of 2007-2013. Plan has been presenting the conversion policies of Turkey in economical, social and cultural areas. The Plan has been forming basis, for the documents

required for EU membership process, like “Economical Program Before Participation” and “Strategical Frame for Harmonization”, as well as for the national and regional plans and programs.

In the period of Ninth Development Plan, some strategies and objectives has been mentioned for the stability of economical growth and social development like (DPT, 2006-a: 12):

- Increasing the competitive power,
- Increasing the employment,
- Strengthening the humane development and social solidarity,
- Providing the regional improvement,
- Increasing the quality and effectiveness in public services.

### 3.2 Practices of Development Priority Regions

When it accepted the implementation of planned economical development policies in 1962, Turkey has divided its cities into 3 categories as; developed, mid-developed and underdeveloped, to solve the problem of unfair distribution of income. Using this classification as a base, some money and revenue policies like; priority in substructure investments, selective credits, tax and investment incentives, have been introduced to support underdeveloped areas (Özsabuncuoğlu, 1998: 311).

Priority region for development is a policy that has been implemented since 1968, for the transformation of underdeveloped areas to attractive places for private sector investments. The investment incentives are incentives that aim to provide economical, social and regional development, to accelerate technological improvement and industrialisation, rationale consumption of scarce resources, to decrease unemployment and rise the standarts of living of people. Investment incentives are important for the priority regions for development to recover from their disadvantageous situation for investment. Priority regions for development gain advantages compared to other regions by investment incentives.

By considering the rapport to the union acquis, there have been a new regulation with the law “The Law About Modification on Some Laws and The Incitation of Investments and Employment” in 2004. With this law, which is a last regulation about regional supports, it has been given some investment and employment supports to cities that have a personal income level below 1.500\$ (Okumuş vd., 2004: 211).

According to the Council of Ministers Decision that has become valid with the gazette dated October 17th, 2009, the final list of priority regions for development is as follows: (<http://mevzuat.dpt.gov.tr/bkk/15513.htm>):

#### List of Priority Regions for Development

- |             |               |
|-------------|---------------|
| 1. Adiyaman | 26. Kars      |
| 2. Ağrı     | 27. Kastamonu |
| 3. Aksaray  | 28. Kırıkkale |

- |                                                  |               |
|--------------------------------------------------|---------------|
| 4. Amasya                                        | 29. Kırşehir  |
| 5. Ardahan                                       | 30. Kilis     |
| 6. Artvin                                        | 31. Malatya   |
| 7. Bartın                                        | 32. Mardin    |
| 8. Batman                                        | 33. Muş       |
| 9. Bayburt                                       | 34. Nevşehir  |
| 10. Bingöl                                       | 35. Niğde     |
| 11. Bitlis                                       | 36. Ordu      |
| 12. Çanakkale<br>(Bozcaada ve Gökçeada İlçeleri) | 37. Osmaniye  |
| 13. Çankırı                                      | 38. Rize      |
| 14. Çorum                                        | 39. Samsun    |
| 15. Diyarbakır                                   | 40. Siirt     |
| 16. Elazığ                                       | 41. Sinop     |
| 17. Erzincan                                     | 42. Sivas     |
| 18. Erzurum                                      | 43. Şanlıurfa |
| 19. Giresun                                      | 44. Şırnak    |
| 20. Gümüşhane                                    | 45. Tokat     |
| 21. Hakkari                                      | 46. Trabzon   |
| 22. Iğdır                                        | 47. Tunceli   |
| 23. Kahramanmaraş                                | 48. Van       |
| 24. Karabük                                      | 49. Yozgat    |
| 25. Karaman                                      | 50. Zonguldak |

### 3.3 Regional Development Plans in Practice

Since each region of a country has different opportunities, features and problems, it requires a planning approach that handle sectoral preferences and spatial analysis together. In the studies of regional development, the primary targets are; decrease in interregional development differences, increase in welfare level of the population of underdeveloped regions and decrease in the level of immigration tendency.

Projects that have being implied to provide regional development are; Project of Southeastern Region of Anatolia, Project of Eastern Region of Anatolia, Yeşilirmak River Improvement Project, Rural Development Projects.

### **Project of Southeastern Region of Anatolia**

Project of Southeastern Region of Anatolia is a development project that has been implied to decrease the difference of development level among regions. This project has been considered with an understanding of multisectorial, integrated and sustainable development. The main objectives of the project are; decreasing the difference of development level by enabling the improvement in the standards of living and income of the population in the region and contributing to the national development objectives like social stability and economical growth by increasing productivity and employment opportunities in rural areas (Güneydoğu Anadolu Projesi Bölge Kalkınma İdaresi Başkanlığı, 1993: 2).

The project has been conducted within three components as; “regional development”, “agricultural development” and “urban development”, considering the socio-economical effects of watering and energy based substructure projects in the region (Ocaklı: 29). Regional development is the most important component and it includes the subjects of; analysis of the potential resources that the region’s social, economical and physical structure provides; pursuit of the agriculture, industry and services sector developments in the region; identification of the strategies to resolve regional problems; determination of the needed investment areas and amounts. Agricultural development involves the planning of investments needed to improve the factors of land, water and manpower in rural areas. And urban development involves the pursuit the effects of investments in cities, conducting the growth and planning of the centres of population (Dericioğlu: 21).

### **Project of Eastern Region of Anatolia**

Eastern Region of Anatolia is the least developed region of Turkey in terms of economical and social indicators. The reason of the underdevelopment in the region is the sectoral structure of its economy and the discrepancy of productivity in different sectors. The region has an agriculture based economy except a few cities. The current labour force in agriculture and the productivity of the land is low.

The main objective of the Project of Eastern Region of Anatolia, is the procurement of the environment to activate the potential of region. The main plan of Project of Eastern Region of Anatolia has adopted four target groups as; economical, social, environmental and spatial. In this context, the main objectives of the project are; increasing the personal income and employment, generalizing the activities that will accelerate the development, protecting and healing the environment, providing the sustainability of the development and creating a filter in front of the east-west immigration.

In order to eliminate the development gap in Eastern Anatolia, although a number of regional development projects were prepared, an effective result was not obtained from these. DAP, including 16 provinces such as Ağrı, Ardahan, Bayburt, Bingöl, Bitlis, Elazığ, Erzurum, Erzincan, Gümüşhane, Hakkari, Iğdır, Kars, Malatya, Muş, Tunceli and Van and consisting of three parts as “East Anatolian Project Master Plan”. “Remote Educational Project”, and “Project of Strengthening Private Sector”, was prepared by 5 universities (Atatürk, İnönü, Kafkas, Fırat and Yüzüncü Yıl Universities) in the region in coordination of DPT. With Project of Strengthening Private Sector, potential investors in DAP region are aimed to be subjected to the education and thanks to this, stimulating private entrepreneurship in the region is targeted. In the scope of DAP Remote Educational Project, between Atatürk, Kafkas, Yüzüncü Yıl, Fırat and İnönü Universities and DAP, it was aimed to install video –

conference system, thanks to this, supplementing lecturers, whose numbers are insufficient, with the new ones, it was aimed to raise the quality of education (Bircan, 2000: 1024).

### **East Black Sea Region Development Plan (DOKAP)**

The least developed region following East Anatolia and South East Anatolia is Black Sea Region. This region is problematic from socioeconomic and environmental point of view. The major economic problems consist of the undeveloped transportation structure, limited urbanization level, weak agricultural structure, production structure based on only tea and nut, recession in rural economy, and unbalances in the region. Due to the possibilities of employment, that the people of region have difficulties in living, that there are distinction in accessing the services in the region, and the difficult social problems injuring social bonds are of the most important one. Since water and land are not effectively used, the problems such as the decrease of natural resource capacity, and settling problems are of the most important ones among them.

DOKAP master plan covering the short and long term in quality to provide eliminating the problems above became more important after Treaty of Black Sea Economic Cooperation (Sarıca, 2001: 185). It incorporates 10 large program packages and 53 projects and programs on the different sector and transporting spatial structure, strengthening economic structure, increasing the administrative, social, and environmental accountability form the foundation of projects and programs (DPT, 2000: 43 ).

### **Yeşilirmak Basın Development Project**

By means of this project, without disturbing economic balance, how will be possible to use the land the most effectively, raising the level of welfare by means of the follow of natural resource use, and by planning the management, decreasing the socioeconomic development gap of the region compared to the other, and increasing the level of effectiveness. In the scope of the project, including the provinces of Amasya, Tokat, Yozgat, Çorum and Samsun, there are issues such as combating with erosion, removal of pollutants in water, improvement of meadows, follow of urbanization and industrialization, establishing geographical information system, and identifying forestry areas (DPT, 2003: 25).

### **Zonguldak-Karabük-Bartın Regional Development Project**

Zonguldak-Karabük-Bartın Regional Development Project, as a result of becoming Turkey Hard Coal smaller, and privatization of Karabük Iron - Steel Enterprises, is a project covering middle and long time, carrying out economic and social analysis to emerge; creating the possibility of investment for private sector to be in active; defining the investments to be able to be made in the region; and based on cooperation between private sector and public sector (Sarıca, 2001: 174). Decreasing the immigration with project, a great employment increase in manufacturing industry and sector of services, strengthening production structure in agricultural and forestry sector, the increase in welfare, increase in income, and increase in the quality of labor force are targeted.

## **3.4 Development Agencies**

Development agencies were established in order to develop the cooperation between public sector, private sector, and nongovernmental organizations; provide the use resources in place and effectively; and mobilizing the local potential, to accelerate regional development; provide its sustainability; and

interregional and intra-region development gaps in accordance with the principles and policies foreseen in development programs,

According to the Code, numbered 5549, based on Level 2 regions, upon the proposal of minister, to whom State Planning Organization subjects, the agencies that will be established by the decision of Board of Ministries subject to the provisions of private law in their all transactions having legal personality and arranged with the code. In addition, State Planning Organization is responsible for coordinating the agencies in national level (<http://www.dpt.gov.tr/bgyu/kalkinmaajans/5449SayiliKanun.pdf>)).

Development Agencies, in accordance with the Code, were equipped with the duties such as providing technical support for planning works of local governments; making research toward determining the resources and possibilities of region and accelerating social development; and getting it made; supporting the research carried out by the other institutes and agencies and so on.

### **3.5 Rural Development Projects**

The aims of rural development projects conducted in Turkey are to raise welfare via diversifying economic activities and increasing income in backward vicinities. The characteristic of rural development projects that makes them different from the other projects is that they are holistic projects, besides improving the rural infrastructure, that consider together increasing the production of vegetable and animal products and development of the other activities bringing income, evaluating the resources in the best way (TKB, 2003: 23). The projects include the areas such as developing agricultural and livestock, irrigation, improvement of wetted area, constructing the village roads, ponds for drinking water, supplying drinking water, increasing agricultural and animal production, and forestation activities. So far, a number of development project including various provinces such as Çorum -Çankırı Rural Development Project, Erzurum Rural Development Project, Bingöl Muş Rural Development Project, Yozgat Rural Development Project, Ordu-Giresun Rural Development Project, Sivas – Erzincan Rural Development Project, Rize-Bayburt-Gümüşhane Rural Development Project, and Diyarbakır-Batman-Siirt Rural Development Project have been realized.

### **3.6 Practices of Central Village, Village –City, and Agricultural City**

In rural areas, dispersed settlement tissue resulted from social, cultural, and economic reasons limits the human relationships and causes the important social troubles such as that out-group relationships do not develop; that sub cultural groups that are the social and cultural richness resource of the country cannot make relationship to each other; and that market real relationships do not develop sufficiently. In order to find a solution for this problem, in 1983, with the decision of Boards of Ministers, together with DPT and the relevant organizations, as a result of study carried out by local administrators, all over country, 4319 villages were accepted as central village (Doğanay, 1993: 2). The aim to establish the central village was stated as providing togetherness in transporting and conducting the services toward rural area to the settlements in vicinity in time and completely through certain prioritized settlement centers by executive agencies toward rural area in the approach of central village, the main principle is to give weight to the dimension service. However, unbalance between village and city does not only result from the deficiency in service areas (Çetiner, 1990: 64).

Village –city is a development offer put forward between the years 1970 -1980. This proposal aiming at eliminating the living unbalance between village and city and forming a sort of attraction center takes into consideration besides the service dimension of rural development, also its economic dimension. The village –city projects, also attempted to implement in those periods was interrupted for a time, but the studies on the issue was started again beginning from the year 2000.

The offer of agricultural city argues that the rural development, abstracting it from the changes and developments in non-agricultural sectors, can be provided by arranging the relationships in the village and rural area and public services toward these. The general appearance of proposal, put forward by the project of village –city is in the form that the village in the center of villages is made agricultural city, bringing 8-10 units into together. The villages will be connected with this central village and central village will be connected to the main city with the regular road connection. With opening of workshops related to agricultural tools and established agricultural based middle sized industrial enterprises, the possibility to implement for the foreseen agricultural city projects could not be found.

### **3.7 Köydes-Beldes Practices**

Together with closing of KHGM in 2005, its duties related to settling were transferred to Ministry of Public Works and Settlement, its duties related to the villages to metropolitan municipalities in the provinces of Istanbul and Kocaeli, in the other provinces to Provincial Special Administration In parallel with this, in order to improve the infrastructure of villages, direct resources were allocated to the unions of provincial special administration and local administrative and Project for Supporting the Infrastructure of Villages (KÖYDES ) were begun to be implemented ((DPT, 2006-a: 49). KÖYDES project targets on, instead of holistic rural development target, developing the rural infrastructure. In the project, implementer unit was determined as Service Transporting Unions to Villages. In this scope, transferring the resource allocated to the rural infrastructure in the center to the unions, implementations are carried out by the unions (Canpolat, 2007: 29 ).

KÖYDES Project attracts attention with the large contribution it provided in the solution of problems of the rural population deprived from the most basic needs such as drinking water and road. Beside this, directly transferring the subsidies of investments to the Unions of Transporting Services to the Villages, a local administrative agency, without using any agent for the first time and putting any stage between them, and even though the resources are sent form the center, that planning is conducted with a participative model in completely local with the participation of Head of Provincial General Assembly, General Secretary of Provincial Special Administration and of qaimaaqam of the district in headship of governor are of important characteristics of project (Tanılır, 2006: 13-14).

## **4 EVALUATING DEVELOPMENT POLICIES**

Turkey, especially after the planned period, gave up viewing the increase of GDP and targeted on producing the projects that are comprehensive and toward the development. For this purpose, 5 years' development programs were prepared and the regional and rural development projects were tried to be implemented in coordination to each other; in national, regional, and rural development, the search for the policies following each other was entered. However, on this point, it can hardly be said that the targets were achieved. The reasons for these will be discussed below.

#### **4.1 Evaluating Development Plans**

The real target identified in the development plans consists of raising GDP in a certain rate. In this frame, in 5 years' development plans that possess a quality of growth rather than development plan, receiving social investments and transfers as a remainder also becomes a result of the priority and dominance recognized to economic element i.e. the principles of productivity and solidness (Tolan, 1979: 173-174). In development plans, the problem of economic growth was kept dominant and delaying the social problems such as the relationship between income distribution and development, human power, employment, regional distribution of investments, and urbanization, the investments on these issues have been always viewed as sacrifice to be done from the development (Dalkiran, 1995: 14) .

All policies and instruments put in order in development plans are seen to be fragmental approaches to the issue of balanced development and growth. Apparently, although backward regions are considered in a planned approach, in reality, and it attracts attention that unplanned course prevails in both national and regional and urban development. The precautions addressed to making developed the backward regions and since the alternative cost of these policies having integrity in itself is not accounted, economists and planners have difficulty in determining from where and in what measure they will make sacrifice. This situation also the politicians to indecisiveness and lead then to approach to the problem of development without systems and partial actions (DPT, 1989: 427-428) .

In the plans, regional, local, and rural development were not considered as a part of rural development, while it is necessary to go from national to regional and local, in practice, this was completely left. This situation caused the interregional unbalances to increase much more (Dinler, 2005: 214). Since national plans were not made regional, regional planning became a planning whose regional counterpart was not existent. This situation also caused national plans to engage in regional problems and its effectiveness to lose (Tekeli, 1970: 48).

The policies to create development poles, supporting the areas having development potential with the investments of infrastructure and service, did not become successful alone and via tax reduction and exemption, when directing the productive investments of sector to the backward regions runs out from being interested in the backward regions and gains a characteristic to encourage the industry, the investments of private sector again preferred the developed regions. The method of distributing the population and industry balanced way, establishing organized industry regions, remained insufficient due to geographic reasons etc. (DPT, 1982: 6-9).

#### **4.2 Evaluating the local and Rural Development Policies**

When regarding to those to be done on the name of rural development in Turkey, it is seen that the share the agriculture received from the national income gradually declined; the unbalances in income distribution, and socioeconomic differences between village and city caused to be experienced the immigration from the villages to the cities intensively. The general socioeconomic situation, in which there is Turkey, and the problems experienced in the rural area, and the dimension of economic, social, and cultural problems make it necessary the diversity of actions, and common approaches. Especially, in the adaptation process to EU, determination of problems in the rural area, and the need for

permanent solutions to these problems transported the issue of rural development to the first orders of agenda in Turkey. Therefore, the studies toward rural development were accelerated.

In the studies carried out for this purpose and with implementing the policies toward eliminating the development gaps, in terms of development of rural area and raising the life quality of rural society, even though some developments were experienced, the desired targets were not reached and the development gaps maintained its entity. Currently, beside the demographic specifications, in the issues such as income structure, physical and social infrastructure, employment, entrepreneurship, human resources, access to social services, environmental quality, and the role of woman, the unbalance between village and city maintains its existence and when considered together with the regional development gaps, becomes deeper. Therefore, with cooperation of central government, local governments, private sector, and nongovernmental organizations, using the resources effectively and efficiently, for accelerating rural development based on the activities, a need for determining the development strategies emerges (DPT, 2006-b )

Turkey is a country, where the development gaps are more. The gaps of interest are also valid for the rural vicinities in the same region. Some part of these gaps result from geographical reasons. The natural factors such as that east part of Turkey is mountainside and west part of it has a flat structure, and climate, and vegetation affect the development gaps of interest. On this point, the issue that is important is to make the planning of elements affecting the rural areas such as economic activities, agricultural structure, settlement order, and infrastructure according to these variables. However, the study of interest was not carried out in time. That there is no physical planning in the rural settlements; that the settlement places are more in number, unplanned, dispersed, and small caused many problems having vital importance for the rural areas from infrastructural insufficiencies to impeding the access to the services presented by the government. Unhealthy infrastructure - road, water, electricity, severe system - in rural areas forma an important threat for the public of vicinity. However, via the projects such as KÖYDES etc., these problems are solved.

## 5 CONCLUSION

The lessons derived from the historical experiences of the developed countries in the post-second world war, where the phenomenon development were begun to comprehensively be examined, showed that development was largely perceived as a process of physical capital accumulation. That the less developed and developing countries cannot solve the problems such as poverty, unemployment, satisfying the basic needs, and income distribution, beginning from the late 1960s, led the developmental process to be evaluated again and the view that the developmental criteria are more than economic criteria was begun to be emphasized.

In this meaning, the development, besides the economic growth expressed by the general number, also states several other economic and social factors. The changes such as the balanced distribution of national income; the pass to a real industrial society to provide the use of resources of country in compatible with conditions of social life; raising the productivity of production activities and production relationships radically; directing the infrastructure and social investments toward especially the backward vicinities of country; forming the healthy nutritional conditions; bringing the educational system into a level covering contemporary technological knowledge according to long termed labor

force need; while the material entity of country is increasing, that the life of public becomes richer spiritually, and that culture becomes widespread and so on are also included in the concept development. In addition the view that the developmental policies are not completely independent from each other in the areas they will be implemented; that the national, regional, and local development units are the ones directly affecting each other, and having to complete each other from the point of aim and target has begun to gain prevalence.

