The G20 Youth Forum (Garmisch-Partenkirchen, Germany, 7-11 May 2014) is the largest international event organized for young leaders in 2014 and over 1200 young leaders, students and academics, young members of parliaments, representatives of the business world and governments participated in it.

This was the 9th year of the Forum. Previous events were held in:
2006 – G8 Youth Summit – Russia (Saint-Petersburg);
2007 – G8 Youth Summit – Germany (Berlin);
2008 – G8 Youth Summit – Japan (Tokyo);
2009 – G8 Youth Summit – Italy (Milano);
2010 – G20 Youth Summit – Canada (Vancouver);
2011 – G20 Youth Summit – France (Paris);
2012 – G20 Youth Summit – USA (Washington D.C.);
2013 – G20 Youth Forum – Russia (Saint-Petersburg);

The G20 Youth Forum 2014 had 3 main events that run in tandem with each other:
• G20 Youth Summit – resulting in the Communiqué
• Conference - with publication of academic articles in the Conference Proceedings
• International Young Parliamentarians’ Debate - with Joint Statement

This year a new platform for better cooperation within the participants of the G20 Youth Forum was introduced - Joint Sessions of the G20 Youth Summit, Conference and International Young Parliamentarians’ Debate participants – with Joint enterprise initiatives.

Conference was an international academic event for representatives from the 200 best Universities in the world who are experts in international relations, economics, finance and law.

Eight round tables with presentations by academics and students followed by discussions were working in parallel:
1. Economy and Finance
2. Law and Human Rights
3. World Politics and International relations
4. Social Affairs and Medicine
5. Ecology, Environment and Energy
6. Design, Technology and Innovations
7. Education and Youth
8. Humanities: history, philosophy, linguistics, arts and journalism

In total, more than 300 presenters s 50 countries participated in the G20 Youth Forum Conference 2014.

The participants of the Conference were representing more than 60 best Universities of their countries:

- Beijing Normal University (China)
- Camosun College (Canada)
- Cardiff University (United Kingdom)
- Catholic University of Leuven (Belgium)
- Centennial College (Canada)
- Cercle National de Reflexion sur la Jeunesse (Nigeria)
- Chinese Rock Leadership Association (Taiwan)
- Curtin University (Australia)
- Dalian University of Technology (China)
- Deakin University (Australia)
- Dominican University College (Canada)
- HEC Montreal (Canada)
- Higher School of Economics (Russian Federation)
- Korea University (South Korea)
- Leiden University (Netherlands)
- Lord Buddha Education Foundation (Nepal)
- Los Andes University (Colombia)
- Macquarie University (Australia)
- Michigan State University (USA)
- Murdoch University (Australia)
- Nankai University (China)
- National University of Singapore (Singapore)
- North-Eastern Federal University (Russian Federation)
- North-West University (South Africa)
- People’s Friendship University of Russia (Russian Federation)
- Physicians for Human Rights (USA)
- Plant-for-the-Planet Foundation (Germany)
- Punjab Technical University (India)
- Ryerson University (Canada)
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- Tokyo Institute of Technology (Japan)
- Tomsk Polytechnic University (Russian Federation)
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- Tsinghua University (China)
- Universidad Nacional Autonoma de Mexico (Mexico)
- Universite du Quebec a Montreal (Canada)
- University of Alberta (Canada)
- University of British Columbia (Canada)
- University of Cape Town (South Africa)
- University of Dar-es-Salaam (Tanzania)
- University of Indonesia (Indonesia)
- University of Macau (China)
- University of Manitoba (Canada)
- University of New South Wales (Australia)
- University of Queensland (Australia)
- University of the Free State (South Africa)
- University of Toronto (Canada)
- University of Tsukuba (Japan)
- University of Western Ontario (Canada)
- Victoria University of Wellington (New Zealand)

The articles submitted for the Conference were published in the present Conference Proceedings. G20 Youth Forum is and always will be open for new ideas, researches and reporters to be presented at the Conference.
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1. INTRODUCTION

Being a member of an international business club, DECA Inc. that aims to prepare emerging leaders and entrepreneurs in the accounting, finance, marketing, human resources and management professions has been a fulfilling venture. I have been afforded the opportunity to travel internationally and compete in case competitions, to attend seminars and make invaluable networking connections. My life has been enriched from these experiences, and it wasn’t until I reached out to understand the needs of youth within my own community that I truly saw the impact of meaningful work.