Also Turkey, being affected from these developments experienced, especially after the planned period, gave up the development from viewing as the increase in GDP and targeted on producing the projects toward the comprehensive and balanced development. For this purpose, it prepared 5 years' plans and aimed to implement the projects of regional and rural development in coordination to each other. In the frame of adaptation process, EU, making some changes in its body of knowledge (acquis), established even development agencies. However, these steps did not become mostly effective in achieving the developmental targets. In development, that the process of producing policy and process of implementing policy are completely different or that it is performed by the actors being insufficient in this issue impeded to catch the balanced and continuous developmental graph. In addition, for the targeted development to provide, that the foreseen prescriptions cannot be applied with both political and bureaucratic impediments or negligence both inhibited national development and caused the interregional distribution of development realized in small amount to be unbalance. That the places to be prioritized in development are determined according to the vote potential rather than needs and that the transmitted developmental resources are shaped in the frame of political and bureaucratic aims also contribute to this situation.

In impeding the development polices to reach achievement, there are the effect of social structure and geographical conditions of Turkey. That the justice of income distribution is too disturbed to correct it, the factors such as that there is interregional rifts in terms of production level, people not leaving the traditional production methods, and etc. can make the developmental policy insufficient. Due to the geographical conditions, whichever developmental project is implemented, because it is a country having rural areas from where optimum efficient cannot be received, the developmental policies of Turkey cannot reach the target it desired in any way. However, the determinations in recently conducted development plan showed that at least, the problems were recognized and one began to be sought for the ways to be able to develop policy in the direction of solution. In the frame of EU adaptation process, the steps to be taken make catalysis affect on the studies to be carried out on this subject green the hopes about catching the balanced and sustainable developmental liner .

Global competitive process, in the basis of compared advantages, also accelerates the process of local and regional specialization. Depending on local entrepreneurship, mobilizing the local resources, the accumulation of information and skill, and the other local potentials, the vicinities being able to specialize in certain sectors can obtain comparative advantage in the world economy and thanks to this, while it finds a chance of growth more than average of country, can make more contribution to the general growth, wealth and stability of country. Under the existing conditions, it is observed that the inter-country competition turned any longer into the inter-city and interregional competition.

There are the changing economic and life related habits, the new understanding of product and service, together with the technological and scientific developments, the capacity of each region to be able to

produce the unique economic value. It is necessary to evaluate this capacity effectively. Therefore, besides the projects and applications, whose results will show an effect in the national and international area, producing and implementing projects that are in the level of local, regional, and will be interested in only a province, even a district, or neighborhood are necessary; therefore in order to be able to prepare every kind of infrastructure, there is a need for the flexible and dynamic institutional bodies that can rapidly make decision and apply and that

Giving up from viewing as a rent instrument the developmental institutes that will be formed, employment area, and policies, the merit, skill, and adequacy should be sought in the staff to be selected and the approach of partner, friend, relation, and member of political party should not be exhibited. Reaching the desired results is closely related to that the efforts are decisively implemented without being affected from the political fluctuations in accordance with the existing plans and legislation. The political interventions should not be permitted and it should be utilized political power effectively.

Establishing the necessary institutes and supporting these institutes with qualified staff and fiscal capital unavoidably requires the actors in the basis of national, regional, and local to govern the economic and social development in coordinated way. Therefore, that national policies foreseen in the development can respond to the local needs and are turned into the local actions; in response to this, that the local information is transmitted to the national plans; and enable to provide coordination during the studies of economic, social, and physical planning become an obligation.

Population increase of Turkey in higher rate leads to a rapid immigration from the rural sector to the big cities and this situation, especially in certain centers, brings together the problems of serious environment, settlement, and urbanization. In directing the young population increasing rapidly and that are in the tendency to migrate to the big cities to the fruitful areas and becoming them the driving force of them, the developmental policies should be used as serious instruments. For, as a result of the programs to be conducted, for the region considered, developing an economic philosophy and model; being able to bring the human of region, the most valuable resource, into the producer rather than consumer, participative rather than that expecting, attack not passive, and problem solver not that confusing will eliminate spontaneously the problem of power, thus, the problems such as environment, settlement, urbanization, and etc.

## **ACKNOWLEDGEMENT**

This Study is supported by “Scientific Research Project Unit of Selcuk University Konya/TURKEY”

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**Are Relationships the Key to Corporate Longevity?  
A Study of Behaviors of 100-Year-Old Companies**

**Abstract:**

Research in Japan over the last decade has identified several common corporate behaviors exhibited by companies that have survived for over 100 years. Several of these factors emphasize relationships, including relationships with customers, employees, suppliers, and local communities. How culturally specific is this importance placed on relationships? Interviews with a sampling of CEOs who lead organizations in the United States that were established over 100 years ago indicated that relationships are just as important to corporate longevity in the United States as they are in Japan. To test the relevance of the Japanese longevity model to U.S. firms, the authors analyze survey responses from 100-year-old U.S. companies and compare their responses to those from old Japanese companies.

**Keywords:** Corporate Longevity, Corporate Culture, Social Responsibility.

**JEL Classification:** M14

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8324>**

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## **Boran Toker, Cigdem Demir, Sibel Selim, Ozlem Kizilgol**

Boran Toker, Cigdem Demir, Akdeniz University, Turkey

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### **Tourism Demand in Turkey: Panel Count Data Analysis**

#### **Abstract:**

As well as rapid developments in communication technologies that were brought along globalism, the developments in speed, comfort, capacity and price factors in transportation vehicles have greatly accelerated the international tourism. The tourism sector has made an important progress since it is an important source of income for countries and there is an increasing tendency of traveling in parallel with the development of the international commerce and rise of life standards.

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### **The Impact of Education Tax Fund(ETF) On Nigerian Educational Development: The Case of Tertiary Institutions from 1999-2010**

#### **Abstract:**

This paper evaluates the impact of Education Tax Fund (ETF) in Nigerian Educational Development with focus on the Nigerian Tertiary Institutions from 1999 - 2010. The study relies mainly on data generated from the publications of the operations department of the Education Tax Fund and some other Federal Government publications. In order to achieve the evaluation of the impact, various analytical tools (statistical, mathematical and econometric, etc) were employed in the appraisal of the data. The research found out that ETF has made significant positive impact towards improving the educational sector in Nigeria by construction of various intervention projects and improving the teaching and learning conditions of both students and lecturers., and that each tertiary institution has its own criteria (subject to TETFund directives) for determining which lecturer becomes a beneficiary. However, the principal officers such as vice chancellors, rectors, provosts and their deputies, the directors of works, librarians etc are not to be included as beneficiaries. The research also revealed that ETF distribution formula nationwide for tertiary institutions were 25%, 12.5% and 12.5% for Universities, Polytechnics and Colleges of Education, respectively while the remaining 50% was distributed to Secondary and Primary Schools. Conclusively, the researcher is of the opinion that the ETF has the potential of alleviating the chronic under-funding of the educational sector and that in future, if properly utilized the fund will continue in no small measure towards revitalizing the educational system in Nigeria.

**Keywords:** Education Tax Fund; Education Trust Fund; Tertiary Institutions; Educational Development; High Impact Projects.

#### **1 Introduction**

Generally, Tax is a compulsory levy imposed upon taxable persons by the government of any nation. It is one of the major sources of government revenue used in executing the socio-economic activities of the country. There are various forms of taxes collected from individuals and companies by Nigerian government. These tax forms are as established by the notable tax legislations in Nigeria today. These taxes are administered by the authorities of the three tiers of Nigerian government namely: The Federal, State and Local Governments. These various authorities are the Federal Board of Inland Revenue (FBIR), the State Board of Internal Revenue and the Local Government Tax Authority for the Federal, State and Local Government respectively.

Education Tax Fund (ETF) however, was established by Education Tax Act No. 7 of 1993 and amended by Act No. 40 of (22nd Dec.) 1998. The Act imposes tax at the rate of 2% on the assessable profits of all incorporated bodies. The tax applies to all companies registered in Nigeria. These assessable profits of a company shall be ascertained in the manner specified in the companies Income Tax Act or the Petroleum Profits Tax Act as the case may be.

What necessitated the promulgation of this Education Tax Act was the widely recognized decline in Educational standards and the deep rot in infrastructure and other facilities at all levels of the Nigerian educational system. From the primary to secondary and tertiary levels, it was obvious that there was urgent need for emergency funding to improve educational facilities and infrastructure, restore high morale of teachers, attract and retain qualitative entrants into the profession, encourage professionalism in teaching and improve teacher education curriculum. There was also the need to create an enabling environment for conducive teaching and learning and thus ensure the creation of a disciplined, committed, highly motivated, respected and professional teacher.

The ETF was being regarded as a product of crises in the educational sector going back to the 80's with the introduction of the Structural Adjustment Programme (SAP) when funding for education became a huge challenge, hence the Lande Committee Report and subsequently the negotiation between the Federal Government and Academic Staff Union of Universities (ASUU) in 1993 (Eze, 2011). The argument then was that government alone cannot fund education and it has to be done so the private sector has to come in to assist government to fund education properly, hence the idea to introduce public tax which culminated to the establishment of ETF.

The above-mentioned needs, therefore, prompted the organization of the “Education Tax Fund” (ETF) workshop in 6 major cities across Nigeria from November 30 – December 1, 1999 with the theme “Re-assessing Nigeria’s Education Future.” Consequently, the workshop communiqué urged the ETF to specifically:

- i. Provide scholarships, grants and busaries to enable teachers continually re-tool and update themselves;
- ii. Support the development of a National Policy on Resources/materials production locally;
- iii. Support the development of libraries in primary and secondary schools, especially in rural areas;
- iv. Support projects designed to enhance the reading culture;
- v. Provide funds for the improvement of teacher education programme facilities in polytechnics, Colleges of Education and Universities; and
- vi. Make funds available to Local Government Areas for the acquisition and distribution of teaching/learning materials and the renovation of classrooms through the school Advisory Boards and Community leaders.

To this end therefore, the researcher deems it necessary to evaluate the Impact of Education Tax Fund (ETF) in Nigerian Educational Development with a focus on the tertiary institutions and covering from 1999 to 2010 period. In carrying out this research, the following pertinent questions are asked and answered by this research: can enough funds be raised out of the only 2% tax on the assessable profits of incorporated bodies in Nigeria? Can fund trustees ensure the judicious use of the meagre resources as to equitably meet the numerous obligations to restore the declining education sector? Can all the

supposed tax payers be convinced and encouraged to continue to support the programme? Can the teachers' morales and the students' performances be boosted enough to such a level as to positively rekindle interest in teaching and learning?

The objective of this study is to evaluate the impact of the ETF in Nigerian Educational Development with particular focus on Tertiary institutions for a period of eleven years. The study hypothesizes that: ETF fund allocations to Nigerian Tertiary Institutions do not have any correlation with the enrollment ratio to Nigerian Tertiary Institutions.

## 2 REVIEW OF RELATED LITERATURE

**History of Education Tax Fund:** The Education Tax Fund having been established by Education Tax Act No. 7 of 1993 and amended by the Act No. 40 of (22nd Dec) 1998 imposed the 2% tax on all assessable profits of all companies registered in Nigeria. The collection of the tax fund however started in 1994. And the ascertainment was as specified in the companies Income Tax Act or the Petroleum Profits Act Tax as the case may be. This amendment brought about the establishment of Education Trust Fund as an intervention agency with project management to improve the quality of Education in Nigeria (Tech., 2011). The Federal Inland Revenue Service (FIRS) is empowered by the Act to assess and collect Education Tax. The fund administers the tax imposed by the Act, and disburses the amounts to educational institutions at federal, state and local government levels. It also monitors the projects executed with the funds allocated to beneficiaries.

The mandate of the Fund as provided in Section 5(1) (a) to (g) of the Act No. 7 is to administer and disburse the amount in the Fund to Federal, State, and Local Government Educational Institutions, including primary and secondary schools, for any other matter ancillary thereto, but specifically to the following: Work centres and prototype development; Staff development and conference attendance; Library systems at the different levels of education; Research equipment procurement and maintenance; Higher Education Book Development Fund; Redressing any imbalance in enrolment mix as between the higher educational institutions; and Execution of the 9-year compulsory education programme;

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ETF ensures that funds generated from education tax are utilized to improve the quality of education in Nigeria without direct contract awarding by: Providing funding for educational facilities and infrastructural development; Promoting creative and innovative approaches to educational learning and services; Stimulating, supporting and enhancing improvement activities in educational foundation areas like Teacher Education, Teaching Practice, Library Development etc.; and Championing new literacy-enhancing areas such as scientific, information and technology literacy.

The research examined the structure and management of the fund and saw that for effective and efficient realization of mandate, implementation of its function and general organization of work, the Fund is structured into two segments: The Board of Trustees and the Secretariat.

The fund is managed by an eleven (11) member Board of Trustees headed by Dr Musa Babayo, with members drawn from the six-geo political zones of the country as well as representatives of the Federal Ministry of Education, Federal Ministry of Finance and the Federal Inland Revenue Service. The Board

of Trustees has the following responsibilities as stated in the Acts: Monitor and ensure collection of tax by the Federal Inland Revenue Service and ensure transfer collected to fund; Disburse the tax to the appropriate ministries responsible for collection of the tax; Receive requests and approve admissible project after due consideration; Ensure disbursement to various levels and categories of education; Update the Federal Government on its activities and progress through annual audited reports; Review progress and suggest improvement within the provisions of the Acts; Invest funds in appropriate and safe securities; Monitor and evaluate execution of projects; Manage and disburse the tax and liaise with appropriate Ministries and bodies responsible for collection or safekeeping of the tax; and Do such other things that are necessary or incidental to the objective of the Fund under these Acts or as may be assigned by the Federal Government.

The secretariat is headed by the Executive Secretary, who is the Chief Executive and the Accounting Officer of the Fund. Directors and Heads of Department and Unit assist him in the day-to-day running of the Offices of the Fund.

**Goals:** The goals of the fund are to: Continuously improve Education Tax Revenue by ensuring that the tax is collected and made available for ETF intervention programmes; Deliver appropriate and adequate intervention programmes with due regard to the sensitivities of beneficiaries and stakeholders; Promote cutting-edge technologies, ideas and organizational skills in education, and ensure that projects are forward-looking as well as responding to present needs; Ensure successful completion of intervention projects; Form a viable and enduring partnership between the ETF and its stakeholders; Manage Education Tax in a way that is most beneficial to the Nigerian people; Recruit, retain, train and retrain a highly motivated workforce; Plan, undertake research and create reliable databank for improvement of education in Nigeria; and Ensure accountability and transparency in all its undertakings.

By the year 2008, the Tertiary Education Trust Fund (TETFund) came into being (Uzundu, 2012). This Tertiary Education Trust Fund (TETFund) was established as an intervention agency under the TETFund Act – Tertiary Education Trust Fund (Establishment, ETC) Act, 2011. This Act repeals the Education Tax Act Cap E4 Laws of Federation of Nigeria 2004 and Education Tax Fund Act No. 17, 2003 and establishes the Tertiary Education Trust Fund – charged with the responsibility for imposing, managing and disbursing the tax to public tertiary institutions in Nigeria (TETFund News Panaroma, 2013). To enable the TETFund achieve the above objectives, TETFund Act 2011 imposes a 2 percent Education Tax on the assessable profits of all registered companies in Nigeria.

The vision of the TETFund is to be a world-class interventionist agency in Nigeria's Tertiary Education. Its mission is to provide focused and transformative intervention in public tertiary institutions in Nigeria through funding and effective project management. For the reason of efficient management and other reasons best known to the fund Board, they ruled out the inclusion of principal officers such as vice chancellors, rectors, provosts and their deputies, the directors of works, librarians etc as beneficiaries.

For the ETF operations, assessment and collection as at 1994 – 1999, and the distribution formula, the Act approves a secretariat for the fund, headed by an Executive Secretary and assisted by other management and support staff, under the direct supervision of the Board of Trustees. It also provides for zonal offices all over Nigeria to liaise with beneficiaries in project identification, data collection and

communication with education institutions. The zonal offices also liaise with the Federal Inland Revenue Service in the respective zones to ensure that there is close monitoring of the assessment and collection of Education Tax.

The actual fund is managed by the Board of Trustees which oversees the allocation of tax collected in any one year among the various tertiary, secondary and primary institutions as provided for in the Act setting up the fund. The Board of Trustees has resolved to expend in any one year only what was collected in the previous year.

The procedure for **assessment and collection of education tax** is similar to those of other taxes especially the Companies Income Tax. Section 2 sub-section 1 of Act No. 7 of 1993 states that, “the Federal Board of Inland Revenue shall proceed to assess the company for the tax due when assessing a company for companies’ income tax or petroleum profit tax for an accounting period of the company.”

The Education Tax Fund Act assigned the responsibility of assessment and collection of the education tax from respective companies to the Federal Inland Revenue Service. The Board at its inauguration inherited the balance of the N10.3 billion being the amount collected as at the end of December 1998 less the amounts disbursed by the previous Board. Within the first five year period after the inception of the ETF, there was a gradual decline in the amounts of assessment and collection of taxes but with the inauguration of the Board on 28th September 1999 and a management put in place, the trend was reversed and prospects improved upon. The Education Fund (according to Section 5(2) of the Act No. 7 of 1993) is to be distributed as follows:-

- Higher Education – 50% of the total tax collected in any one year.
- Primary Education – 40% of the total tax collected in any one year.
- Secondary Education – 10% of the total tax collected in any one year.

The distribution for tertiary education is to be shared as between universities, polytechnics and Colleges of Education in the ratio of 2:1:1 OR 25%:12.5%:12.5%. The 1998 amendment changed the disbursement to 50% (Tertiary education); 30% (Primary education) and 20% (Secondary education).

For an effective collection of the tax, any Education Tax imposed by this Act shall be due and payable within 60 days after the Board has served notice of the assessment on a company. Should such a company contravene or fail to comply with the provisions of the Act, such a company becomes guilty of an offence as contained in offences Section 6(1) of the Act. All offences as well as their specific penalties are contained in Section 7(1) of the Act.

With regards to the ETF projects cycle, identification and prioritization, there are some procedures needed for adoption for initiating projects within the Board’s terms of reference and so to ensure that such projects are completed on time and within predetermined cost limits. Thus, the fund shall monitor and evaluate execution of projects, review progress and suggest improvement within the provisions of the Act setting it up.

There are procedures, according to one of the publications of the ETF (of 26th April, 2001), that must be followed and the project cycle adopted by ETF shall be Jan-Dec i.e. 12 months in any particular year. For identification and prioritization, the beneficiaries are to identify very critical areas (in their various establishments) that need immediate interventions, which in most cases are many and depend

on the age of the institutions). The projects would need to be prioritized (because of competing needs) by the beneficiaries in conjunction with the Departments of Operations of the ETF based on the available fund but in the specific areas of ETF mandate, such that the projects would have immediate and lasting impact on the program of the institutions.

Large projects shall be carefully phased in a way that each phase can be completed to a functional level within a maximum period of 12 months i.e. the beneficiary is expected to adopt modular form of development for large projects where applicable.

Based on prioritization, the beneficiaries would submit their proposals to the Department of Operations of the ETF for approval on behalf of the Board. The approval of such projects shall be set against predetermined cost limit, and on no account should projects already approved with cost limits be altered without the consent of the fund for timeliness, effectiveness, and to ensure easy supervision of the projects. The Department of Operations of the ETF will vet the submission from the beneficiaries, using the prevailing market rates and setting the cost limit for each project. And a letter of approval of projects setting the cost limits shall be released to the beneficiary together with the first tranche of the allocation to be determined by the Board from time to time. Approval is followed by tender and award of the contract. When project is awarded, the implementation involves the actual execution phase of the projects using the approved fund; disbursing the funds to the institutions in three (of 40%, 35% and 25%) or two (75% and 25%) installments depending on the types of projects being embarked upon. At the end, evaluation phase will analyze the impact of the projects – highlighting the gains or otherwise of the institution's during and/or after the implementation. The Department of Operations would document the lesson learnt from the experience on the projects to be used to improve the performance of future projects of the Education Tax Fund. The final accounts of the projects must be clearly presented by the beneficiary where the as-built-in costs would be reflected.

In consideration of ETF challenges and contributions, the crisis situation at the birth of the ETF poses a lot of challenges on the management of the fund in solving the myriads of problems facing the education sector. The challenges of the funding in these situations, mostly the state-owned tertiary institutions, are very appalling (ETF Publications, 2000).