As the Vice President of Finance (VP of Finance) for Camosun College’s chapter, Camosun DECA, it was only when I started to consider how other youth were living that I saw the need for financial empowerment. As business students, we often take for granted the wealth of knowledge bestowed upon us. Indeed, the ability to gather useful information from financial statements or to understand economic models and finance theorems is not as common to the average citizen. The knowledge and tools that I, my fellow students and Camosun DECA members have, much of the rest of the youth in Canada are lacking.

As I became more and more aware of this, I soon realized that financial literacy didn’t necessarily mean the above mentioned skills of a sophisticated business student, but, rather, financial literacy among youth often meant understanding simple banking, document use, or the implications of credit.

As the saying goes, “an ounce of prevention is worth a pound of cure.” It was this mentality, partnered with Camosun DECA’s desire to give back to the community and contribute to youth wellness while utilizing our own talents that lead to our financial literacy initiative that has now been in effect for nearly 18 months.

2. OVERVIEW

This report will focus on my efforts as Camosun DECA’s VP of Finance to promote financial literacy activities and volunteer opportunities aimed at youth within our community. Our journey began in the fall of 2012 when I helped to organize and facilitate a round table discussion of community groups who assist economically-disadvantaged citizens. The goal of the round table was to identify the various financial literacy initiatives that were already in place, and to understand how our chapter could provide support to those initiatives. Following that roundtable, I was able to coordinate with the Credit Counseling Society to deliver a training session to our chapter to help us better understand the implications of poor financial decision-making.

Once our chapter had a sound understanding of the economic situation within our community and how we could be of service, we looked for volunteer opportunities that would allow us to utilize this understanding along with our formal academic education. It was then that we became involved with Community Micro Lending, an organization that lends and offers services to entrepreneurs within Victoria. Our efforts were then dedicated to high-school aged students when we partnered with Junior Achievement to deliver their Economics for Success program.

Our partnership with the Community Social Planning Council has continually offered our chapter a way of staying up to date through workshops. Most recently, we have partnered with the Together Against Poverty Society to provide income tax preparation to low-income citizens.

3. ANALYSIS

There are three main points to be discussed: how the Camosun DECA membership became aware of the financial and economic issues affecting youth
within Victoria, British Columbia and how we gained appropriate training; the steps taken to combat the issues through specific programs; and our continued involvement and betterment.

3.1 Understanding the Issues

At the fall 2012 roundtable hosted by Camosun College, the participants were representatives of non-profit organizations. Participants served women, families, entrepreneurs and youth within the Victoria community. While there seemed to be variation in how each organization governed themselves, one point was clear; achieving a means of reaching citizens in the early stages of financial decision-making often meant the difference between increased opportunity for success versus immobilized growth.

In a study published by the Canadian Institute of Chartered Accountants (CICA), of the youth surveyed throughout Canada, only 43% have a budget and only 52% track their spending, while more than 25% do not even limit their spending (CICA, 2011). These figures may translate to adults with the same habits and youth are all too aware of how difficult learned behavior is to break as 55% worry about money and 50% wish they were better at saving money (CICA, 2011).

In the spring of 2013, we were further enlightened when the Credit Counselling Society (CCS) delivered a train-the-trainer session to our chapter. The CCS’s resources include budgeting assistance, money management education and debt repayment programs for their clients seeking solutions to their debt problems. This session served to help us better understand the consequences of poor financial decision-making and the long-term effects of these choices.

Within our discussion at this session, our chapter was asked to recall the early stages of when we first had to make financial decisions. Our discussion centered around how we were taught to budget and save money. In a paper published by the Canadian Centre for Advocacy, education and representation to Victoria citizens in matters ranging from financial to legal to social assistance (TAPSbc.ca). Our members were trained on how to prepare and file income tax returns as volunteers for TAPS in their tax blitz that was specifically offered to economically-disadvantaged low-income citizens as a free service. The tax blitz also offered financial information in hopes of educating citizens while providing a service to them.

3.2 Taking Action

Our chapter partnered with Community Micro Lending (CML), an organization that helps local people without access to traditional financing to start and grow their business, or to obtain training that will lead to employment by matching them with local lenders and providing ongoing capacity building and support. We supported a local youth entrepreneur who has received a loan through CML. Members of our chapter provided bookkeeping and financing advice in addition to assisting with a business plan and marketing strategy.

We then partnered with Junior Achievement (JA), the world’s largest not-for-profit organization dedicated to educating young people about business. JA’s purpose is to inspire and prepare young people to succeed in a global economy. Our chapter was trained to deliver JA’s Economics for Success program (EFS) to high-school students throughout Victoria.

The EFS program targets senior-level high-school students in hopes of better preparing them for their future. The financial literacy aspect of the EFS program is aimed for students to particularly “demonstrate financial literacy related to budgeting skills, planning for transition from secondary school, knowledge about credit and debt, knowledge of legal requirements for reporting personal income.” (jabc.org)

JA’s programs have proven to be particularly successful as they combine not only technical curriculum for the volunteers to incorporate into the sessions they deliver, but also because an open discussion with the students is very much encouraged. Volunteers are asked to bring their own experiences to the sessions, particularly how they were able to navigate financial decisions and how they conquered any missteps in their transition from youth to adulthood.

The three-day session focuses on preparing students for educational and career goals and was delivered by 13 of our members from our chapter in high schools throughout all of Victoria from 2013 to 2014.

In the spring of 2014, our chapter partnered with the Together Against Poverty Society (TAPS). TAPS is an organization within Victoria that offers free advocacy, education and representation to Victoria citizens in matters ranging from financial to legal to social assistance (TAPSbc.ca). Our members were trained on how to prepare and file income tax returns as volunteers for TAPS in their tax blitz that was specifically offered to economically-disadvantaged low-income citizens as a free service. The tax blitz also offered financial information in hopes of educating citizens while providing a service to them.

3.3 Continued Involvement

As a result of these external partnerships formed, Camosun DECA is recognized as a champion of financial literacy. Our membership volunteered at a teen expo hosted by a community centre within Victoria and spoke to youth of our initiative. Additionally, we volunteer to have our own information booths at Camosun College to raise awareness on campus for the need for more volunteers to help youth and are sure to have a presence at the annual open house on campus to let new students know of the resources that we offer.

We continue to seek volunteer opportunities within Victoria that aim to serve youth to become more educated and thus empowered for their future. Our own knowledge on the matter is at the foremost of our thoughts as it then enables us to perform more effectively as volunteers. It is this conscious thought that motivates us to continually seek to align ourselves with other exceptional organizations. Our hope for the future of our membership and for our community is that we are able to grow in our own knowledge and capacity so that we may better serve.

4. CONCLUSION

Our membership of proactive and committed post-secondary students in an international business club began a movement within Victoria to make a positive impact on youth. We have worked tirelessly to promote financial literacy through awareness, education, information, and training these past 18 months. This initiative was started as a legacy program for our membership of emerging leaders as an attempt to contribute something meaningful. It is our sincerest hope and ambition that the legacy continues to grow and prosper into the future and that more youth are financially and economically empowered as a result of it.

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Social Impact Investment: 
Creating a Global Market

Mr. David Yalong Cao
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1. INTRODUCTION

Social Impact Investment provides the opportunity for not only a new financing model, but also a powerful new business model. Still in its infancy, impact investing has the potential to connect investors with social enterprises in an attempt to address some of society’s most challenging issues, such as recidivism, youth unemployment and even homelessness. In essence, it offers a financial solution to societal problems. This movement has largely been pioneered by the United Kingdom, but it is time for the rest of the world to take action. This article explores how we can leverage sound financial and economic schools of thought to develop social impact investing, the challenges that are faced, and how governments and institutions can work together to overcome these challenges and enact a lasting and meaningful impact upon society.

2. WHAT IS SOCIAL IMPACT INVESTMENT?

At its core, social impact investment aims to achieve social betterment whilst simultaneously achieving a financial return. Social investment differs from grant funding in that it involves some amount of financial return, and differs from traditional investment in that it intentionally seeks to actively benefit the society or environment. Social Impact Investment is about expanding the total pool of economic and social value, and not simply about redistributing what already exists.