Consequently, the ETF is being looked upon by the education sector as the alternative source of funding to run the system. Despite this demand, ETF largely depends on resources/revenues from the profits of companies which are not doing too well due to several years of government neglect.

The real challenges therefore are:-

- a. Ability to equitably manage the available funds to meet the yearnings of stakeholders;
- b. Ability and capability to ensure the judicious use of the meagre resources available;
- c. Ability to make sufficient impact in the intervention sector to encourage the payers of tax to continue to support the programme;
- d. Ability to influence decisions to enhance and boost teachers' morale to such a level as to positively rekindle interest in teaching and learning;
- e. Ability to sufficiently sensitize and collaborate effectively with the Federal Inland Revenue Service to ensure and build maximum revenue base from tax collected.

In what is said to be **proper conceptualization of projects**, Education Trust Fund (ETF) in the past used the funds on what they later considered as not being core needs. Hence, teaching and research was re-examined and re-considered as the core areas of intervention. The ETF laid emphasis on facilities that will add value to the teaching and learning environment and also insisted that there should be stern line to things that add value to research and academic development in general. The Tertiary Institutions from inception has been receiving 50% of the yearly allocations hence the projects of the ETF are visibly instituted in every public tertiary institution in Nigeria.

Perhaps, the ubiquitous presence of ETF in virtually every educational projects nationwide, rather than attracting accolades, had succeeded in creating erroneous perception of the interventionist agency as “an alternative proprietor” that has come to solve all problems in the education sector (Rufai, 2012). By their mandate as an intervention agency, their role being limited to supplementing the main budgets of federal and state governments for their institutions, the agency has already been saddled by unmitigated requests for one form of assistance or the other especially from those who seem to have abdicated their roles because of the misconception they already have that the agency is there to do everything.

The TETfund agency is also attending to a growing number of our tertiary institutions, and even the funding of the construction of nine newly established universities by the federal government has been added to TETfund.

With regard to **contributions**, the TETfund has greatly impacted to the growth of Nigerian educational sector. Uzundu (2012) reported that Prof. Mahmud Yabuku in his Media Forum in Abuja said that TETfund has sponsored 5,277 lecturers for post-graduate studies overseas between 2009 and 2011. As at then, 1204 out of this number have either started or completed their studies and returned back home. Thus, 1759 lecturers on the average have been sponsored from Nigerian public tertiary institutions for post-graduate studies for the past three years. That was said to be the most aggressive training of lecturers in the tertiary institutions ever in history of higher education in Nigeria. He said that the aim was to enhance staff capacity development as well as improve their ability to deliver quality teaching to students. “The fund started 2008 by initiating and making available to each university N50 million for young lecturers to go for post-graduate studies outside the country.”

Emphasis was placed on science and technology, due to the expensive nature of training within the country. The funding was increased to N60 million in 2009 and then to N80 million. In all, each university, federal and states on equality basis from 2008 to 2011 have received N240 million for staff training alone. “Virtually, all the capital projects seen in many of the state institutions certainly not all, are actually ETF funded. And there is no institution in this country, public tertiary institution, where there is no ETF projects.” (Rufai, 2012). The agency has been attending to a growing number of institutions, as seen in geometric rise in the numbers of the institutions: from 37 universities in 1994, to the present funding of 73 universities, with new additions streaming in, 43 polytechnics in 1999 to 50 present polytechnics; and 60 colleges of education in early 2000 to 63 now, with Gombe and Bayelsa about to establish their colleges of education, hence by next year, there will be 65 colleges of education. Several other ancillary funding that the agency has undertaken include the Graduate Teachers Training Scheme, the Academic Publishing Scheme, The National Research Fund, the Almajiri Education Programme, the Textbooks Distribution Projects for primary and junior secondary schools which was recently flagged off by the President.

The provision of needed infrastructure for learning at the tertiary level represents one major milestone in the achievement recorded by TETFund. The appointment of the boss of the agency to chair the NEEDS assessment committee visits to universities, no doubt contributed immensely to the resuscitation of dilapidating infrastructures in our higher institutions of learning. Today, TETFund had drawn the attention of government to the yearning needs of our universities, and the global ranking of our universities have as well improved (Rufai, 2012). Introduced by the TETFund (in 2009) with the support of the government is what is also called “**The Special High Impact Project,**” where certain amount, N3 billion is given to a university and N1 billion to polytechnics and colleges of education on the equality of each of the six geopolitical zones to have one university and a polytechnic, or one university and a college of education.

In its entirety, for the last 16 - 17 years – from 1994 till date, a total of about N463 billion education tax has been collected out of which the sum of N178 billion was collected between 1994 and 2007, while N284.9 billion was collected between 2008 and 2010.

The summaries of the ETF allocations to Nigerian tertiary institutions are as shown in table 1 below, and fund disbursement started in March 1999. Thirty percent (30%) of these allocations were released to the beneficiaries between March and May 1999 for the take off of the various projects.

**Table 1: ETF Fund Allocations to Nigerian Tertiary Institutions (1999 – 2010).**

Yrs	University (N)	Colleges of Education (N)	Polytechnics (N)	Total (N)
1999	2,124,999,960.12	1,099,137,930.00	1,087,209,288.00	4,311,347,178.12
2000	1,050,000,000.00	520,000,000.00	450,000,000.00	2,020,000,000.00
2001	1,794,128,000.00	1,108,048,500.00	967,500,000.00	3,869,676,500.00
2002	3,243,500,000.00	1,742,625,000.00	1,642,500,000.00	6,628,625,000.00
2003	1,440,500,000.00	678,625,000.00	634,500,000.00	2,753,625,000.00
2004	1,515,750,000.00	744,625,000.00	722,750,000.00	2,983,125,000.00
2005	2,025,000,000.00	1,249,000,000.00	1,657,500,000.00	4,931,500,000.00
2006	2,475,000,000.00	1,240,000,000.00	1,302,000,000.00	5,017,000,000.00
2007	3,659,000,000.00	1,579,900,000.00	1,430,000,000.00	6,668,900,000.00
2008	7,112,000,000.00	3,824,160,000.00	3,611,520,000.00	14,547,680,000.00
2009	6,858,000,000.00	3,760,920,000.00	3,472,320,000.00	14,091,240,000.00
2010	16,672,700,000.00	9,587,370,000.00	9,055,000,000.00	35,315,070,000.00

Source: Federal Ministry of Education, Abuja as in Shu’ara 2010.

Since this study assesses the impact of ETF on Educational Development, the study deems it necessary to determine the measures of educational development; thus saw that Harbison and Myers (1964) observed that there is a good correlation between Gross National Product (GNP) and Per Capita and

different levels of enrollment. Lewis (1967) also found some positive relationship between secondary education and National Development. The outcome of such research efforts could possibly be responsible for the aggressive policy of most countries in their drive towards making education available to their citizens.

### 3 METHODOLOGY

This study relies mainly on data generated from the publications of the Operations Department of the Education Tax Fund and some other federal government publications. The period under study ranges from 1999 – 2010 (an eleven-year period).

#### The Hypothesis

HO: ETF fund allocation to Nigerian tertiary institutions does not have any relationship with the enrollment ratio to Nigerian Tertiary Institutions.

HA: ETF fund allocations to Nigerian tertiary institutions have some relationship with the enrollment ratio to Nigerian tertiary institutions.

To gain better insight on the impact of education tax fund (ETF) allocations on tertiary education development in Nigeria, the research disaggregated the ETF allocations into the different tertiary institutions components and examines each component growth rates and the share of each component in total ETF allocation using simple descriptive statistics. The research then finds how each component allocation correlates with tertiary educational development indicators (enrollments in tertiary institutions) using the Pearson correlation matrix. In this study, annual data, spanning a period of eleven years, from 1999-2010 were used. Data were obtained from Federal Ministry of Education, Abuja; publications of the operations department of the Education Trust Fund; and from the website of National Bureau of Statistics.

M tertiary educational development indicators, a generic regression equation specified in the following form was adopted:

$$Y_t = f(ETF_t) + u_t \dots \dots \dots (1)$$

Where  $Y_t$  = Enrollment into Nigerian Universities

ETF = Education Trust Fund Allocations to Universities.

$$Y_t = f(ETF_t) + u_t \dots \dots \dots (2)$$

Where  $Y_t$ =Enrollment into Nigerian Colleges of Education

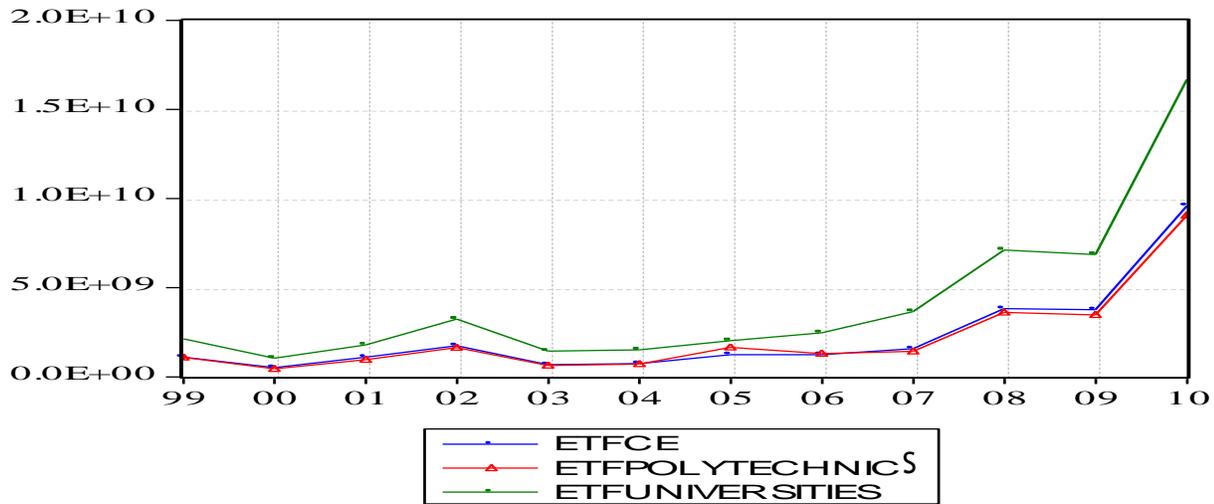
ETF = Education Trust Fund Allocations to Colleges of Education.

To minimize the scale effect of numbers, the actual linear estimation was performed using the variables in their natural log.

### 4 FINDINGS AND DISCUSSIONS

The tables and figures below display ETF allocations to Nigerian Universities, Colleges of Education and Polytechnics over the period under review with regards to Education Tax Fund (ETF) fund allocations to tertiary institutions in Nigeria.

**Figure 1. Graphical Representation of ETF Allocations to Tertiary Institutions.**



Source: Table 1.

Where ETFCE = Education Trust Fund Allocations to Colleges of Education.

ETFPOLYTECHNICS = Education Trust Fund Allocations to Polytechnics.

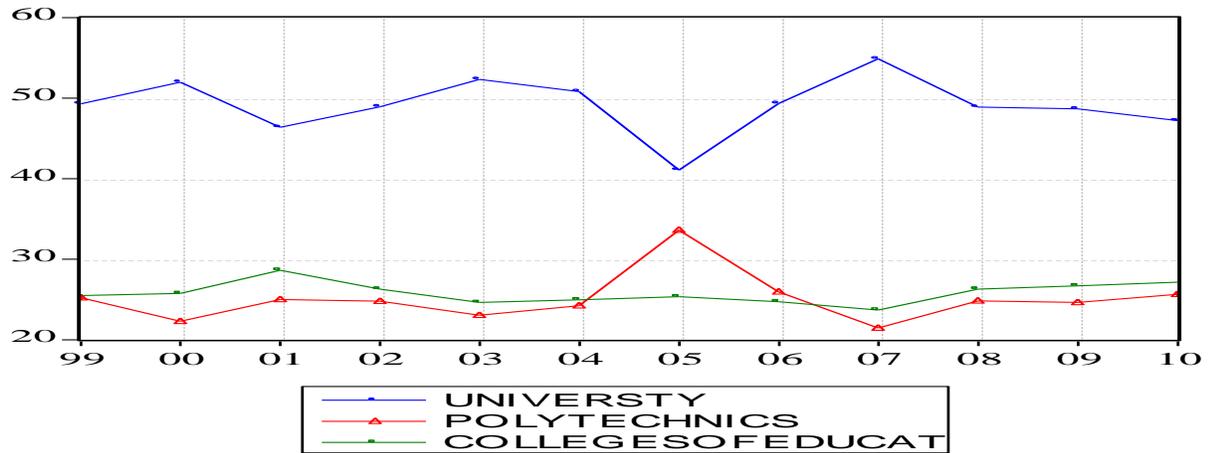
ETFUNIVERSITIES = Education Trust Fund Allocations to Universities.

**Table II: ETF Fund Allocations to various Nigerian Tertiary Institutions as a % of total yearly Allocations.**

Years	University	Polytechnics	Colleges of Education
1999	49.29	25.22	25.49
2000	51.98	22.28	25.74
2001	46.36	25.00	28.63
2002	48.93	24.78	26.29
2003	52.31	23.04	24.64
2004	50.81	24.23	24.96
2005	41.06	33.61	25.33
2006	49.33	25.95	24.72
2007	54.87	21.44	23.69
2008	48.89	24.83	26.29
2009	48.67	24.64	26.69
2010	47.21	25.64	27.15

Source: Author’s Computation.

**Figure . II: ETF Allocations to various Nigerian Tertiary Institutions ( %).**



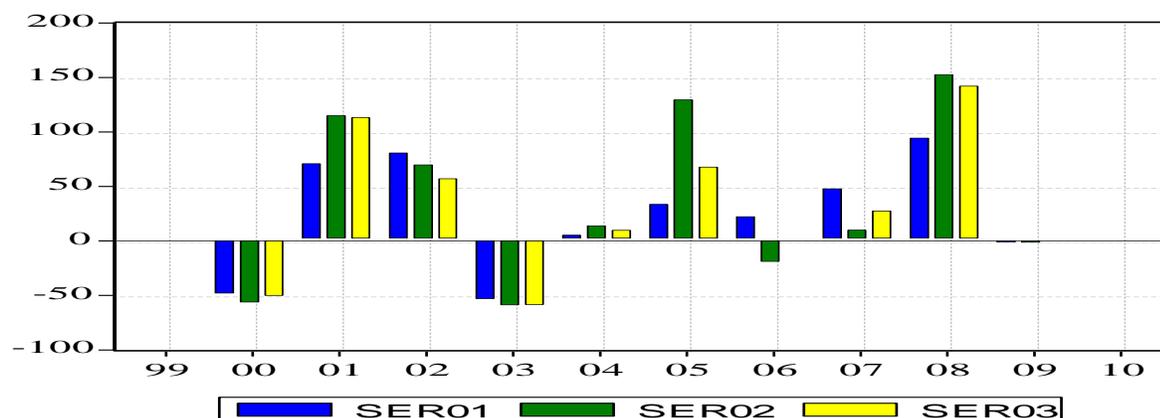
Source: Table II.

**Table III: Percentage Growth Changes in ETF Fund Allocations to Tertiary Institutions.**

Years	University	Polytechnics	Colleges of Education
1999	NA	NA	NA
2000	-50.588234	-58.6096	-52.6902
2001	70.8693333	115	113.0863
2002	80.7842027	69.76744	57.26974
2003	-55.588099	-61.3699	-61.0573
2004	5.2238806	13.90859	9.725548
2005	33.5972291	129.3324	67.73544
2006	22.2222222	-21.448	-0.72058
2007	47.8383838	9.831029	27.41129
2008	94.3700465	152.5538	142.0508
2009	-3.5714286	-3.85433	-1.6537
2010	143.11	160.77	154.92

Source: Author’s Computation.

The percentage change in yearly ETF fund allocation is calculated as:  $(Y_{r_2} - Y_{r_1} / Y_{r_1}) \times 100\%$ .

**Figure. III: Percentage Growth Changes in ETF Allocations to Tertiary Institutions.**

Source: Table III.

From the figures (I and III) and tables (I and III) above, the fund disbursement recorded (-) decreases in % changes in years 2000, 2003 and 2009 for all the tertiary institutions under review. Also, the fund disbursement recorded above 50% (+) increases in fund allocations in the years 2001, 2002, 2008 and 2010 with year 2010 recording the highest % increase in fund allocation. However, the year of peak allocation does not really matter much since ETF management had the policy that no fund will be given for next year until the beneficiary have satisfactorily and verifiably accounted for what was collected from the previous year, a reason why sometimes some institutions have accumulated non-access fund. Any decline or increase (as shown in percentage growth changes (Table III and figure III) in fund allocations any year, depends on the efficiency of collections of the 2% tax with the cooperation and support of the Federal Inland Revenue Service (FIRS) and the Nigerian Extractive Industries Transparency Initiative (NEITI).

Table II and figure II shows the percentage of individual institutions fund allocations to total allocations for all the tertiary institutions under review and depicts that an average of 50% of the total yearly allocations goes to the University system and the other 50% shared between Colleges of Education and Polytechnics.

The paper also examined whether the fund allocation from Education Tax Fund has any relationship with students enrollment into tertiary institutions (see tables IV, V and VI and figures IV, V and VI) while figure IV and V graphical represents students' enrollment into Nigerian Universities and Colleges of Education.

**Table IV: Admissions / Enrollment into Nigerian Universities and Colleges of Education in '000.**

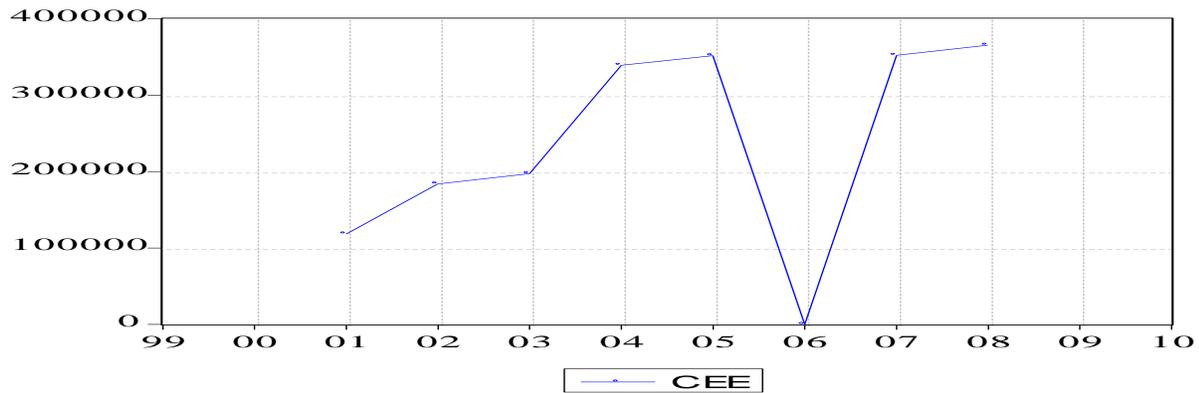
Years	Universities	Colleges of Education
1999	NA	NA
2000	NA	NA
2001	NA	118,277
2002	NA	183,518

2003	107,857.00	196,992
2004	122,492.00	339,002
2005	76,984.00	351,483
2006	118,056.00	0
2007	47,472.00	351,998
2008	NA	365,180
2009	NA	NA
2010	NA	NA

Source: National Bureau of Statistics.

NA= No available data

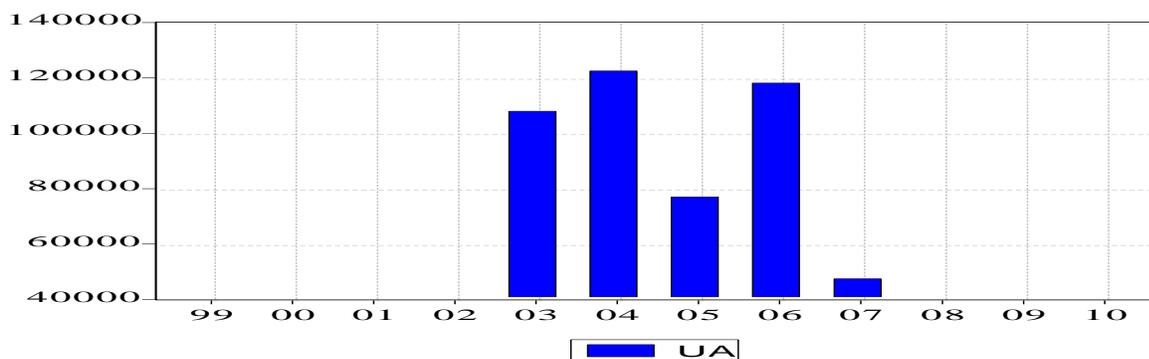
**Figure IV: Graphical Representation of Colleges of Education Enrollment.**



Source: Table IV.

Where CEE = Colleges of Education Enrollment.

**Figure V: Graphical Representation of Admissions into Nigerian Universities.**



Source: Table IV.

Where UA = Admissions into Nigerian University.

**Table V: Correlations Analysis Result.**

<b>Correlations</b>			
		nlogAdmissions	nlogETFUNI
Pearson Correlation	nlogAdmissions	1.000	-.384
	nlogETFUNI	-.384**	1.000
Sig. (1-tailed)	nlogAdmissions	.	.109
	nlogETFUNI	.109	.

Source: Author's SPSS Output.

Where:

nlogAdmissions = natural log of students' Admitted into Nigerian Universities.

nlogETFUNI = natural log of ETF funding to Nigerian Universities.

The above table shows the Pearson correlation matrix displaying the relationship between ETF fund allocation to the Universities in Nigeria and admissions into Nigerian Universities. The correlation analysis shows a negative relationship between ETF funding to Nigerian Universities and admissions into Nigerian Universities. This result suggests that an increase in ETF funding to Nigerian Universities is yet to result into a positive increase in students' enrollment into Nigerian Universities.

**Table VI: Correlations Analysis Result.**

<b>Correlations</b>			
		nlogEnrollmentCE	nlogETFCE
Pearson Correlation	nlogEnrollmentCE	1.000	-.215
	nlogETFCE	-.215**	1.000
Sig. (1-tailed)	nlogEnrollmentCE	.	.251
	nlogETFCE	.251	.

Source: Author's SPSS Output.

Where:

nlogEnrollmentCE = natural log of students' Enrollment into Colleges of Education.

nlogETFCE = natural log of ETF funding to Colleges of Education.

The above table displays the Pearson correlation matrix showing the relationship between ETF allocations to the Colleges of Education in Nigeria and the students' enrollment into Nigerian Colleges of Education. The correlation analysis shows a negative relationship between ETF fund allocations to

Colleges of Education and students' enrollment into Colleges of Education This suggests that an increase in ETF funding to Nigerian Colleges of Education have not brought about a corresponding increase in students' enrollment into Nigerian Colleges of Education.

There was no available data to access the enrollment of students to polytechnic system. The study would have included other indicator variables that are also used to measure educational development or achievement in humans such as literacy ratio, equity in education opportunities (e.g. gender equity, social equity, equity with students having special needs) (Narayana, 2006; Harbison and Myers, 1964), but there were no accessible data in bureau of statistics to work with as at the time of this study.

However, there are reports of ETF positive impact in improving the quality of tertiary institutions in Nigeria. For instance, according to Uzundu (2012), in January 2012, there were a number of Nigerian Universities among the top 50 in Africa. In 2009 when ETF started, there was not a single Nigerian University among the top 50 in Africa. Thus, through the **special high impact projects of ETF**, eight Nigerian universities are now among the top 50 in Africa and six of them are beneficiaries of the special high impact. The best university by their ranking in Nigeria is University of Benin even though it's still number 17 in Africa; the University of Ibadan, a beneficiary comes 25<sup>th</sup>; University of Nigeria, Nsukka is 3<sup>rd</sup> and 31<sup>st</sup> in Africa. Obafemi Awolowo University is 32<sup>nd</sup>; Ahmedu Bello University, Zaria came 35<sup>th</sup> and the University of Ilorin, which is the 40<sup>th</sup> in Africa (Uzundu, 2012). It is also recorded that a very good number of buildings and laboratory projects are now available in tertiary institutions (Rufai, 2012).

The argument then is: why is it that the increased infrastructures have not have not translated into increased students' enrollment as shown in the correlations output? The enrollment ratio may not have increased because a good number of some of the structures of the intervention projects are still under construction and have not been put to use. For instance, a visit by this research study to the site where Institute of Management and Technology, Enugu, is utilizing the ETF N1 billion allocated to her for the fulfilling of the purpose for **"The Special High Impact Project"** shows the structures under construction for: School of Engineering, School of Technology, Centre for Entrepreneurial Study Complex and a Library complex; in addition to the ETF earlier year projects housing the Senior Academic Staff offices (Figure VII). In this figure VII, building structures bearing numbers 1-2 and 4 after completion are intended to be used as lecture rooms or halls; the third one is a library complex while the fifth building is one of the earlier years phases of ETF projects in the school . Similar things are expected to be happening in other tertiary institutions in Nigeria who benefited from the **"Special High Impact Project"** donations subject to the priority of their needs. Perhaps, further reason why the enrollment may not have increased may be due to shortfalls in the employment of academic staff. A system wide staff audit carried out in Nigeria 2007 (Shu'ara, 2010) as shown in table VII reveals quite a good number of shortfalls of academic staff in virtually all Nigerian tertiary institutions.

The hope of this research is that soonest there will be corresponding increase in students enrollment especially if the impact of the allocations translates to a greater functional infrastructures, corresponding enrollment ratio; and perhaps remedies to the shortfalls in available academic staff in the tertiary institutions.

**Table VII: Faculty Staff in Tertiary Institutions**

S/N	Tertiary System	Academic	Numbers Required	Shortfall	Shortfall %
1	Universities	30,452	50,000	19,548	39.1
2	National Open Universities (NOUN)	5,220	15,000	9780	65.2
3	Poly/Monotechnics	12,938	30,016	17078	56.9
4	National Teachers Institute	6,526	7,000	474	06.8
5	Colleges of Education	11,256	26,114	14858	56.9

Source: System Wide Staff Audit of 2007, Shu’ara, 2010.

**Figure VII: “The Special High Impact Projects” (1 – 4) of ETF in IMT Enugu, Nigeria.**



## 5 CONCLUSION

The Education Tax Fund, though sourced only at a rate of 2% on the assessable profits of all registered companies in Nigeria, it seems to be a mustard seed which grows into a giant tree only to fruit in thousands.

These research findings suggest that ETF has been able to make significant positive impact towards improving the educational development in Nigerian tertiary institutions. Hence, this paper agrees with Mohammed and Adamu (1999:25) in their saying that the fund’s establishment was certainly one of the most positive developments in the Nigerian educational system, for it has the potential of alleviating the chronic underfunding of the sector. The paper hence recommends that the intervention agency

should be encouraged towards prompt tax collection and budget allocations and cooperation from Federal Inland Revenue Services (FIRS) for an efficient service that can induce more wonderful outcome from ETF efforts.

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**Laura Uzule**

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**Regional Journalism in Latvia: Evolution of Journalist Professional Standards  
from Soviet Latvia to Post-Soviet Latvia**

**Abstract:**

Local newspapers have been having significant value in everyday life of local communities in Latvia since the end of the World War II, when the Soviet mass media system provided for the compulsory existence of newspapers in every region and in every city of republican status. Latvian journalism has experienced both structural and also professional changes in core values due to historical events and political regime. Journalists play a significant role in constructing the understanding of reality and therefore have impact on the life of the local community. Journalists have a possibility to influence society about direct actualities and events, and therefore the level of understanding of the ethics of journalism and professional standards (neutrality, accountability, objectivity, truth) is an essential factor.

**Keywords:** Regional Journalism, Journalist, Professional Values, Women, Local Environment.

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8325>**

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### **The Impact of Personal Values on Entrepreneur Leadership Styles: An Empirical Examination**

#### **Abstract:**

There has been extensive research on the relationships between personal values and individual behaviors in organization studies. However, studies of the relationships between entrepreneurs' personal values and their leadership behavior in small businesses are still limited. In this study we investigated the direct impact of entrepreneurs' personal values on their participative leadership behavior. Five types of personal values were investigated. They are (1)conservation values, (2)self-enhancement values, (3)self-transcendence values, (4)openness-to-change values, and (5) hedonistic values (Schwartz, 1994). We proposed that entrepreneurs' self-transcendence and openness-to-change values are positively associated with their participative leadership behavior, but entrepreneurs' conservation, self-enhancement, and hedonistic values are negatively associated with their participative leadership behavior. A multiple regression analysis of data from 219 small businesses provided partial support to our hypotheses. Entrepreneur's self-enhancement and hedonistic values were found to be negatively associated with their participative leadership behavior. Results also showed that entrepreneurs' openness-to-change values are positively associated with their participative leadership behavior. No relationship was found between entrepreneurs' self-transcendence and conservation values and their participative leadership behavior.

## Guanghua Yu

University of Hong Kong, Hong Kong, PR China

### **Explaining the Persistence of Authoritarianism in China: Towards a Multivariable Approach**

#### **Abstract:**

There is no disagreement in the literature on the persistence of China's authoritarian regime. People differ on the way of explaining the phenomenon. Obviously, the issue is of profound importance in political science and law. In the literature, many scholars pursue a single variable approach, examining the issue from the perspective of resilience, regime inclusion, timing and sequence of using FDI, or national identity. The author argues that any single variable explanation is inadequate despite the coherence or elegance of such theories. Among those who have adopted the multivariable perspective in examining the phenomenon of China's persistence of authoritarianism, people tend to ignore some of the variables such as modernization, the cultural variable, the geo-political factor, and legitimacy in their analyses. This article has approached the issue by focusing on these four variables to explain China's persistence of authoritarianism.

**Keywords:** Authoritarianism, Modernization, Cultural Explanation, Geo-Political Factor, Legitimacy.

#### **1 Introduction**

There is no disagreement in the literature on the persistence of China's authoritarian regime. People differ on the way of explaining the phenomenon. Gallagher argues that the timing and sequencing of foreign direct investment (FDI) liberalization in China is a key factor of explaining delayed democratization.<sup>1</sup> She states that, "FDI liberalization preceded both the privatization of state industry and the development of a domestic private sector," providing the Chinese government "more time and more political space to pursue economic reform without political liberalization."<sup>2</sup> Gallagher's argument, however, may also point to the other direction that FDI brings into China western liberal ideas and the superiority of western political systems, together with Western technology and management methods. If that is the case, China should have introduced political reform at an earlier stage. In addition, her argument is not able to explain the remarkably high level of popular support for the authoritarian regime even at the beginning of this century.<sup>3</sup> Yan Xiaojun tries to explain the

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<sup>1</sup> Mary Gallagher, "Reform and Openness: Why China's Economic Reforms Have Delayed Democracy", 54 *World Politics* 338-72 (2002).

<sup>2</sup> *Ibid.*, p. 339.

<sup>3</sup> Teresa Wright, *Accepting Authoritarianism: State-Society Relations in China's Reform Era* (Stanford, California: Stanford University Press, 2010), pp. 13-14, 17.

resilience of China's authoritarianism from the perspective of regime inclusion.<sup>4</sup> He holds the view that the local people's political consultative conference plays the role of "assisting the ruling party-state to build, consolidate and retain political support and to prolong the longevity of the system."<sup>5</sup> Regime inclusion, however, requires that people have confidence in the regime. Whether people have confidence in the regime must be explained by other factors such as economic performance or preference for a particular type of regime. Besides, regime inclusion depends, to some extent, upon the legitimacy of the regime. Tsai uses the informal institution of solidary group to show that public goods can be supplied even when "formal institutions of bureaucratic and democratic accountability do not seem to have a major impact on village governmental performance and public goods provision."<sup>6</sup> Her explanation is that "social groups that are encompassing, embedding, and solidary can also make citizens more likely and able to use moral standing to reward officials for providing public goods."<sup>7</sup> While her book provides a sound explanation for the provision of public goods at the village level, the theory is not useful in explaining regime persistence or change. This is so because informal institutions work well only in small communities where people know each other well and are less mobile. According to Huntington, however, modern democracy is the democracy of the nation-state.<sup>8</sup> That explanation also reveals why village democracy in China does not have much impact upon regime change of the nation despite optimistic views on village committee election.<sup>9</sup> He Baogang explains the delay of democracy in China in terms of national identity.<sup>10</sup> According to He, democratization will lead to the separation or independence of Tibet or Taiwan. This explanation is true only if democracy in the sense of electing the provincial leaders is adopted far ahead of electing the national leaders. If democracy in China is firstly implemented at the national level, it is not necessarily true that a democratically elected central government will tolerate the separation or independence of Tibet or Taiwan. He fails to treat this sequence issue.

While the above authors examine a particular aspect of regime persistence or the provision of public goods, Wright uses several factors to show acceptance of authoritarianism by various types of people in China.<sup>11</sup> "[T]he political attitudes and behavior of the Chinese public derive from the interaction of

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<sup>4</sup> Yan Xiaojun, "Regime Inclusion and the Resilience of Authoritarianism: The Local People's Political Consultative Conference in Post-Mao Chinese Politics, 66 *The China Journal* 53-75 (2011).

<sup>5</sup> *Ibid.*, p. 75.

<sup>6</sup> Lily L. Tsai, *Accountability without Democracy* (Cambridge: Cambridge University Press, 2007), p. 12.

<sup>7</sup> *Ibid.*, p. 93.

<sup>8</sup> Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (New Delhi: Adarsh Books, 1991), p. 13.

<sup>9</sup> Tianjian Shi, "Village Committee Elections in China: Institutional Tactics for Democracy", 51 *World Politics* 385- 412 (1999).

<sup>10</sup> He Baogang, "Why Is Establishing Democracy So Difficult in China?", 35 *Contemporary Chinese Thought* 71- 92 (2003).

<sup>11</sup> Wright, *supra* note 3.

three key factors” including “state-led economic development policies, market forces related to late industrialization, and socialist legacies.”<sup>12</sup> As single variable explanation is more likely to be problematic, Wright is moving in the right direction. Her research, however, ignores factors such as geo-political variable and cultural variable. Hu uses historical legacies, local forces, the world system, socialist values and economic development to analyze China’s difficulty with democratization.<sup>13</sup> Except for the factor of economic development, Hu focuses on pre-1949 or pre-1978 China rather than current China after 1978. This article uses a multivariable perspective to visit two frequently discussed factors explaining democratization. These factors are the modernization theory and the cultural explanation. In addition to these two explanations, the article also examines the geo-political factor and the resilience factor in explaining the persistence of China’s authoritarianism. Section I begins with the modernization theory. Section II focuses on the cultural explanation. Section III analyzes the geo-political factor. Section IV examines resilience or legitimacy. Section V reviews available survey results. Conclusion follows in Section VI.

## 2 Modernization

Lipset first raised the correlation between economic development and democracy.<sup>14</sup> Specifically, his research supported the conclusion that “the average wealth, degree of industrialization and urbanization, and level of education is much higher for the more democratic countries.”<sup>15</sup> In other words, the higher the rate of economic development the greater the propability for a country to become democratic. Huntington is a strong support of the modernization theory. According to Huntington, when a country moves up the economic ladder, the greater are the chances that it will be democratic.<sup>16</sup> Both Lipset and Huntington emphasize the importance of broad-based economic development. Huntington offers two major explanations why broad-based economic development is conducive to democratization:

Economic development created new sources of wealth and power outside the state and a functional need to develop decision making. More directly, economic development appears to have promoted changes in social structure and values that, in turn, encouraged democratization.<sup>17</sup>

Neither Lipset nor Huntington, however, considers economic development a sufficient condition for democratization. Lipset considers broad-based economic development a basic condition sustaining

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<sup>12</sup> Ibid., p. 2.

<sup>13</sup> Shaohua Hu, *Explaining Chinese Democratization* (Westport: Praeger, 2000).

<sup>14</sup> Seymour Martin Lipset, “Some Social Requisites of Democracy: Economic Development and Political Legitimacy”, 53 *The American Political Science Review* 69-105 (1959).

<sup>15</sup> Ibid., p. 75.

<sup>16</sup> Samuel Huntington, “Will More Countries Become Democratic?”, 99 *Political Science Quarterly*, 193-218 (1984), p. 198-99.

<sup>17</sup> Huntington, *Third Wave*, supra note 8, p.65.

democracy,<sup>18</sup> but not necessarily a factor led to democracy.<sup>19</sup> Similarly, Huntington remarks that “no level or pattern of economic development is in itself either necessary or sufficient to bring about democratization.”<sup>20</sup> The statistical analysis of Przeworski and Limongi supports such a cautious conclusion. According to Przeworski and Limongi, “once established, democracies are likely to die in poor countries and certain to survive in wealthy ones.”<sup>21</sup> Hence, narrowly focused factor on income does not reveal significant impact on democratization. The study of Acemoglu et al. reveals that “there is no relationship between changes in income and democracy” over the last 100 years, but there is a correlation between income and democracy over the past 500 years.<sup>22</sup> While they did not entirely reject the possible impact of income on democracy, their preferred explanation is that societies might embark on divergent development paths in the past, leading to different political regimes.<sup>23</sup> Recognizing the impact of income on democracy, Londregan and Poole concluded that “the estimated magnitude of the democracy-promoting impact of income is not large.”<sup>24</sup>

This review of the modernization theory shows that the case of China is quite consistent with the literature. I will provide statistical evidence related to changes in income, industrialization, education, and urbanization in China to better demonstrate the consistence.

During the last 30 years, the annual growth rate of gross domestic product (GDP) in China was around 9 per cent. Unlike economic development in resource rich economies, the development of the Chinese economy has been broad-based. GDP per capita developed from 463 yuan in 1980 to 1644 yuan in 1990, 7858 yuan in 2000 and 29748 yuan in 2010.<sup>25</sup> Converted into US dollars, the GDP per capita in China reached USD 1,000 in 2003, surpassed USD 2,000 in 2007 and USD 3,000 in 2008. In 2010, the per capita GDP exceeded USD 4,000. This means that between 2003 and 2008, China was within the middle income range of USD 1,000 to 3,000,<sup>26</sup> which Huntington predicted that “transitions to democracy should occur primarily in countries at the middle level of economic development.”<sup>27</sup>

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<sup>18</sup> Lipset, *supra* note 14, p. 86.

<sup>19</sup> *Ibid.*, p. 103.

<sup>20</sup> Huntington, *Third Wave*, *supra* note 8, p. 59.

<sup>21</sup> A. Przeworski and F. Limongi, “Modernization: Theories and Facts”, 49 *World Politics* 155- 183 (1997), p. 167.

<sup>22</sup> Daron Acemoglu et al., “Income and Democracy”, 98 *American Economic Review* 808-42 (2008), p. 812.

<sup>23</sup> *Ibid.*, p. 812.

<sup>24</sup> John B. Londregan and Keith T. Poole, “Does High Income Promote Democracy?”, 49 *World Politics* 1-30 (1996), pp. 2-3.

<sup>25</sup> Data comes from various years of the *Statistical Yearbook of China* (Beijing: Statistical Yearbook Press).

<sup>26</sup> Huntington, *Third Wave*, *supra* note 8, p. 63.

<sup>27</sup> *Ibid.*, p. 60.

China's urbanization rate also rose significantly. In 1980, the urbanization rate was only 19.39 per cent.<sup>28</sup> This rate increased to 26.41 per cent in 1990, 36.22 per cent in 2000 and 49.68 per cent in 2010.<sup>29</sup> Closely related to the increase of urbanization rate, the number of persons employed in urban areas almost tripled from 1980 to 2010. In 1980, there were 104.44 million persons employed in urban areas. Thereafter, the number of persons employed in urban areas rose to 202.07 million in 1997 and 346.87 million in 2010.<sup>30</sup>

Among the various indicators, education was considered much more important to democracy than per capita GDP, urbanization, and industrialization.<sup>31</sup> This is likely so as education increases the capacity of people in their public participation or deliberation of policy making. From this perspective, university education is critical in terms of deliberation of public policies. Evidence shows that economic development in China has considerably improved people's capability of receiving an university education. This can be seen from the number of university students per 100,000 inhabitants. While this figure was 116 in 1980, it rose to 180 in 1990, 493 in 2000 and 3,105 in 2010.<sup>32</sup>

The above statistical evidence does not reveal any significant impact of improvement in income, industrialization, urbanization, and education upon democratization in China. So far, China remains an authoritarian political regime. To the contrary, the case of China may prove that modernization and democratization are different things as pointed out by Huntington.<sup>33</sup> Specifically, Huntington quotes Pipe with approval that "modernization requires no one political ideology or set of institutions: elections, national boundaries, civic associations, and the other hallmarks of Western life are not necessary to economic growth."<sup>34</sup> This appears to be consistent with the literature on law and development that economic development requires clear definition and enforcement of property rights<sup>35</sup> and the facilitation of contractual exchange and the enforcement of contracts by a formal legal system.<sup>36</sup> Law and development in China seems to be consistent with the view that a formal legal system defining and enforcing property rights and contracts is essential to very high rate of economic

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<sup>28</sup> Statistical Yearbook of China (Beijing: China Statistical Press, 1982).