It is undeniable that within the community that there are a multitude of socially minded investors who are inspired to help improve social welfare. They lead organisations and work hard to find long-term solutions for difficult social problems. At the same time, there are deep-seated societal issues which governments have attempted to address, but are unable to solve by themselves. Social impact investment has the potential to satisfy both parties by connecting socially minded investors with those within society who require support. Social impact investment provides a vehicle through which such investors are able to make a difference to society by working together with social enterprises. Such agreements align the interests of government, investors and social enterprises in addressing a common societal or environmental goal. Growth in the social impact investment market has the opportunity to lead to a range of benefits, including economic growth, improved public service delivery and innovation. It allows philanthropists to begin to move away from the direct hand-to-mouth system that had previously been in place, providing the opportunity for truly sustainable impact to be made.

3. SPOTLIGHT: SOCIAL IMPACT BONDS

One of the exciting new developments within the Social impact investment sector is the growth of Social Impact Bonds (SIBs). Currently, they represent less than 2% of the Social Impact Investment Market but have extremely high growth potential. As with all social impact investments, Social Impact Bonds harness the power of finance to tackle some of the most challenging social problems. They are an innovative method of financing the delivery of social services by the private sector, and made possible by the collaboration of government, social enterprises, and socially minded external investors. Social Impact Bonds involve a set of contracts and agreements focused around improving social welfare. Investors enter into a contract with a social enterprise to fund a project which has socially beneficial outcomes. At the same time, the investors enter into a contract with government commissioners which provides them with a return on their investment if the socially beneficial outcomes are realised. A set of measures are developed for the project and if the social enterprises are successful in achieving the targeted outcomes, all parties to the agreement benefit.

Conceptually, the Social Impact Bond model differs from other social service models as it is based on a payments by results philosophy, and also through the drawing upon non-government investment sources to fund the delivery of social services. One key criticism of traditional government funding is in the way it is determined either by inputs, such as the number of participants in a program, or determined by outputs, such as the number of hours a program operates. This fails to align funding with the effective achievement of social outcomes. In contrast, the Social Impact Bond model differs due to its adoption of outcomes-based contracts, which allow governments to support the scheme without committing taxpayers’ money unless a hurdle rate is met or a favourable social outcome is achieved. When the desired social outcome is achieved, the external investors are provided with a return on their investment from the government. This aligns the interests of all parties and offers service providers a strong incentive to deliver high quality services and develop innovative tools and practices to reach these favourable outcomes. Furthermore, Social Impact Bonds often have a longer duration than regular government programs. As the programs are of a longer duration, service providers have greater flexibility and are able to collect information on an ongoing basis, allowing them to tailor the service provided to respond to the specific needs of the situation, further increasing the likelihood that the program will be successful in achieving improved social outcomes.

We can see that Social Impact Bonds are powerful in the way that they have the potential to deliver a triple win situation. The government does not need to be concerned about investing taxpayers’ money if the program is unsuccessful, as return is dictated by hurdle rates. Indeed, if the program is successful, the government benefits through savings that it would have otherwise had to invest in public services. Investors have the potential to receive close to market rates of return on their investment. Finally, success of the program generates positive social benefits for the participants of the program, thereby completing the triple win scenario.

In summary, two main advantages that social impact bonds possess compared to traditional models include:

- Risk transfer – outcome-based commissioning means taxpayers only have to pay when outcomes are actually achieved, rather than paying for inputs whether they are effective or not. If the outcomes are not achieved, the investors in a social bond lose their money.
- Innovation – service providers have more freedom to structure programs and incentive structures are based on outcomes rather than inputs. This encourages innovation from social enterprises to find new ways to deliver their services more effectively.

3.2 Parties in Social Impact Bonds

- Government commissioners – Government commissioners provide investors with a return on their investment, but only if the social outcomes are achieved. In such a way, the government is able to transfer some of the risk away from taxpayers and onto the investors.
- External investors – External investors provide the start-up funding for social enterprises to deliver public services. They play a crucial role in launching the Social Impact Bond and receive a return on their investment if outcome targets are met.
- Professional Service Providers – also referred to as social enterprises. For social enterprises, Social Impact Bonds represent additional capital investment for achievement of service delivery and outcome targets. Social Enterprises play a key role by facilitating the programs and delivering the public service to the beneficiaries.
- Service Users/Service Beneficiaries – the success of the social impact bond is evaluated on its impact to the service beneficiaries. Services provided are generally flexible and tailored to individual needs in contrast to prescribed processes that are generally associated with government programs.

A graphical depiction of the relationships within the structure of a Social Impact Bond is shown in Figure 1 below.