<sup>29</sup> The figures come from various years of the Statistical Yearbook of China, *supra* note 25.

<sup>30</sup> *Ibid.*

<sup>31</sup> Lipset, *supra* note 14, pp. 78-79.

<sup>32</sup> The figures come from various years of the Statistical Yearbook of China, *supra* note 25.

<sup>33</sup> Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon & Schuster Paperbacks, 1996), p. 78.

<sup>34</sup> *Ibid.*, p. 78.

<sup>35</sup> Douglass North, *Institutions, Institutional Change and Economic Performance* (New York: Cambridge University Press, 1990), p. 54.

<sup>36</sup> Douglass North, *Structure and Change in Economic History 6* (New York: Norton, 1981) (observing that the "existence of a positive return to saving is also dependent upon the structure of property rights.").

development.<sup>37</sup> Huntington's explanation that modernization and democracy are different things means that the casual link runs from economic development to cultural element. He says specifically that:

Successful economic development generates self-confidence and assertiveness on the part of those who produce it and benefit from it. Wealth, like power, is assumed to be proof of virtue, a demonstration of moral and cultural superiority.<sup>38</sup>

Modernization theory only indicates that broad-based economic development is a necessary condition for democracy. Once a political decision is made to democratize the political regime, modernization can better sustain democracy. Whether a country in the middle income range moves towards democratization depends upon many other factors. The case of China shows that fast rate of economic development may even prolong the authoritarian political regime. The confidence produced by fast rate of economic development, of course, is only one of the possible factors explaining China's persistence of its authoritarian political regime. As there are other factors supporting the current political regime, I will turn to the cultural or ideological explanation in the next Section.

### 3 Cultural or Ideological Explanation

Chinese society was deeply influenced by Confucianism before the establishment of the People's Republic of China. Thereafter, China has been under the ruling of the Communist Party of China (CPC). Both Confucianism and communism are conducive to authoritarian regimes.

Confucianism was developed during later Zhou Dynasty (770 – 221 B. C.). At that time, the Chinese society was mainly agricultural in nature. War was very frequent. Education was only available to a very small proportion of the population. Naturally, Confucianists emphasized hierarchy. In such a hierarchical society, people are divided into four classes.<sup>39</sup> They are scholars, peasants, artisans, and merchants.<sup>40</sup> This type of classification reveals the emphasis of agriculture and the downgrading of merchants.<sup>41</sup> The classification makes sense when it was relatively easy for rulers to monitor agricultural production but difficult to assess the production of commerce as transportation and communication was very inefficient and costly. Scholars were limited and they played the role as political advisors just as Confucius did.

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<sup>37</sup> Guanghua Yu and Hao Zhang, "Adaptive Efficiency and Financial Development in China: The Role of Contracts and Contractual Enforcement", 11 *Journal of International Economic Law* 459-94 (2008); Guanghua Yu, "Adaptive Efficiency and Economic Development in China: The Definition and Enforcement of Property Rights", 11 *Australian Journal of Asian Law* 82-112 (2009).

<sup>38</sup> Huntington, *Clash of Civilization*, supra note 33, p. 104.

<sup>39</sup> Feng You Lan, *Introduction to Chinese Philosophy* (Beijing: New World Press, 2004), p. 16.

<sup>40</sup> *Ibid.*

<sup>41</sup> Deemphasizing the goal of wealth can be seen in the "Commentary on the Philosopher of Zeng", *The Great Learning, Four Books*, translated by James Legge and edited by the translation division of the Publisher (Changsha: Hunan Publishing House, 1991), p. 17 and p. 19.

In addition to the classification of people into four classes, the relations among various people were also defined. They include sovereign and ministers, father and son, husband and wife, brother and sister (old and young), and friends.<sup>42</sup> Among these five relations, three are among family members. While the other two are not among family members, they can be considered as family relations. For instance, sovereign and ministers can be treated as father and son and friends can be treated as brothers.<sup>43</sup> The hierarchical nature among the five relations is very clear. For instance, the ministers should be subordinated to the emperor and the wife should be subordinated to the husband. According to Confucius, different people shall play their role according to their position.<sup>44</sup> If people behave according to their position, chaos can be avoided at the family level and wars can be prevented at the societal level.

Confucius acted as a political advisor during his lifetime, persuading different rulers to adopt his ideas and conception of the good of society. His intention was to serve the rulers and strengthen their rule. Therefore, respect for authority was central within Confucianism. After the death of Confucius, Confucian values became the dominant ideology through official endorsement since the Han Dynasty (206 B. C. - 23 A.D.).<sup>45</sup> The institutionalization of Confucian values was carried out through the official examination system. This examination system was used to select officials. Those who succeeded well on the examination would be guaranteed certain posts according to their examination results.<sup>46</sup> As the content of the examination was strictly based upon books containing Confucian values,<sup>47</sup> public deliberation obviously became restricted as other values were downgraded.

Many Western scholars have commented the impact of Confucianism on democracy. Lipset observed that Confucianism was undemocratic.<sup>48</sup> Huntington shared the similar view that “Confucianism was either undemocratic or antidemocratic.”<sup>49</sup> Specifically, Huntington provides that:

Confucian societies lacked a tradition of rights against the state; to the extent that individual rights did exist, they were created by the state. Harmony and cooperation were preferred over disagreement and competition. The maintenance of order and respect for hierarchy were central values. The conflict of ideas, groups, and parties was viewed as dangerous and illegitimate. Most important, Confucianism

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<sup>42</sup> Feng, *supra* note 39, p. 18.

<sup>43</sup> *Ibid.*

<sup>44</sup> *The Great Learning*, *supra* note 41, p. 7.

<sup>45</sup> Feng You Lan, *supra* note 39, p. 167; Brooke A. Ackerly, “Is Liberalism The Only Way Toward Democracy? Confucianism and Democracy”, 33 *Political Theory* 547-76 (2005), p. 555.

<sup>46</sup> Ackerly, *ibid.*; Feng You Lan, *ibid.*, p. 167 and pp. 255-56.

<sup>47</sup> “*Ji Shi*” in Book XVI of *The Confucian Analects* states that “when right principles prevail in the empire, there will be no discussions among the common people”, *Four Books*, *supra* note 41, p. 219.

<sup>48</sup> Lipset, *supra* note 14, p. 6.

<sup>49</sup> Huntington, *Third Wave*, *supra* note 8, p. 300.

merged society and the state and provided no legitimacy for autonomous social institutions to balance the state at the national level.<sup>50</sup>

These two scholars are correct only when Confucianism is used by the ruling regime as the dominant ideology. History reveals that democracy did not originate in dynasty China. When Confucian values are not used as the dominant ideology, however, societies with the influence of Confucianism do not object to the transplantation of democratic political regimes. Taiwan provides a good example of relative smooth transplantation of a democratic political regime. Another good example of transplantation of democratic political regime is Korea. Empirical evidence suggests that Korea was still under the influence of Confucian values at the beginning of this century. The study of Chong-Min Park and Doh Chull Shin reveals that the Confucian value of social harmony remains widely accepted.<sup>51</sup> Their survey also indicates that the value of family primacy is still widely accepted by the Korean population.<sup>52</sup> Most Korean people treat the state as a national family.<sup>53</sup> Despite the influence of Confucian values in South Korea, the country has successfully transplanted a democratic political regime. Their survey shows that even those who hold Confucian values support democracy.<sup>54</sup>

In contrast, Ackerly identifies *ren* (humaneness) as the foundation for Confucian democratic political thought in the Confucian tradition.<sup>55</sup> Confucian democracy, however, lacks empirical support. Despite the official endorsement of Confucian values by different dynasties in ancient China, public participation for the election of high level officials was never adopted. Confucian values were designed to serve the ruling class or to strengthen their political governance, these values failed to emphasize formal constraints on the exercise of power except that rulers should keep *ren* in their mind in guiding their actions. It shall also be pointed out that while Confucianism does not try to exclude other ideologies, it does not encourage the ordinary people to join political deliberation. From a normative perspective, O'Dwyer has argued that public deliberation in the form of democracy can be compatible with the preservation of Confucian tradition.<sup>56</sup> While his consequential approach is consistent with the transplantation of democracy in Korea and Taiwan, O'Dwyer fails to deal with the issue that a society like China has also been under communist rule for more than 60 years.

While communism differs significantly from Confucianism, communism shares the concept of elite rule with Confucianism. Leadership and representation of the people by the Communist Party of China

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<sup>50</sup> Ibid., pp. 300-301.

<sup>51</sup> Chong-Min Park and Doh Chull Shin, "Do Asian Values Deter Popular Support for Democracy in South Korea?", 46 *Asian Survey* 341-61 (2006), p. 8.

<sup>52</sup> Ibid., p. 8.

<sup>53</sup> Ibid., p. 11.

<sup>54</sup> Ibid., p. 21.

<sup>55</sup> Ackerly, *supra* note 45.

<sup>56</sup> Shaun O'Dwyer, "Democracy and Confucian Values", 53 *Philosophy East and West* 39- 63 (2003).

(CPC) are assumed rather than through actual authorization or delegation.<sup>57</sup> From this perspective, public deliberation of important policies is not encouraged and participation of the public in the selection of higher level leaders is not adopted. In the eyes of the CPC during its early formative years, the destination of the future of communist Chinese society appeared to them to be very clear. All that was needed was to implement the plan. Those who opposed the communist plan were considered enemies of the people and should be suppressed. Under the current CPC regime, such a utopian ideal is no longer pursued. This does not mean, however, that the CPC is enthusiastic about the adoption of a democratic regime.

History shows that the abandonment of communist rule has been brought by popular demand. East Europe provides a very good example. Two major factors have significantly influenced the popular view in East Europe. One is geo-political factor which will be further discussed in the next Section. The other is the superior economic performance of the economies of West European countries and the United States at that time. While writing in a slightly different context, Huntington's remarks below are quite relevant on how economic superiority may affect regime change or borrowing:

Increases in hard economic and military power produce enhanced self-confidence, arrogance, and belief in the superiority of one's own culture or soft power compared to those of other peoples and greatly increase its attractiveness to other peoples. Decreases in economic and military power lead to self-doubt, crises of identity, and efforts to find in other cultures the keys to economic, military, and political success.<sup>58</sup>

More specifically, Huntington says that "In large measure, rise and decline of democracy on a global scale is a function of the rise and decline of the most powerful democratic states."<sup>59</sup>

Compared with East Europe, the case of China is different. China's economic reform was initiated by the State and preceded political reform. State led economic development and the early emphasis of FDI reduced political pressure on regime change. When the state began to introduce measures for the expansion of contractual commercial activities, part of the population both in the rural area and in the urban area started to benefit from enhanced living standard. FDI producing labour intensive products has also increased employment when China started to show its clear comparative advantage in producing labour intensive products in the 1980s and 1990s. Unlike capitalists who are independent from the state, foreign invested enterprises did not press for regime change. Gallagher even argued that FDI induced competition was identified as domestic versus foreign rather than public versus private, insulating the CPC from political charges.<sup>60</sup> Naturally, the state enjoyed great freedom to carry out

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<sup>57</sup> See paragraph one of the General Principles of the Constitution of the Communist Party of China, available at <http://cpc.people.com.cn/GB/64156/65682/4475081.html> (accessed June 10, 2012); paragraph 7 of the Preamble of the Constitution of the People's Republic of China, available at [http://news.xinhuanet.com/newscenter/2004-03/15/content\\_1367387.htm](http://news.xinhuanet.com/newscenter/2004-03/15/content_1367387.htm) (accessed June 10, 2012).

<sup>58</sup> Huntington, *Clash of Civilization*, supra note 33, p. 92.

<sup>59</sup> Huntington, supra note 16, p. 206.

<sup>60</sup> Gallagher, supra note 1, p. 344.

economic reform during the early stage. While a small proportion of the population became relatively worse off, most people in different sectors enjoyed rising living standard.<sup>61</sup> Lau and his colleagues have similarly argued that welfare improvement of the majority brought by the economic reform reduced the threat of political instability.<sup>62</sup> As economic improvement brought by economic reforms has been initiated and controlled by the CPC with a strong socialist legacy,<sup>63</sup> the political regime to a large extent has been accepted by the public so far.

As has been analyzed, Confucianism is not very conducive to the development of democracy.<sup>64</sup> Confucianist societies, however, may transplant democracy if there is a political will as the case of Taiwan has demonstrated or Confucian values can be consistent with democracy as the case of South Korea has revealed. When Confucianism and communism are combined together, the process of democratization will take a longer time. China, North Korea, and Vietnam are three cases supporting this point.

There are limits in resorting to the cultural variable. Huntington has discussed several factors to question the cultural obstacle.<sup>65</sup> First, Catholicism was used to explain the resistance of democracy, but Catholicism has become pro-democratic.<sup>66</sup> Second, cultures are dynamic and are evolving through time.<sup>67</sup> Cultures also interact with other variables such as economic development. Economic development promotes diversity. This is so as decentralized innovation and competition on the market creates wealth outside governments. Differential wealth ownership results in diversified values and preferences. Diversity requires the change of traditionally held values of Confucianism which is based on an agricultural society and communist values which emphasizes equality and deference to party rule. While diversity moves towards greater degree of public participation as people try to express their views if public policies affect people's interest differently than policies on a homogeneous group of population under old regimes, economic development may move in the direction of choosing China's own model of democracy as people's confidence increases.

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<sup>61</sup> For a detailed analysis of welfare change of people in different sectors, see Wright, *supra* note 3.

<sup>62</sup> Lawrence Lau, Yingyi Qian, and Gerald Roland, "Reform without Losers: An Interpretation of China's Dual-Track Approach to Transition", 108 *Journal of Political Economy* 120- 43 (2000).

<sup>63</sup> See Wright, *supra* note 3, p. 2. Also see Sebastian Heilmann and Elizabeth J. Perry eds., *Mao's Invisible Hand* (Cambridge: Harvard University Asia Center: Distributed by the Harvard University Press, 2011).

<sup>64</sup> For a contrary view that Confucianism is conducive to or at least compatible with modern democracy, see Joseph C.W. Chan, "Democracy and Meritocracy: Toward a Confusion Perspective", 34 *Journal of Chinese Philosophy* 179- 93 (2007); also see Daniel A. Bell, *China's New Confucianism: Politics and Everyday Life in a Changing Society* (Princeton: Princeton University Press, 2010).

<sup>65</sup> Huntington, *Third Wave*, *supra* note 8, p. 311.

<sup>66</sup> *Ibid.*

<sup>67</sup> *Ibid.*

Just as modernization by itself is not an adequate explanatory variable, so is the cultural explanation. The next Section examines the geo-political variable in explaining the persistence of China's authoritarianism.

#### 4 The Geo-political Variable

Geo-political factors play important roles in the transplantation of democratic political regimes. One mechanism the geo-political factor works to shape the democratization of other nations is the role model. Smaller nations or less developed nations tend to learn from and borrow democratic institutions from the more advanced core nations they admire. When commenting on the impact of culture on regime change, Huntington claims that “if it were not for the changes within the Catholic Church and the resulting actions of the Church against authoritarianism, fewer third wave transitions to democracy would have occurred and many that did occur would have occurred later.”<sup>68</sup> In addition, he refers to the major sources of influence in the world then including the European Community, which specified democracy as a precondition to joining the community, the United States, and the Soviet Union in their active promotion of democracy in the later 1980s.<sup>69</sup>

In attributing the receptivity to German and US constitutional review practice to geopolitics in Korea and Taiwan, Ginsburg provides:

Both polities were small and vulnerable, characteristics that can lead to quick adjustments to changing international conditions. Both countries (along with postwar West Germany) found themselves as United States allies engaged in political-ideological confrontation with Communist regimes that claimed to be the legitimate government of their peoples. Their legitimation in these confrontations came from identification as embodiments of liberal values against Communism. As such, throughout the Cold War period, the United States provided an important “reference society” against which progress was measured. America, and to a less extent Germany, was where elites went for training, where dissidents went for exile, and was the source of technology, capital, and ideas.<sup>70</sup>

Scholars in political science or law, however, have not paid adequate attention to the influence of geopolitical factors in the process of China's democratization. In explaining China's delayed democratization, Gallagher compared the case of China with that of Korea and Taiwan. According to Gallagher, state-led development in Korea and Taiwan relied very much upon the domestic private sector whereas state-led development in China relied heavily upon FDI.<sup>71</sup> It is the development of the private sector in Korea and Taiwan which led to political change and eventual democratization.<sup>72</sup>

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<sup>68</sup> Ibid., p. 85.

<sup>69</sup> Ibid., p. 86.

<sup>70</sup> Tom Ginsburg, “Confucian Constitutionalism? The Emergence of Constitutional Review in Korea and Taiwan”, 27 *Law & Social Inquiry*, 763- 99 (2002), pp. 790-91.

<sup>71</sup> Gallagher, *supra* note 1, pp. 36-68.

<sup>72</sup> Ibid.

Development of the private sector by itself, however, is not adequate for regime change. Gallagher's focus is too narrow. She not only ignores the cultural factor but also the geo-political variable.

Geo-political factors may, however, also operate to resist learning from other nations. It is the author's argument that political hostility between the US and China from 1940s to 1970s and lack of political trust during the beginning of this century are a contributing factor of China's delayed process of democratization. This relation works through the mechanism of nationalism. In addition, wars or hostility reduces people's rationality in assessing alternatives. Right after the founding of the People Republic of China (China) in 1949, US and China respectively and in sequence joined the Korea War<sup>73</sup> which resulted in the death of hundreds of thousands of soldiers on both sides. In addition, US and China were also involved in the Vietnam War.<sup>74</sup> In contrast to the Korea War in which soldiers of China and soldiers of the United Nations led by the US fought directly, China's involvement in the Vietnam War was much more indirect. Unlike the Korea War, however, the Vietnam War lasted much longer. Both wars caused a great deal of hostility between China and US. Fighting wars to protect the nation requires a strong government. The Chinese government's partial success in these wars enhanced the regime's legitimacy among the public at large. When nations are at war or engaged in political hostility, transplantation of foreign regimes such as democracy becomes much harder.

Political liberalism in the former Soviet Union occurred at the end of 1980s when the hostility between the US and the Soviet Union was considerably reduced. The reduction of hostility between the US and the Soviet Union can also explain the process of democratization in East Europe. Despite the pulling factor of the European Community which enjoyed a much higher living standard, East Europe's process of democratization was not promising due to the intervention of the Soviet Union. Only when the Soviet Union itself decided to liberalize its political system and shifted its policy to non-intervention, did the East European countries begin to carry out measures of liberalization. From this perspective, the non-intervention policy of the Soviet Union can be considered as the pushing factor in the process of democratization of the East European countries. Furthermore, the European Community was much less hostile towards East European nations than the hostility imposed by the US on North Korea, Vietnam, and China.

An additional case to explain my argument is Cuba. Cuba is a very small nation. It is closely located to the US in terms of geography. From an economic perspective, the gains to be realized from its trade with the US are enormous. In addition to trade, potential FDI from US is likely to significantly benefit Cuba. Unlike the East European countries, there was not much external constraint on Cuba's autonomous decisions on its choice of political regime. Neither the Soviet Union nor China was likely or able to intervene had Cuba decided to move towards a democratic political regime in 1980s or 1990s. All these tend to suggest that Cuba would become democratized ahead of the East European countries. This did not occur. A likely explanation is the hostility between the US and Cuba. Ever since the establishment of the socialist regime in Cuba, the hostility of the US towards Cuba's political system has been high. Under political hostility, the US imposed various types of economic sanctions on

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<sup>73</sup> Phil Williams et al., *Security in Korea: War, Stalemate, and Negotiation* (Boulder: Westview Press, 1994).

<sup>74</sup> Cheng Guan Ang, *Southeast Asia and the Vietnam War* (London, New York: Routledge, 2010).

Cuba at different times. The US also planned several unsuccessful attempts to overthrow the government of Cuba. Despite the hostility and economic sanctions, Cuba remains so far an authoritarian regime.

Further to the hostility, the US also acted in different ways which promote nationalism in China. Despite the normalization of China-US relations in 1979, the US has kept its policy of selling weapons to Taiwan. Although the Taiwan Relations Act of 1979<sup>75</sup> promised to make available such defense weapons as may be necessary to enable Taiwan to maintain a sufficient self-defense capability, pursuant to the 1982 Shanghai Communique, the United States would not sell Taiwan a greater number of weapons than it did before 1979 and it intended to reduce its sales of arms to Taiwan.<sup>76</sup> Despite its promise, the Bush Administration authorized the sale of 150 F-16 fighters to Taiwan in 1992.<sup>77</sup> More recently in 2010, the Obama Administration initiated the sale of USD 6 billion worth of Patriot anti-missile systems, helicopters, mine-sweeping ships and communications equipment to Taiwan.<sup>78</sup> In September 2011, the Obama Administration again announced a package of USD 5.85 billion to refurbish and upgrade Taiwan's fleet of F-16 fighters.<sup>79</sup> To the majority of Chinese people, such actions constituted interference with China's domestic affairs.

The recent position of the US on the disputes over the South China Sea between China and the Philippines or Vietnam also tends to strengthen nationalism in China. China has persistently claimed and maintained sovereignty over the Nansha Islands (the Spratly Islands) and the Xisha Islands (the Paracel Islands) "by ways of discovery, naming, mapping, control, public and private use, administrative allocation of jurisdiction, and other manifestations of authority throughout history".<sup>80</sup> Before France occupied some of the islands in the South China Sea in the 1930s, no other nation made sovereignty claims to the islands in the South China Sea.<sup>81</sup> In 1938, Japan also recognized China's sovereignty over the South China Sea Islands, perhaps for a selfish purpose.<sup>82</sup> During the Second World War, however, Japan replaced France and illegally took over the entire chain of islands in the

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<sup>75</sup> <http://www.taiwandocuments.org/tra01.htm> (accessed July 3, 2012).

<sup>76</sup> <http://www.taiwandocuments.org/communique03.htm> (accessed July 3, 2012).

<sup>77</sup> Zhang Qingmin, "The Bureaucratic Politics of US Arms Sales to Taiwan", 1 Chinese Journal of International Politics 231- 65 (2006).

<sup>78</sup> John Pomfret, "U.S. Sells Weapons to Taiwan, Angering China", Washington Post, January 30, 2010, available at <http://www.washingtonpost.com> (accessed July 3, 2012).

<sup>79</sup> Mark Landler, "No New F-16's for Taiwan, but U.S. to Upgrade Fleet", The New York Times, September 11, 2011, available at <http://www.nytimes.com> (accessed July 3, 2012).

<sup>80</sup> See Shen Jianming, "China's Sovereignty over the South China Sea Islands: a Historical Perspective", The Chinese Journal of International Law 94-157 (2002), p. 102.

<sup>81</sup> *Ibid.*, p. 98.

<sup>82</sup> *Ibid.*, p. 138.

South China Sea.<sup>83</sup> After Japan's defeat, it renounced its claim to the South China Sea Islands.<sup>84</sup> According to the Cairo Declaration made in 1943, China, the United Kingdom and the United States announced that all territories Japan had illegally taken from China should be restored to China, including the South China Sea Islands put by Japan under then Taiwan's jurisdiction.<sup>85</sup> The Cairo Declaration was reconfirmed by the Potsdam Proclamation in 1945.<sup>86</sup> At the San Francisco Peace Conference in 1951, both France and Vietnam represented at the conference made their claims to the South China Sea Islands, but their "claims were ignored at the conference in particular and by the international community in general."<sup>87</sup> Although China did not attend the conference, Premier Zhou Enlai issued a statement reiterating China's sovereignty over the South China Sea Islands.<sup>88</sup> The Soviet representative appealed to recognize China's sovereignty over Taiwan, the Xisha Islands and the Nanshatsuntao Islands including the Spratly chain.<sup>89</sup>

The Philippines only started to claim its sovereignty over some of the Nansha Islands in 1956 and South Vietnam started to encroach upon some of the Xisha Islands in 1959.<sup>90</sup> These and many other claims were repeatedly rejected by the Chinese Government either by official statement and declaration or by war.<sup>91</sup> Due to the rich natural resources, the disputes between China and other nations, such as the Philippines or Vietnam, have recently been intensified.<sup>92</sup> Despite the clear history of which the US is well aware, the US appears to side with the Philippines and Vietnam regardless of China's concern and interest. While the dispute between China and Vietnam over Nansha Islands and Xisha Islands is continuing, the *Roger Revelle*, a US Navy research vessel, visited Tien Sa Port in Vietnam on June 22, 2012.<sup>93</sup> With respect to the dispute between China and the Philippines over the Scarborough Shoal, the US also explicitly sided with the Philippines by its intention to increase its military assistance to the Philippines.<sup>94</sup> This raises the issue why the US tries to reduce the influence of China in Asia. One of

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<sup>83</sup> Ibid., p. 98.

<sup>84</sup> Ibid., p. 99.

<sup>85</sup> Ibid., p. 137.

<sup>86</sup> Ibid.

<sup>87</sup> Ibid., p. 99.

<sup>88</sup> Ibid.

<sup>89</sup> Ibid.

<sup>90</sup> Ibid., p. 146.

<sup>91</sup> Ibid., pp. 146-52.

<sup>92</sup> Roberto Tofani, "Hardened Lines in the South China Sea", Asia Times, July 4, 2012, available at [http://www.atimes.com/atimes/Southeast\\_Asia/NG04Ae01.html](http://www.atimes.com/atimes/Southeast_Asia/NG04Ae01.html) (accessed July 4, 2012).

<sup>93</sup> Ibid.

<sup>94</sup> Goeff Dyer and Roel Landingin, "Obama in Show of Support for Philippines", Financial Times, June 9, 2012 available at <http://www.ft.com> (accessed July 4, 2012).

the major political reasons is that the US is not willing to accept China's leadership or dominance in Asia.<sup>95</sup> Professor Huntington, a well-known and influential political scientist in the 1990s explains:<sup>96</sup>

For over two hundred years the United States has attempted to prevent the emergence of an overwhelmingly dominant power in Europe. For almost a hundred years, beginning with its "Open Door" policy toward China, it has attempted to do the same in East Asia.

Under such a political mentality, the US recently announced its policy of returning to Asia. While it may not try to establish military bases in countries surrounding China, it does have the intention of using the military bases of countries such as the Philippines and Vietnam for short term purposes when the need arises.<sup>97</sup>

Obviously, the popular view in China is that the US does not want to have a united or coherent Asia with China playing a relatively important role. Most people in China also do not understand why US is stepping up its efforts to curtail China politically and militarily when China is not only the US's largest trading partner in Asia but also the US's largest governmental bond holder. To many Chinese people, the US' attitudes toward China's peaceful emergence and development are puzzling. This may also explain why most elites in contemporary China tend to go with the Chinese government on reform policies.

A potential counterargument is that the process of democratization is entirely a domestic matter. Whether a country decides to adopt a democratic regime or an authoritarian regime should be a matter for its own people. This counterargument is normatively correct, but positively inaccurate. If core nations can exert influence upon other smaller nations or less developed nations on their choice of political systems, the actions of core nations can also function in ways affecting the delay of democratization of smaller nations or less developed nations. The geo-political factor of the US does affect nationalism in China in a subtle way. Further empirical studies can shed better light on this point. As nationalism reduces or resists foreign influence, the geo-political factor of the role of the US does negatively affect the public opinions or perception of introducing liberal political regimes from the US. To generalize at a lower level of abstraction, US hostility prolongs authoritarianism in North Korea, China, Vietnam, and Cuba. It has to be pointed out that China as a core nation has also exerted some negative influence upon North Korea and Vietnam on their delayed democratization.

Geo-political factors also affect cultural elements. When nations are at war or engaged in hostility, the cultural identity issue becomes a serious concern. This is one of the main causes that the US has had great difficulty establishing peace and order during the Iraq War and the War in Afghanistan, not to mention setting up a stable democracy in these two countries. Otherwise, there would be popular support of the US efforts in building a new regime when the old authoritarian regime has been overthrown in these two countries.

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<sup>95</sup> Huntington, *The Clash of Civilizations*, supra note 33, pp. 228.

<sup>96</sup> *Ibid.*, pp. 228-29.

<sup>97</sup> Craig Whitlock, "US Eyes Return to Some Southeast Asia Military Bases", *Washington Post*, June 23, 2012, available at <http://www.washingtonpost.com> (accessed July 4, 2012).

If there is anything to be derived from the positive to the normative, two points need to be emphasized. The first point to be generalized from this discussion of the geo-political factor is that nations are able to shape the political system of others or learn from each other easier or better under friendly or peaceful conditions. Why the Chinese political system is more democratic now than it was under Mao's rule is the better relations between China and the US and Europe. Obviously, the significant trading and investment relationship China is enjoying with the West is vital to China's ever improving political regime. If we believe that China's political regime will become more democratic regardless from the substantive point of view or from the procedural point of view there is no need to expect that China will quickly adopt any Western style of democracy in the short term.

An even more important point I want to emphasize is that nations should adopt certain soft version of cosmopolitanism. If we do not divide clearly between us and them, mutual learning will become easier. With the development of transportation and communication, the free flow of people and information tends to make nations adjust their system according to changing circumstances. History is replete with examples of terrible consequences because of the sharp division along ideological lines among nations. The pursuit of communism in the former socialist countries led to the persecution or the deterioration of human rights conditions of millions of people in these countries. The division resulting from the Cold War has also caused a tremendous welfare loss to this world. If we do not pay attention to the methods of pushing western style of democracy, the outcome may not be as good as we desire or expect. Pursuing any type of ideology to the extreme may result in the treatment of human beings as means rather than ends. Cosmopolitan views based humanity is more likely to solve problems among or within nations.

## 5 Resilience or Legitimacy

A residual category on the persistence of China's authoritarianism focuses on resilience. There are two basic approaches. One deals mainly with the process or institutional change of China's political regime. The other analyzes resilience from the standpoint of outcome or welfare.

Nathan's study, for instance, examines four aspects of CPC's institutional change. These aspects include: "1) the increasingly norm-based nature of its succession politics; 2) the increase in meritocratic as opposed to factional considerations in the promotion of political elites; 3) the differentiation and functional specialization of institutions within the regime, and 4) the establishment of institutions for political participation and appeal that strengthen the CPC's legitimacy among the public at large."<sup>98</sup> Norm-bound succession convention makes orderly transfer of power possible. More specifically, term and age limit increases regime legitimacy. Meritocratic considerations in the promotion of political leaders reduce factional fighting and increases regime performance. The differentiation and functional specialization of institutions within the regime increases specialization and professionalization. Political participation at the local level<sup>99</sup> and intellectuals' advisory input at the policy formulation level increase regime support. Yan's research as explained in the Introduction section is also based on

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<sup>98</sup> Andrew J. Nathan, "China's Changing of the Guard: Authoritarian Resilience", 14 *Journal of Democracy* 6-17 (2003), pp. 6-7.

<sup>99</sup> *Ibid.*, pp. 13-14.

process or institutional change.<sup>100</sup> Local people's consultative conference's efforts have consolidated the political support of the regime.

The outcome or welfare based approach, on the other hand, analyzes the outcome or welfare impact of regime reform. Lau and his colleagues<sup>101</sup> for instance, argue that China's dual track<sup>102</sup> approach to structural reform of the economy for transition is Pareto efficient. This is so as the newly created system of market allocation of resources provided new opportunities or benefits to new comers while the existing state planning system implicitly compensated potential losers under the old regime. According to Lau and his colleagues, Pareto-improving reform reduced political resistance of reform.<sup>103</sup> Although their research does not explicitly use the term resilience, the effect of their research is close to the category of resilience. An implication from their research is that Pareto-improving reforms attract political support. Wright offers another outcome or welfare-based approach to resilience.<sup>104</sup> While Wright's approach is also process-oriented, she has focused, to some extent, on the welfare effects of various types of people in China, explaining that factors of change have improved the welfare of people in most social-economic sectors.<sup>105</sup>

Resilience, however, is not an independent variable. It covers and interacts with other different variables. For instance, process oriented approach actually touches upon the variable of legitimacy. Regimes enjoying high legitimacy are relatively stable. Political reform in China related to age and term limit of office increases legitimacy as entrenchment of non-performing or corrupted leaders becomes more difficult. This factor, together with meritocratic promotion and functional specialization, improves legitimacy through regime performance and reduction of politics. Expansion of individual input and participation in public governance enhances legitimacy through the perception of populism.

Outcome or welfare based approach not only focuses on performance legitimacy but also is related to modernization. Other things being equal, performance enhances legitimacy. From this perspective, the study of Lau and his colleagues and the research of Wright can be used to explain the persistence of China's authoritarianism on the ground that reform improves legitimacy. In addition to the variable of legitimacy, outcome or welfare based theories overlaps with the variable of modernization. While traditional modernization theory emphasizes the correlation between economic development and the likelihood of democratization, the theory also leaves room that economic development will not necessarily lead to political democratization. The case of China provides evidence that economic development or welfare improvement of the general population strengthens China's authoritarianism instead through the enhancement of regime legitimacy and confidence in building its own system.

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<sup>100</sup> Yan, *supra* note 4.

<sup>101</sup> Lau et al, *supra* note 62.

<sup>102</sup> Dual track system means that resource allocation was done both by the planning system and through the market during China's economic transition.

<sup>103</sup> Lau et al., *supra* note 62, p. 100.

<sup>104</sup> Wright, *supra* note 3.

<sup>105</sup> *Ibid.*, p. 162.

## 6 Review of Survey Results

Democracy is supported by values such as popular sovereignty, commitment to the equality of citizens, and the principle of majority-decision making with adequate protection of minority rights. From this perspective, popular views on their right and intention to participate in the deliberation and formation of public policies and the election of higher level political leaders are of vital importance. If this is the case, popular views or perception on the role of government or the ruling party in China provides an indication of people's demand of democracy. In China, the ruling party and its government have exerted a great deal of control over the selection of higher level governmental leaders, the media, and the establishment of non-profit organizations. If demand of democracy is high, people's perception of the role of government over their lives should be very high. The research of Nathan and Shi reveals, however, that approximately 72 percent of Chinese citizens consider the role of national and local governments insignificant in their daily lives.<sup>106</sup> Such a public perception is an indication of lack of popular demand of Western democracy in China.

To counter tyranny of the majority, democratic regimes require the constitutional protection of fundamental rights of minorities and the conception of equality of citizens. If citizens are truly treated as equal moral concerns, freedom of expression is important. Freedom of expression, of course, does not mean that the view of each person will be adopted on every occasion. Strauss says: "Where there is a great deal of agreement within our society, and our own legal culture, on certain matters, there is also a great deal of disagreement."<sup>107</sup> He specifically provides:

One thing we do, then, when we accept a legal system, is in effect to say to our fellow citizens that we are not going to insist on having everything our own way. More precisely, we are saying that we recognize that there is intense disagreement about certain moral matters; that if society is to function, some of those matters must be authoritatively resolved, and everyone must live with the resolution; and that we understand that the institutions we establish to resolve these disagreements might sometimes reach the result we do not favor. In any large and heterogeneous society – that is, a society that must confront different issues, and in which there are many different views, - nearly everyone will lose occasionally.<sup>108</sup>

While certain individuals' view may not be adopted on every occasion, they are entitled to express their views. Without free expression of views, relevant institutions are not able to know the preferences of society in the formulation of political decisions. In addition to this instrumental goal, freedom of expression is closely related to permanent human development.<sup>109</sup> Individuals may also have moral rights against the government (the majority).<sup>110</sup> To protect the fundamental rights of individuals, the

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<sup>106</sup> Andrew Nathan and Tianjian Shi, "Cultural Requisites for Democracy in China", 122 *Daedalus* 95-123 (1993), p.102.

<sup>107</sup> David A. Strauss, "What is Constitutional Theory", 87 *California Law Review* 581- 592 (1999), p. 588.

<sup>108</sup> *Ibid.*

<sup>109</sup> John Stuart Mill, *On Liberty*, (Currin V. Shields ed.) (New York: Bobbs-Merrill Company, 1956), pp. 14, 16, and 21.

<sup>110</sup> Ronald Dworkin, *Taking Rights Seriously* (London: Duckworth, 1977), ch. 5.

constitution of democratic regimes contains bills of rights. The operation of such democratic regimes requires tolerance of different views of individuals in society. The research of Nathan and Shi, however, shows that “few than 20 percent of the Chinese respondents were willing to allow sympathizers of a deviant viewpoint to express their views in a meeting as compared to 40 to 75 percent of the populations in the other countries in their studies.”<sup>111</sup> Lack of tolerance is conducive to authoritarianism.

Lewis-Back and Stegmaier’s study reveals that retrospective evaluation of economic or fiscal conditions plays an important role in the political fate of elected officials all over the world.<sup>112</sup> Studies in China also indicate that economic performance and promotion of provincial leaders are closely correlated.<sup>113</sup> Revenue maximization, however, is not normally related to the election of political leaders in democratic regimes. Gao’s study suggests, however, that at the county level in China, a 10 percent increase in revenue growth would increase the odds of being locally promoted in the following year by five percent.<sup>114</sup> He thereby challenges the perception that “the party is on a slippery slope of decay and disintegration.”<sup>115</sup>

The above empirical studies show that the authoritarian regime in China is still considerably safe. This goes to the issue whether popular support of the current regime can be attributed to the variables analyzed in this article. Unfortunately, nobody has a survey design which is close or similar to the variables examined in this article. All I can do is to draw some empirical support to some of the variables whenever there is clear evidence.

Wright has reviewed several popular surveys and come to the conclusion that “recent survey data indicate substantial popular support for the authoritarian ruling regime and weak interest in liberal democratic principles.”<sup>116</sup> While she attributes the result to state-led economic development, market forces related to late industrialization, and socialist legacy, the factor of culture is certainly relevant in shaping the popular perception in China. As the socialist regime in China has its own conception of democracy, the public considers the current regime somewhat democratic. A popular survey conducted by Shi in 2002 reveals that over 60 percent of respondents described the current system as democratic

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<sup>111</sup> Nathan and Shi, *supra* note 106, p. 113.

<sup>112</sup> Michael Lewis-Back and Mary Stegmaier, “Economic Determinants of Electoral Outcomes”, 3 *Annual Review of Political Science* 183- 219 (2000).

<sup>113</sup> Zhiyue Bo, *Chinese Provincial Leaders: Economic Performance and Political Mobility Since 1949* (Armonk, New York: M.E. Sharpe, 2000), p. 139; Hongbin Li and Li-An Zhou, “Political Turnover and Economic Performance: The Incentive Role of Personnel Control in China”, 89 *Journal of Public Economics* 1743- 62 (2005), p. 1756.

<sup>114</sup> Gang Gao, “Retrospective Economic Accountability under Authoritarianism: Evidence from China”, 60 *Political Research Quarterly*, 378- 90 (2007), p. 387.

<sup>115</sup> *Ibid.*, p. 389.