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2. Referred to as a Social Benefit Bonds in Australia
3.3 Overview of Peterborough Social Impact Bond

Launched in the United Kingdom in September 2010, the Peterborough Social Impact Bond was the first of its kind. Together with the United Kingdom Ministry of Justice, the agreement was built around working with Peterborough Prison and reducing the re-offending rates of short-term prisoners. It was found that 60% of the 40,200 adults on short term sentences re-offend within a year after release. On average, that 60% of the 40,200 adults on short term sentences re-offending rates of short-term prisoners. It was found working with Peterborough Prison and reducing the Ministry of Justice, the agreement was built around working with Peterborough Prison and reducing the re-offending rates of short-term prisoners. It was found working with Peterborough Prison and reducing the re-offending rates of short-term prisoners.

Furthermore, investors also gained a return on their investment, up to 13% in the case of the Peterborough Social Impact Bond. In essence, this is an example of the power of the triple win.

3.4 What is being done to increase the scale of social impact bonds?

During the G8 Social Impact Investment Forum in June 2013, Prime Minister David Cameron announced three milestone steps in growing the market for Social Impact Investment within the United Kingdom. These included: tax advantages for social impact investors, a Social Stock Exchange to measure the success of social investments, and support for communities to purchase local assets. An important step in creating the best possible environment for social impact investment is in providing the opportunity for investors to gain a return on investment that is both profitable in the short term, and sustainable in the long term.

In order to continue growing, the social investment market requires:

- Increased supply: more individual and institutional lenders that invest in social ventures to gain both social and financial returns
- Increased demand: social enterprises that have the capacity to take on increased levels of finance in order to provide both social and financial returns
- An enabling environment: infrastructure and legislation that enables the efficient flow of capital and information through the financial sector to help in achieving social outcomes

As of 2013, there were approximately forty Social Impact Bond contracts that were either in operation or in development around the world. The United Kingdom, USA and Australia were the main early adopters, with Canada and Israel also showing strong interest.

Social Impact Bonds have adapted to the various jurisdictions and business environments where they have been implemented, importantly highlighting their ability to succeed in differing political, cultural and economic contexts. The strength behind Social Impact Bonds is their innovation and flexibility, which has enabled them to gain traction in nations with distinct investor markets, public service delivery methods and differing levels of social enterprise influence. Figure 2 below illustrates the Social Impact Bond contracts that have been launched globally. The United Kingdom has pioneered the concept, but indications of a growing global market are also beginning to be seen.

4. SOCIAL IMPACT INVESTMENT IN ACTION: GOODSTART CASE EXAMPLE

Following the collapse of ABC Group, the largest childcare services provider in Australia, an opportunity arose to undertake a social venture. A group of investors, led by National Australia Bank, the Australian Federal Government and the GoodStart Syndicate purchased the childcare centres with the aim of providing quality childhood education and care. GoodStart purchased 678 centres for $95 million in December 2009. The investors adopted a social investment approach and were committed to providing quality childhood education and care services. Today, GoodStart Early Learning provides childcare to over 72,000 children, operating across 660 centres and employing over 15,000 employees. In the 2011-2012 financial year, GoodStart achieved a surplus of $8.3 million and reduced its debt by $16 million.

As of 2013, there were approximately forty Social Impact Bond contracts that were either in operation or in development around the world. The United Kingdom, USA and Australia were the main early adopters, with Canada and Israel also showing strong interest.
in Figure 3, 62% of social investment funds assessed in April 2013 had less than a three year track record, and 28% of funds having no track record at all. 83% of US based pension funds surveyed by Deloitte expressed that impact investment funds have a limited track record, which may deter them from investing in the market. Specialised skills and knowledge are required to understand social impact investment and thus it is difficult for funds managers to evaluate social impact investments with limited information. Until fund managers are able to demonstrate that long term success is possible, institutional investors will be apprehensive when evaluating the social investment sector.

5.2 Early Stage of Development of Impact Investment Market

One key challenge faced by institutional investors when considering the impact investment market is the early stage of development of the sector. 86% of US based pension funds surveyed by Deloitte expressed that the market was ‘niche, early stage and immature’15. Further, expectations between investors differ from the actual returns achieved by impact investments; only 80% of impact investment funds actually target market rate returns while the majority of investors expect impact investment funds to achieve market rate returns16.