<sup>116</sup> Wright, *supra* note 3, p. 17.

in certain way.<sup>117</sup> On a subtle issue of the official view of socialist democracy and Western concept of democracy, a slightly more people share the official version of democracy.<sup>118</sup>

Similar to other East Asian nations or regions, most people in China consider economic development more important than democracy.<sup>119</sup> People's view on economic development goes to the variables of legitimacy and modernization. With respect to legitimacy, Party and state-led economic development has clear positive impact on legitimacy. On the issue of society and economy, 96.6 percent expressed the view that the economy today is better than in 1979.<sup>120</sup>

With respect to the variable of legitimacy through process or institutional change, there is significant positive perception among the public. On the point of regime change from 1970s to 1990s then to the beginning of this century, “over 80 percent of respondents perceived a change in the democratic direction.”<sup>121</sup> With respect to future change, the Chinese are equally or more positive than people in other East Asian nations or regions.<sup>122</sup> More specifically, Shi's survey shows that people found considerable improvement in freedom of expression.<sup>123</sup>

As for the position whether China's economic development will lead to democracy, the survey shows positive response but not along the line of Western concept of democracy. Shi's survey indicates that the “Chinese are overwhelmingly supportive of democracy.”<sup>124</sup> Furthermore, urban residents are more supportive of democracy than rural residents.<sup>125</sup> The Chinese concept of democracy is, however, more closely related to populism.<sup>126</sup> While there is a considerable support (84 percent) of having elections of national leaders, only 16.3 percent agreed or strongly agreed with multiparty competition.<sup>127</sup> That result

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<sup>117</sup> Tianjian Shi, “China: Democratic Values Supporting an Authoritarian System”, in Yun-han Chu, Larry Diamond, Andrew J. Nathan, and Doh Chull Shin, eds., *How East Asian View Democracy* (New York: Columbia University Press, 2008), p. 219.

<sup>118</sup> *Ibid.*, p. 216.

<sup>119</sup> *Ibid.*, p. 233.

<sup>120</sup> *Ibid.*, p. 223.

<sup>121</sup> *Ibid.*, p. 219.

<sup>122</sup> *Ibid.*, p. 220.

<sup>123</sup> *Ibid.*, p. 221.

<sup>124</sup> *Ibid.*, p. 232.

<sup>125</sup> *Ibid.*, p. 235.

<sup>126</sup> *Ibid.*, p. 215.

<sup>127</sup> *Ibid.*, p. 216.

indicates that China is likely to have a different type of democracy. Peerenboom may be right that China is likely to adopt a soft authoritarian or communitarian type of democracy.<sup>128</sup>

## 7 Conclusion

This article has examined the persistence of China's authoritarianism in terms of lack of multiparty competition for the election of high level executive or legislative leaders. While recognizing the contribution and coherence of single variable explanation of various scholars, I prefer a multivariable approach to the analysis of the issue on explaining China's lack of a western style of democracy. The multivariable approach with a focus on China is obviously not new as several researchers have already done work in this area. My contribution is to focus on different variables explaining the persistence of China's authoritarianism to which others have not adequately paid attention. These explanations include the modernization theory, the cultural variable, the geo-political factor of the US' role in China's democratization process, and legitimacy. Although the process of democratization in China is very slow, the dynamics of forces and particularly the pursuit of individual rights in contemporary China will gradually lead to political changes in China. Given the very successful economic development and China's experience of gradual reform of its institutions during the past 30 years, a likely process is towards political transparency and accountability first under the one party rule in the short run and gradually towards the liberalization of people's freedom of expression and freedom of the media. Freedom of expression and freedom of the media is democracy as public reason. Democracy as public reason is conducive to the establishment of external monitoring mechanisms to make sure that political leaders have to work for the best interest of the larger society. While Western style of democracy may not likely to be adopted in China in the near future, democracy in terms of public reason and as an external monitoring mechanism over political leaders will develop nevertheless. If that is the case, the means and methods of moving towards a future democratic society have to be dealt with. I will leave that task elsewhere.

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<sup>128</sup> Randall Peerenboom, *China's Long March toward Rule of Law* (Cambridge: Cambridge University Press, 2002), p. 513.

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### **Private Tutoring in the Secondary School of Canton Ticino: Enrichment, Remedial or Answer to School Discomfort?**

#### **Abstract:**

Research and policy attention began to focus on the phenomenon of private tutoring in a significant way only in the 1990s. Much of the initial attention focused on Asia, particularly on Japan and South Korea, where tutoring has been established for longer periods as a major element in the lives of young people and their families. In the following decade attention turned to other parts of the world in which tutoring was becoming significant. In Switzerland private tutoring is quite an unexplored topic, although its importance can be easily perceived.

One of the main collateral effects of private tutoring is that it may be a heavy burden on low-income families and can contribute to maintaining or even increasing social inequalities.

According to the credentialist theories, upper class families seek to limit their children's risk of downward social mobility and do their utmost to ensure that their offspring do well in school and progress to higher education. In other words the reason why paid private tutoring is used might have more to do with the concept of enrichment, rather than remedying any gaps and would reflect the so-called "Matthew effect", whereby the children of better educated families are more likely to study more and longer.

Private tutoring may also be a clue of a system teacher-centred rather than student-centred and/or intolerant of slower learners (Bray, 2003) and reflect the sense discomfort of students who end up feeling nervous, stressed, not enough supported in case of difficulties and dissatisfied with their school experience.

This paper aims to provide a description of the phenomenon of private tutoring in upper secondary education in the Canton of Ticino and to determine whether it can exacerbate social inequalities and be the sign of school discomfort. For these purposes I analyzed the answers to a questionnaire of a sample of over 1300 students at their first or last year of upper secondary school. 30% of them had taken or were taking private lessons at the moment of the survey. The multivariate analysis put into evidence the higher level of school discomfort of private tutoring users. Although many of them show poorer school results and a logic of remedial seems to prevail, private tutoring is more common among the better educated upper class families.

**Keywords:** Private Tutoring, Shadow Education, Educational Inequalities, Credentialism, School Discomfort.

**Published in IJoTE 1(1), 2013: <http://www.iises.net/?p=8408>**

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## **Constitutional and Legal Manipulations in the Post-Soviet Space**

### **Abstract:**

The problem of constitutional and legal manipulations is relevant to the regimes of imitative democracy in the post-Soviet space. The political leaders and elites often try to adapt the constitution to fit their interests and resort to a variety of manipulations of the Basic Law. In my view, a constitutional and legal manipulation is the change of the constitution, which is being undertaken cleverly and skillfully in order to achieve the unilateral hidden objectives of the ruling class and to create some illusions (democracy stability security, etc.). Most often, the post-Soviet countries uses all sorts of tricks when the term of office of the current president ends, and they want to prolong it. For example, one of such kind of tricks is the correct calculation of terms, namely, zeroing terms of presidency by the adoption of a new constitution or by amending the acting constitution. In the paper the author analyses the variety of constitutional and legal manipulations in the post-Soviet space. He comes to the conclusion that these manipulations are harmful to society, hamper the creation of the institutional foundations of democracy, and promote consolidation of an authoritarian regime.

**Published in IJoSS 2(1), 2013: <http://www.iises.net/?p=8288>**

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# **Innovative Reorientation in China and the Legal Challenges to Its Socialist Market Economy**

### **Abstract:**

The economic reform in the past 34 years has not only promoted China to the second largest economy in the world, but also brought the country to the cross-roads for its future development. The extensive way of growth with enthusiastic introduction of foreign investment for export, productive factor inputs at a large scale, and heavy reliance on cheap land, labour and natural resources for low-end competition has been openly admitted by the top leaders unstable, imbalanced and unsustainable.

### **1 Introduction**

The economic reform since late 1970s has not only promoted China to the second largest economy in the world, but also brought the country to a cross-road for its future development. The extensive way of growth with enthusiastic introduction of foreign investment for export, productive factor inputs at a large scale, and heavy reliance on cheap land, labour and natural resources for low-end competition has been proved unstable, imbalanced and unsustainable. In recent years the Chinese government has vigorously promoted indigenous innovation through various policies and enactments to upgrade the national economy and industrial structure. Their implementation, however, has been highly controversial on both domestic and international levels and suffered some setbacks. The innovative reorientation has further raised serious concerns with the characteristics of the so-called “socialist market economy” in China.

Given the focus of the article on the challenges facing China’s innovation, critics are bound to be made. However, for the sake of fairness and objectiveness, it should be recognized that China has made significant progress in developing its innovative capacity and making breakthroughs in some key areas, such as aerospace technology, manned submersible, super computer, and generation IV reactors technologies. Thus far, 95 strategic industrial innovation coalitions, 387 major state laboratories, 164 national engineering research centers, and 105 national high tech zones have been established. Since 2008 the number of scientific research publications of Chinese authors that are included in the *Science Citation Index System* (SCI) has ranked second in the world, just next to the United States. The total spending on research and development (R&D) reached RMB 1.024 trillion, or 1.97% of the national GDP, 10 times more than the sum in 2002. Dynamic rise of China as an innovative power has been recognized worldwide. In the latest Bloomberg's Global Innovation Index China ranked 29th of most innovative countries. Some study has predicted that if the current development trend continues China could rank first in the very near future

Against this background this paper will analyze the major challenges facing China in its innovative reorientation by critically examining some key concerns and implications, including the socialist political ideology, foreign investment environment, the competition policy, property right protection and good governance. The author will argue that economic upgrading and innovation cannot be achieved without necessary political and institutional reform. In particular, rule of law development is crucially important to China during its transitional period.

## **2 The “China Model” and innovation pressure**

Since the implementation of the open-door policy in late 1970s, the growth model in China has been characterized with high energy consumption and heavy environmental pollutions. Such development model, however, has proved unsustainable. In particular, rapid industrialization and urbanization have made China to become the largest carbon emitter since 2007 and the largest energy consumer with about 20 percent of the world entire consumption. Although the government adopted a series of regulations and measures to improve the energy efficiency, China's power consumption has continued to rise to a new high in March 2013 to reach reached 424.1 billion kilowatt-hours (kWh), or 1.9 percent higher than the same period of 2012. According to the government study, the dynamic urbanization in China will further significantly increase the energy consumption.

Moreover, it should be noted that the overall energy efficiency in China is poorer than many other countries, including India. According to some experts, China's average energy efficiency is about 33%, which is about 10% lower than that of the developed countries. In specific sectors the gap may be even larger. For example, in producing a unit of steel, cement, ethylene, and synthetic ammonia China's energy consumption would be higher by 17%, 20%, 57% and 31%, respectively. The building energy consumption per unit heated area is two or three times of that in the developed countries having similar climate conditions.

The extensive demand for energy supply has led to a large number of fatal accidents and natural resource depletion. In recent years coal-mining fatalities in China alone have accounted for about 80% of the world's total, although its production percentage is merely 35%. Between January 2001 to October 2004, 188 accidents that each had a death toll of more than 10 were recorded. The official death figures of 2008 and 2009 mine accidents were 3,200 and 2631 respectively. By 2012, 69 cities in China were considered by the state authority resource depleted and several dozen is struggling for their transformation due to shortage of resource supply. The conditions of ecological resources have also reached the verge of crisis.

The extensive development model has also resulted in significant environmental consequences. Today, many cities in China have extremely high air pollution levels. Based on an ambient particulate concentration criterion of PM10, twelve of the twenty most polluted cities in the world are located in China. According to a World Bank report in 2007, the combined health and non-health cost of air and water pollution for China's economy reached to US 100 billion a year, or about 5.8% of the national GDP then. Since then despite various measures taken by the government, the environmental conditions in China, including air, water, soil and food, have continued to deteriorate to a degree to upset the top leadership and force them to “show even greater resolve and make more vigorous efforts” to clean the country up.

The serious impacts of such extensive development have been not only reflected in intensified low-end competition, waste and drying up of natural resources, escalation of social conflicts and imbalanced economic structure, but also seen on the political reform. The economic taking-off in a short period has provided the party-state in China with urgently needed legitimacy for its ruling and an excuse to resist institutional reform against the authoritarian regime. As a result, as compared with market reorientation, political reform has been long dragged behind.

All these warning messages have been well received by the political leaders. Premier then Wen Jiabao openly admitted in 2007 that “The huge problem facing China remains its economic structure which is unstable, imbalanced and unsustainable.” The urgency of changing the development model has increasingly become a political pressure on the party-state regime. Such graveness is best evidence by a speech of Hu Jintao, the then Secretary General of the Communist Party of China (CPC) in 2010, where the word “acceleration” was used for 50 times to urge the central officials to push transforming and upgrading the country’s economic structure. Xi Jinping made his clear statements immediately after took the top leader office that accelerating the economic structure transformation of the country through institutional and scientific innovation was a task that would brook no delay.

### **3 China’s Indigenous Innovation Measures**

To respond to the call of the top leadership quite a few policies and provisions were promulgated in recent years. In early 2006 the State Council promulgated the Medium to Long-Term Plan for Development of Science and Technology (2006-2020) (MLP), which for the first time put great emphasis on indigenous innovation as China’s economic development strategy. The MLP further defined the key scientific disciplines and measures to enhance indigenous innovation capacity.

Under the MLP, a series of administrative circulars were issued by various ministries with more detailed measures. For example, at the end of 2006 Ministry of Science and Technology, Ministry of Finance and State Commission of Development and Reform jointly adopted Administrative Measures on Determining National Indigenous Innovation Products (on Trial) (“Administrative Measures 2006”). In November 2009 the three state authorities jointly issued the National Indigenous Innovation Products Catalogue together with the Explanatory Notes Regarding the National Indigenous Innovation Products, which set out the principles, scope, procedures and required documents of identifying indigenous innovation products.

The Notes further empowered the state authorities to certify such products. The certification will guarantee the products concerned to be listed in the government procurement catalogue with preferential treatment in bidding for government contracts. However, in order to qualify for such status, in addition to their significant value to social and economic development, the products concerned had to have intellectual property or trademark granted in China under the Chinese law and owned by domestic individuals or enterprises.

The State Council in October 2010 further promulgated the Decision to Accelerate Development of Strategic Emerging Industries. The goal of the government was to increase the shares of these industries in the national GDP to 15% by 2020. The promulgation is considered a strategic shift from traditional labor intensified industries to knowledge-based industries in order to upgrade China’s competitiveness in the international market. The later adopted 12<sup>th</sup> Five Year Blueprint on Economic

and Social Development for 2011-2015 provided further details on development of strategic industries, control of core technologies and the government policy support. Central Committee of the CPC in its plenary session in October 2010 explicitly called for significant enhancement of indigenous innovation capacity as the key to accelerate the transformation of China's development model.

Implementation of these policies and measures reached different business sectors, including computers, new generation information technology, high-end manufacturing, advanced materials, environment protection, alternative energy, biotechnology, auto and aviation industries, and raised serious concerns of foreign investors. For instance, the draft of the Policy of Auto Industry Development of 2010 required that in all new auto part enterprises to be established the equity holding of the Chinese party should not be lower than 50%; the mandatory 51% of ownership of the Chinese party in any joint ventures of wind power development rendered the world leading wind operators unable to develop any project in China; American and EU auto makers complained for forced technology transfer in order to be qualified for government subsidies for low-emission vehicles; in the draft 2012 catalogue of automobile for government procurement all foreign brands and vehicles produced in China by Sino-foreign joint ventures were excluded; and research and development programs which are supported by government funds are not open to all the market firms and institutions in China with discriminatory effects on innovation incentive against foreign parties.

Some surveys conducted in the same period by the European Union Chamber of Commerce in China, the American Chamber of Commerce and the Foreign Affairs and International Trade Canada all reflected deep and wide concerns of foreign investors with the discriminating policies and market conditions in China.

As a result, the national indigenous innovation policy and its implementation led to high controversies and political tension at international level. Major developed countries believed that the policy was harmful to international trade and violated the WTO non-discrimination principle. The American Chamber of Commerce, for example, held the policy and practice represented "a deeply troubling trend in China" and "nationalist inclination in the time of (financial) crisis." In particular, the mandatory requirement for Chinese ownership of Intellectual Property rights (IPR) as a market access criterion was held "unprecedented worldwide."

On December 22, 2010 the United States requested consultation with China in WTO concerning its policy to develop wind power with certain measures inconsistency with Article 3 of the WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement), which prohibits government programs from giving preferences to companies using local products, such as China's indigenous innovation program. Such practice, as pointed out by James Bacchus, former chairman of the Appellate Body of WTO, "Stand out as a sore thumb. They are patently illegal." In early June 2011, China agreed to stop subsidizing wind power companies that used domestically produced components rather than imports. This outcome is considered a victory for foreign manufacturers to have a better business environment in China and a setback of the indigenous innovation promotion.

At the same time China-US Innovation Dialogue started in 2010 as a new platform to engage each other, where the indigenous innovation policy, government procurement, and foreign investment policy were the major items of discussion. In January 2011 the then President Hu Jintao promised in his summit meeting with President Obama to "eliminate discriminatory 'indigenous innovation' criteria

used to select industrial equipment for an important government catalogue”, to commit to “non-discrimination against innovation products made by foreign suppliers operating in China” and to “delink its innovation policies from its government procurement preferences.”

Later the Central Government made an announcement to suspend implementation of the Administrative Measures 2006 and the related implementing provisions on contracting, budget and assessment concerning government procurement of “indigenous innovation” products. According to a circular of the State Council dated 1 December 2011 all the local governments were required to check up their own indigenous innovation provisions that linked with government procurements and to halt their implementation. By January 2013 most of provinces had adopted their measures to follow the new delinking policy of the Central Government.

Despite the policy adjustment, the campaign to promote indigenous innovation has continued. The CPC and the State Council jointly promulgated the Opinions on Deepening Scientific and Technology System Reform to Accelerate National Innovation on 23 September 2012, which set out the goal for China to join the ranks of world innovative powers. More specifically, the Opinions demanded for significant improvement of China’s capacity of original innovation and integrated innovation and great leap forward development with breakthroughs in key and strategic high tech sectors. According the plan the value added of new strategic industries should make 8% national GDP by 2015 and reach 15% by 2020. On the international level, the independent indigenous innovation slogan seemed fading away; instead, more international cooperation and collaboration, particularly on R&D were emphasized.

In early 2013 the State Council issued its Opinions on Strengthening Enterprises’ Principal Status of Technology Innovation and Upgrading Their Innovation Capacities. As compared with the government led campaign earlier, the new Opinion apparently attempted to shift the emphasis onto encouraging enterprises to participate in the national innovation movement with more investment in innovation and R&D facilities. Various measures were stipulated to pave way for further opening and better international cooperation, such as technology transfer, joint R&D and services, participation in formulating international standards, preferential treatment for multinationals’ R&D centers in China and promotion of academic exchanges. Although the policy adjustment, particularly the revocation of the rigid independent indigenous innovation requirements, is welcome by foreign investors as an important step to remove market access barriers, some difficult work still remains to be done. As warned by Professor Stanley Lubman as a veteran of Chinese law study, the retreat of the Central Government would not guarantee the local governments to follow and moreover, the delinking would lessen the tension in just one aspect with other issues, such as promotion domestic technical standard against internationally accepted ones and reform of government procurement system still unsolved. Indeed, according to US-China Business Council (USCBC), by January 2013 at least 14 of 31 provinces in China had not promulgated local measures to implement the new delinking policy of the Central Government.

The latest policy document promulgated by the State Council in this regard is the Mid and Long Term Plan for Construction of Major National Science and Technology Infrastructure for 2012-2030 Dated 4 March 2013. According to the Plan, such infrastructure featured with sound coverage, advanced technology, high operational efficiency and capacity to provide national development with strong support will be established by 2030. As part of the implementation efforts, several state authorities

jointly issued a circular on Acceleration of Fostering International Cooperation and Competitive Advantages with the goal to leap China over from a world factory to an innovation and service center of the world.

As far as foreign investment and international cooperation are concerned, on the one hand the government agencies promised to improve foreign investment environment and high tech certification process, to enhance IPR protection, and increase incentives to foreign R&D in China. On the other hand, the government apparently took a more selective approach to place more emphasis on introduction of foreign intelligence over capital. Various measures, such as merger, acquisition, joint development, domestic digestion and re-innovation, are encouraged as ways to utilize international resource for upgrading China's innovative capacity and competitiveness.

#### **4 Major Institutional Challenges**

Innovation capacity as crucial part of national competitiveness does not exist in isolation and needs to be supported by other institutions. As such some major institutional challenges may have to be considered in understanding the difficulties and setback suffered by the government in its indigenous innovation promotion as reflected above and to predict the likelihood of China's successful reorientation to an innovative economy.

Any discussion on Innovation capacity building in China may not bypass China's political institution as an authoritarian regime. Despite the reform and opening in the past 30 years and remarkable economic growth, China is still a socialist country where the party-state ruling may not be challenged and the ideology control has been tightly maintained. For example, in the internet era the achievements of technology revolution have been deployed by the government to modernize and enhance its capacity of media censorship and communication control. The restrictions on people's freedom of expression and access to information have reached an unprecedented level. Such condition is reflected not only in certain incidents, such as Google's pulling out its web-search engine from China in 2010 after its confrontation with the government on censorship as a "non-negotiable legal requirement", but also in the latest worldwide Express Freedom Index where China ranked 173 among 179 jurisdictions surveyed.

The other side of restrictions on people's access to information is the lack of transparency of the party-state governance. Although with great efforts some progress has been made to improve the government transparency, the gap with a civil society and democratic governance is still considerable. Moreover, from the government perspective, transparency is often viewed as a threat to social stability and thus, connected with political sensitivity, particularly on matters of government scandals, official corruption and accountability, judicial justice and social conflicts. The cover-up of the diary scandal during the Beijing Olympic Games in 2008 causing death of six children and 50000 hospitalized may be one of the most shocking examples in this regard. In a more recent instant, the government agencies refused to disclose the result of a national survey with public funds of RMB 1 billion on China's land pollution on the ground of social sensitivity.

Against this backdrop, China's innovation is clearly constrained by the political regime and ideological control simply because innovative capacity cannot be developed without freedom of thinking, access to information, expression and association. As pointed by some experts, despite institutional flaws, the

free market and open society of the United States have allowed the origin of Apple, Google and Facebook as great innovations of the new generation, whereas China's centralized and authoritarian regime may cause stagnation to social and technological change.

It has been generally agreed that competition and property protection are two basic foundations for innovation in a market economy. In China as a developing country and socialist market economy a level playing field market is still being developed with some unique characters. Legally speaking, the Constitution of China explicitly guarantees the public ownership and state sector the leading position in the national economy and special protection of the state. State assets are granted a "sacred" status whereas the private sector, while being recognized as important part of the socialist market economy, has to be subject to the state guidance, supervision and administration. Today, a dual track legislative framework is still maintained under which enterprises of different ownerships are subject to different entitlements, market access, obligations, and regulations. The implementation of the Antimonopoly Law since 2008 thus far has made only limited progress in changing the state involvement and monopoly on the market.

In practice, the trend in recent years reversing the reform of state owned enterprises (SOEs) known as "the state sector advances, the private sector retreats" has called worldwide attention. The phenomenon has led to dynamic expansion of giant SOEs to enhance or regain their market monopoly position with the government policy and financial support. As a result, a large number of private enterprises in a wide range of business sectors, such as mining, dairy, real property development, transportation, energy supply, and steel production, were driven out the market. In quite a few cases, private entrepreneurs who resisted the state policy and SOEs' taking over were even dealt with criminal punishment. Since the world financial tsunami the phenomenon has gained its further momentum with huge amount of funding provided by the government to SOEs as its rescue plan with little made available to private enterprises. Although the government has tried to ease wide grievances and respond to the economic slowdown with a series of measures, the situation has not been significantly changed.

Such condition has apparently affected the development and innovation capacity and competitiveness of the country. On the one hand, The SOE market monopoly has been enhanced with poor efficiency and innovation motivation. In 2011 Fortune Magazine found 61 Chinese companies had entered the world 500 group, among them there were only two private enterprises. Since the selection was made according to the business turnover and profit of the companies concerned, a closer look would reveal the fact that as compared with multinationals of other industrialized countries the Chinese giant SOEs still lacked of core competitive advantages and their huge profits were virtually guaranteed by their monopolistic positions in China, not made through real market competition.

On the other hand such biased system is nipping private entrepreneurship and its innovation vitality. Indeed, the three decade reform has paved way for private economy development in China. By 2011 the contribution of the private sector to the national GDP and employment had reached more than 50% and 30% respectively. The number of industrial patents invented by private enterprises was 2.5 times more than the inventions of SOEs. However, for a long time private firms have been struggling badly for their finance, legal protection, materials supply, and equal market access. This unsafe, unequal and uncertain environment has been well reflected in a recent report that 27% of private entrepreneurs with more than RMB 100 million in investable assets have immigrated to foreign countries and 47% of them

are thinking about leaving the country. Such insecurity vote and talent brain-drain are described as result of “structural uncertainty” of China’s innovation under which “entrepreneurs are forced to behave differently from those on developed countries with strong tradition of rule-of-law and defined competitive games” with profound damages to China’s innovation reorientation.

With respect to property protection, IPR protection in China has been a long focal point. Despite various legislative and policy measures taken in recent years, rampant violations have not been effectively stopped. The problem has become not only a litigating issue in the WTO, and a deep concern of foreign investors, particularly after the implementation of the indigenous innovation policy, but also a serious domestic challenge. Together with the increase of IPR filings and granting, the number of court cases on IPR infringements jumped by 44 percent in 2012 alone to reach 83,800. Extensive violations, lack of strict enforcement and inefficient legal proceedings have caused enormous losses to enterprises and prevent them from vigorously engaging in R & D activities. In this context, the government has raised the graveness of the issues to the level that “matters the country’s prospects and the national future.”

Besides the level playing field concern, the education system and research integrity have been increasingly becoming factors in promoting indigenous innovation. Although impressive development has been made the path of China’s education modernization to a large extent is still different from most of other developed countries and subject to the control and influence of the socialist ideology pursuing different institutional objectives and governance culture. In particular, it is noted that one of the problems facing the Chinese educational system is to liberalize students from rote learning and score racing to develop their own independent and critical thinking. One of the best examples in this regard to demonstrate the political restriction on free thinking is the recent CPC document requiring universities to steer clear from topics on universal values, press freedom, civil rights, crony capitalism, judicial independency and mistakes committed by the CPC in the past. The order has begged an immediate question from some law professor in China that “Are we still a university if we are not allowed to talk about all these.”

In the government-led innovation campaign with various subsidies and incentives, research integrity and quality are also sending out some worrying messages. The national funds for research and development were increased at a rate 20% every year and reached RMB 1 trillion in 2012. It is reported, however, that the current grant system without effective regulation, enforcement and accountability saw a considerable amount of such huge investment was wasted or misappropriated. According to an investigation, only 40% of research grants were actually used on research with corruptive practice being found in every stage of research projects. In a very shocking incident, a member candidate for China Academy of Science (CAS) was sentenced for 13 years imprisonment for misappropriating research fund of more than RMB 1 million, including his extramarital relations and bastard children spending.

The innovation campaign in such unhealthy environment has also triggered unscrupulous anxiousness to achieve instant success. One of several such cases in this context involved the dean of the Microelectronics School of Shanghai Jiaotong University as one of the top Universities in China, who was found research fraud by simply printing his brand on the computer chips that was never invented. The scandal was ended with his dismissal and recovery of the research grant. Such punishment seems

much lenient as compared with the research fabrication case in Korea on human embryonic stem cells by cloning. In addition to dismissal, Professor Hwang U-Seok was criminally convicted and sentenced to imprisonment of 18 months with 2 year suspension.

In terms of quantitative outputs, it was reported that with the government vigorous promotion and subsidies patent grants in China increased 10 times from 2002 to 2011 and surpassed the United States in 2011 to become the country in the world to attract most patent applications. The year of 2012 saw another record high in filing increase by 24% to reach 653, 000. China has also occupied the second place in research paper publication in the world since 2007. Such impressive surge of quantity, however, just tells one side of the story. As observed by some experts, the innovative value behind these numbers is quite questionable. For instance, on the contrary to the rapid number increase, quality of the patent filings has been decrease seriously. According to a recent study, real inventions count only 32.9% of all the patents granted with Chinese medicine and soft drink as top ranked patent fields, leaving significant number being “junk patents”, namely, patents granted in the categories of utility model and design without any examination or certification. The illusory value of a large number of patents is also reflected in a recent finding that surprising to the whole country, the record holder of the most parents is an unknown small local college simply because under the local rule a payment of RMB 800 would guarantee patent certificate issuing. Moreover, less than 5% of Chinese inventors have sought patent application abroad, which is much lower than the rate of 27% and 40% by American and European inventors respectively. In other words, China’s R&D expenditure, which amounted 12% of the whole world spending by 2011, only produced 1% of the patent filings with or patents granted by any leading patent offices, such as U. S., EU and Japan.

With respect to research paper publication the problem is equally serious. In China research publications seem to matter more about political pride than real innovation. An investigation by the China Association for Science and Technology in 2009 found half of the 30,078 respondents had noticed at least one colleague who had committed academic cheating or fraud in his or her work. Such finding was further confirmed by a more recent government survey where one third of the 6,000 scientists of the nation’s top institutions polled admitted their plagiarism or data fabrication. Some of academic fakery cases are also found by some leading international journals.

In addition to the major domestic concerns, the retreat of the Chinese Government from enforcing the indigenous innovation measures against foreign investors and trading partners has not done away the challenges facing China at the international level. China’s obligations under the WTO agreements and its Accession Protocol on transparency, proper administration of laws and regulations, no violation of subsidy rules, and non-discrimination may continue to test the government’s political will and capacity for their full compliance. Moreover, China’s promise made in its WTO accession in 2001 to become a signatory to the Government Procurement Agreement (GPA) “as soon as possible”, which has been the focal point of controversies concerning the indigenous innovation policy, has not been met yet. Since the initial submission of its accession offer in 2007 China has revised its offer three times by the end of 2012. However, the position gap between China and its major trade partners remains considerable.

## 5 Socialist Market Economy in China

The discussion above has demonstrated that challenges facing China in its innovation reorientation and economic restructuring are not posed by immaturity, defectiveness or malfunction of any individual institute, but the entire system because innovation capacity cannot be developed alone and needs to be supported by a broader national infrastructure. In this regard although an active government may be considered legitimate and necessary against the so-called Washington Consensus as a developing strategy, particularly for developing countries, innovation system may have to be defined in evolution terms with reference to national and institutional diversities in the market as a dynamic learning process of competition and resource allocation. As such, competition is considered a method to solve knowledge problems in national development. By innovation what need to be introduced into the market are not only new technologies and production means, but also new institutions and “removal of unfreedoms” to support sustainability.

Since the economic reform what has been developed in China is so-called socialist market economy, which is “an unstable” concept with its internal logic contradictory in between socialism and capitalism. Thus far to a large extent the authoritarian capitalism seems working in China since it well serves the needs of the interests of certain political groups, but fails to establish an efficient, fair and democratic system and becomes increasingly conflicting with global trade and business governance.

Recently Professors Acemoglu and Robinson offered their insights on the origin of power, prosperity and innovation. Their analysis roughly divides the economies in the world into the inclusive model with democratic political system, property right and rule of law as its core parts, and the extractive model that heavily relies on power concentration and monopoly to maintain unequal distribution of interests and wealth. As a result, the extractive model is not sustainable. They held that the great achievements made in China in the past three decades should be credited to its relaxation of the high extractive system based on totalitarian ideology to allow more functions of the market mechanisms and foreign investment for quick money, rather than creative destruction as “the essential fact about capitalism.” Such change cannot lead China to a balanced reform on both economic and political areas, but another version of the old system: authoritarian growth without predictable sustainability.

Lack of inclusiveness of the current model in promoting scientific research and innovation can be seen in several aspects. In recent years the refusal of three internationally recognized Chinese scholars to become members of the China Academy of Science (CAS) may serve a good illustration of this condition. Professor Yao Yi, the Dean of Life Science School of Peking University and former chair professor of Northwest University in the United States, announced his decision no longer to apply for the membership of CAS after he even failed to pass the preliminary round of the selection. It was reported that his failure had little to do with his academic establishment, but his open criticism on the impetuous attitude to seek instant benefit in the academic circle. In a co-authored article by him and Professor Shi Yigong, Dean of Life Science of Tsinghua University it was stated that “It is an open secret that doing good research is not as important as schmoozing with powerful bureaucrats and their favorite experts ..... China’s current research culture .....wastes resources, corrupts the spirits, and stymies innovation.” Later Professor Shi Yigong, a foreign academician of American National Academy of Science from China also failed in domestic CAS application in 2012. As such, the CAS election has been long controversial and subject to the questions for its fairness and impartiality.

According to the internal comments the main reason for Shi Yigong's rejection was that "his time working for China was not long enough and his contribution made to China was not big enough." The comments seem to reflect some political indication that in China the major measurement for scientific research contribution and innovation may not be what benefits the human society as a whole, but China exclusively. Such narrow minded approach may hinder innovative capacity building in China in the intensified and globalized competition.

In fact, the Chinese Government does not deny the characterization of the socialist market economy, but try to defend and legitimate the current regime at least from two aspects: the current political regime could be justified and the authoritarian growth is one of the major advantages of the China model. For the socialist regime, the strongest argument so far seems the country's economic growth since late 1970s. Such impressive development provides not only the party-state with the legitimacy needed, but also the self-confidence on its path and institutions. However, as some scholars pointed out, the achievements of China cannot end the debate on the "China Model." The market vitality released from loosening of the government control thus far is still subject to the test of sustainability. More specifically, as compared with the dynamic economic development the political reform in China has not only been long overdue, but even showed some worrying trend of regression, such as the suppression of the 2008 Charter petition led by Liu Xiaobo and recently tightened restrictions on advocacy of the constitutional rights and order. The clash between the totalitarian regime and demands of the market and the people has reached such a critical level that even some top leaders have openly admitted that without political reform China's drive to modernization would fail and lead to historical tragedy. Although some studies suggest that even without strong political and legal institution considerable economic growth at a time may still be possible, sustainable development of a market economy would inevitably demand for "getting institutions right" for a long run.

For the state capitalism, the party-state has been proud of its approach and achievements. Such mentality has been consistently reflected from Deng Xiaoping's statement in 1980s that China's institutional advantage over the western democratic system was that the party-state decisions would be implemented immediately with high efficiency once they were made to Wen Jiaobao's call in 2010 to make best use of the advantages of the socialist system to make decision efficiently and concentrate resources to accomplish large undertakings. By applying this approach to innovation, the government seems to believe that the reorientation will be successful as long as the party-state support and financial supply are guaranteed.

However, realization of such political will may be highly uncertain because the approach of the party-state seems made against the principles of knowledge based economy, such as inclusiveness, rule of law and pluralism. As pointed out by Acemoglu and Robinson, the problem with China's state capitalism "is not about efficient allocation of economic resources, but about maximizing political control over the society and the economy." Since innovation together with creative destruction is a precondition of a sustainable economy, in its reorientation China may have to "be forced to choose between the economic and social freedom, innovation and instability that only inclusive institutions can underpin and continued economic, political, and social control" of the state.

As many writers argued, innovation is a built-in DNA of capitalism and an essential part to survival from the market competition. In this context, "innovation is born, not made." Innovation is not

something that can be fast-forwarded, otherwise what is produced may just be coping. The auto industry development in China may provide a good illustration here. With the government's vigorous promotion and huge investment for three decades, the outputs of the China's auto industry have increased 43 times to make the country the biggest car producer and auto market. However, the government strategy to use the potential of the Chinese market to exchange for foreign modern technology in form of joint venture has failed in its key goal. The entire industry today still lacks of its own core competitive edge where the Chinese partners in the joint ventures "barely gotten hold of any key technology in the past 30 years" and the policy "has failed to create competitive brand" for Chinese car makers. By contrary, among Sino-foreign auto joint ventures, foreign control on technology, equity holding and brand has been even enhanced in recent years.

Among various reasons behind this disappointing situation one key factor is that most of domestic car makers and local governments concerned place their top emphasis on sales volume and profit over R&D on humanistic needs of consumers including safety, quality, environment and energy standards, and the overall driving experience. As a result, such research and innovation driven by human centered ideology are still lacking in China where for a long time humanism has been held inconsistent with the socialism philosophy and subjected to repression due to its direct challenge to the totalitarian regime with individual values. The heated debates in recent years over the CPC's slogan of "giving priority to efficiency with consideration to fairness" and humanism as a universal value can be seen as the continuation of the political and ideological struggle in the course of China's reorientation and marketization.

Besides the challenges from the legal and political frontiers, the current regime is also being attacked by the wave of the new technological innovation. In his well-known book *The Third Industrial Revolution*, Professor Jeremy Rifkin convincingly argues that the political and economic structures based on the second industrial revolution with centralized top-down control and supply are being overturned; instead, a new industrial revolution led by renewable energy, sharing grid and new communication system is transforming the traditional economic relationship and governance to a new model featured with a lateral power structure with diversified interest and their cooperation. As a result, the top-down governance is giving way to an innovative and interactive civil society.

Clearly, as in other fronts the real challenge facing China to develop its innovation capacity and carry out economic reorientation lies in its path dependence. Although the national campaign in China for innovative reorientation seems consistent with the development pattern of other developing countries that new institutions may origin when political leaders are pressured with potential crisis or systemic vulnerability, path dependence will still be a crucial factor in the course of evolution. In particular, the government-led promotion with ideological control itself may be the biggest uncertainty for success of the reorientation. Further, the lessons of path dependence indicate that isolated institutional reforms are often doomed to fail due to their ignorance of self-reinforcement and institutional interdependence of the old regime. Thus, technology and business innovation may have to be developed together with an inclusive political system to allow open knowledge networks as an essential prerequisite. Nonetheless, thus far mentally the political system in China at its core seems "opposed to those networks ever becoming viable." In this context, it is believed that success of China's innovation will primarily depends on its political reform.

Having highlighted the major issues and challenges facing China for its innovative future, selective adaptation may be considered as an alternative approach and short term solution, which describes a process where practice and norms are exchanged across cultural and institutional boundaries. Such a process is made possible in the course of interpretation and application of legal norms and thus, is a useful strategy to promoting local convergence with external obligations and international legal order. In the course of market development, the party-state has developed a practice to use adaptive informal institutions to provide opportunities for substantial transformation. For instance, private sector development has been promoted through various policy measures without fundamental change of the authoritarian regime and domination of the public economy. However, such approach may just stretch the limits of the formal regime with great uncertainty since any institutional primordial and scientific innovation developed from selective adaptation process may still have to subject to the party-state's political judgment. The party-state's cracking down of the Charter 2008 for institutional reform and blocking numerous search results from Twitter, Facebook, Skype and YouTube well illustrate the sensitive boundary of the political tolerance of the regime.

## **6 Concluding remarks**

Dynamic rise of China will not change China, but the world. It will not only fuel the academic debates and research on the "China Model", but also intensified the race of capitalism and socialist market economy. Despite the remarkable economic growth and the party-state promotion, China is facing barriers for its further sustainable development with scientific and institutional innovation. As the analyses above demonstrated, China's innovative capacity building to a critical extent depends on its political reform in order to liberalize people's thinking and creativity that may be freely enjoyed in democratic societies. In this regard, the same advice is also provided by the World Bank in its recent study to the Chinese Government on its future development that "A better innovation policy, [which] will begin with a redefinition of government's role in the national innovation system ..... [and] a competitive market system."

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## **Globalisation, European Integration and Institutional Changes**

### **Abstract:**

In the process of globalization there not only exchange of goods and capital flow takes place, but also a permeation of certain ideas, values, and systemic solutions. Theoretically it should cause some institutional changes. Is that actually true? And what is the direction of this changes? The second issue is that countries are not involved in the process of globalization with the same intensity. In addition, the EU countries are not only involved in globalization, but also in more intensive integration, which theoretically should accelerate the institutional changes. The aim of the paper is to examine the impact of European integration on globalization and the relationship between globalization and chosen elements of institutional environment. The institutional environment is defined as both: a part of the public regulation sphere as well as less formal rules (the level of corruption, the approach to gender equality, political accountability, etc.). The first part of the research is a comparative analysis of the intensity of globalization in the countries which participate in the European integration process and in those that do not participate in integration. The second part examine the relationship between different areas of globalization and chosen elements of institutional environment. The study is based on statistics published by international organizations, and is conducted with usage of cluster analysis, distance matrices, panel analysis and other methods of statistical description.

**Keywords:** Globalization, European Integration, Institutions, Institutional Changes.

**JEL Classification:** F15, F60, F69, H10, O50, P48

**Published in IJoSS 2(2), 2013: <http://www.iises.net/?p=8326>**