Furthermore, the social investment sector is very new and there is limited historical data available to evaluate the risk of social investments. As illustrated in Figure 3, 62% of social investment funds assessed in April 2013 had less than a three year track record, and 28% of funds having no track record at all. 83% of US based pension funds surveyed by Deloitte expressed that impact investment funds have a limited track record, which may deter them from investing in the market. Specialised skills and knowledge are required to understand social impact investment and thus it is difficult for funds managers to evaluate social impact investments with limited information. Until fund managers are able to demonstrate that long term success is possible, institutional investors will be apprehensive when evaluating the social investment sector.

5.3 Small Average Deal Size

Another challenge faced by institutional investors is the size of impact investment transactions. Figure 4 illustrates that the average impact investment size is significantly less than the average private equity growth capital deals. This represents a challenge as many institutional investors apply specific criteria in order to screen investment choices. The small deal size of impact investment often does not satisfy these criteria and therefore are not considered by the institutional investors. Furthermore, due to the fact that the deal sizes are significantly smaller for impact investments than traditional investments, due diligence costs are proportionally greater and consequently the underlying financials of the investment are markedly different. Thus institutional investors are more inclined to allocate resources to larger investments rather than social investments in order to achieve higher returns and profitability.

5.4 Fit Within Asset Allocation Framework

Mainstream institutional investors also face challenges associated with understanding how impact investment can fit into their existing investment portfolio. An estimated 66% of US based pension funds agreed or strongly agreed with the statement: “It is difficult to fit impact investments into my existing asset allocation framework”17. This is largely driven by two contending factors: lack of historical data as well as difficulty classifying impact investments within a single asset class archetype, as illustrated in Figure 5. Like any other investment, institutional investors manage the risk and return of their portfolios by considering a number of factors including volatility, liquidity and investment horizon. Doing so requires a large amount of historical data to gain a better understanding of the investment, which impact investing simply does not yet possess.

5.5 Difficulty in Measuring and Comparing Social Impact of Investment

Impact investment simultaneously creates both financial and measurable social returns. While the actions of all corporations influence society in some manner, only social enterprises actively pursue non-financial outcomes. It is difficult for investors to measure the impact of the investment on society and thus difficult to quantify its significance in their investment decision making process. While financial metrics such as revenue, EBIT and NPAT are universally recognised and understood, a conceptual framework does not exist for evaluating social outcomes. Steps are being taken in an attempt to categorise and compare the social impact of varying investments. The Global Impact Investing Rating System (GIIRS) creates a standardised scoring system for investors to benchmark and compare the social performance of various funds and companies. In doing so, GIIRS seeks to facilitate a marketplace in which institutional investors can quantify social impacts more easily and more confidently make informed investment decisions in social enterprises18.

Furthermore, the full realisation of the social impact of many of the projects may take many years and may not match the investment horizon of investors. For example, a project which aims to increase youth engagement in the education system may lead to improved employment rates and increased tax revenues for the state. However, the full realisation of this project may take many years and may be significantly longer than the investment horizons of investors.

Finally, it is important to recognise the differences between correlation and causation. In order to confidently conclude that social impact projects were...
successful in definitively creating social benefits, a control group must be established, monitored and measured in a scientific manner. This further creates costs and may influence the feasibility of social impact investments.

6. RECOMMENDATIONS

While social impact investment is still in an early stage of development, with time, many of the challenges faced by social impact investment will naturally become less constraining. Social enterprises will grow over time, deal sizes will increase, and historical performance data will accumulate, wearing down many of the challenges faced by investors today. However, there are key steps that all parties can take in order to accelerate the growth of this market.

6.2 Continue to Develop a System for Measuring Social Impact

The concept of investing for social purposes as well as financial gain is relatively new and thus it is important to be able to reliably quantify and compare the social impact of such projects. The Global Impact Investing Rating System (GIIRS) is a step in the right direction, but more must be done to translate this globally while also maintaining transparency. For example, investors must be able to understand and compare two investment projects, one of which may potentially have higher financial returns while the other may offer potentially greater societal returns. In fostering an international collaborative engine, it is equally important to develop an information repository around social impact agreement design, implementation and execution, and outcomes measurement. It should be noted that while there are certainly no standardised solutions, such an information repository will grant access to valuable information that will aid in lowering due diligence costs. Ultimately, this will allow institutional investors to more confidently mobilise their capital towards social impact investments, leading to the growth of sustainable financing and an innovative new business model.

6.3 Provide Governmental Support to Social Investors and Enterprises

Government has a large role to play in growing the market for social investment. There are many avenues that are available for government to contribute to the growth of this market, whether it be through the introduction of tax relief legislation, such as in the United Kingdom, or through guarantee schemes supporting social investment. Government also has the important task of creating a legislative environment which is conducive of impact investment by revising existing regulations. As impact investment is an unchartered field within the financial landscape, governments must revise existing regulations to ensure that they do not have any unforeseen adverse effects, such as restricting capital flows within the sector. However, it is not the responsibility of government alone to drive social impact investment forward. In order for the impact investment market to become sustainable in the long term, the sector must rely less on government and look towards diversifying its investor base.

6.4 Collaborate to share Best Practices on a Global Scale

Social investment has the potential to change the way business is conducted on a global scale. Thus, it is important for all nations to buy into the growth of the impact investment market in order to support and accelerate its growth. One key action is to collaborate internationally: to share best practices, key challenges and critical success factors. In fostering an international collaborative engine, it is equally important to develop an information repository around social impact agreement design, implementation and execution, and outcomes measurement. It should be noted that while there are certainly no standardised solutions, such an information repository will grant access to valuable information that will aid in lowering due diligence costs. Ultimately, this will allow institutional investors to more confidently mobilise their capital towards social impact investments, leading to the growth of sustainable financing and an innovative new business model.

7. CONCLUSION

The potential for Social Impact Investment to change both the social and financial landscape is immense. The foundation of Adam Smith’s theory of the ‘Invisible Hand’ is centred around the idea that the most efficient way to advance the goals of society is through advancing one’s personal goals. While modern day capitalism is built around Adam Smith’s Invisible Hand theory, this agenda is no longer sufficient. It is time for a paradigm shift; one that promotes sustainable social development without forgoing financial return. Despite organisations gradually placing greater emphasis on corporate social responsibility, there is still much that can be done before we reach a stage where investment can be equally for social advancement as well as financial advancement. Social Impact Investment offers to be the bridge between one world and the other. As a global community, it is now time for action. We must continue to support the development of the social investment sector through global collaboration and cooperation. It is now our responsibility to embrace the challenge and promote a new agenda which values social welfare equally with financial prosperity.

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Young Women Entrepreneurs: An Opportunity to Invest in Change Within Civil Society

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The global economic structure is becoming increasingly interdependent and the effects of emerging economies will inevitably re-shape financial, political, and societal power. Developed nations are increasingly relying on developing as well as emerging states, a shift in power that comes with a reciprocal dependence between these economies. The shift is also changing the social and economic demands on emerging and developing economies. For example, diversification of markets and foreign relations, critical to progress and development, is coinciding with economic advancement, most notably that of women. The development and participation of women within society is vital for a community to expand; to be attractive for global partnerships; and, to transform and further civil society (Mishra). Furthermore, women’s access to opportunities such as financial independence and integration is vital to the community’s further advancement towards an open and thriving economy.

“In the United States alone, 22 million small and medium sizes enterprises generated more than half the gross domestic product” (Anna). This demonstrates that one key to the development of a community and economy is its ability to fully engage its human capital. As we begin to invest in the human capital of women, we continue to see the benefits to the community; the economy; and the region’s position on the global platform. Notwithstanding this, women are still one of the most under-utilized resources in the world economy (Kobeissi). Tapping into this resource can be accomplished through the development of more entrepreneurial opportunities. Entrepreneurship is defined as the act of setting up a new business or reviving an existing business (Mishra). Entrepreneurship offers an opportunity for a community to not only better utilize its resources; it also promotes and facilitates the development of civil society. Civil society...

“refers specifically to relationships and institutions that are neither created nor controlled by the state. The essential social task of civil society families, neighborhood life, and the web of religious, economic, educational, and civic associations is to foster competence and character in individuals [and] build social trust…” (Elshtain).

The link between the entrepreneurial environment for women and the growth and diversification of civil society demonstrates the path society has paved for an emerging nation. In other words, strengthening the community to not only better utilize its resources; it also promotes and facilitates the development of civil society. Civil society...

Beyond creating wealth, women entrepreneurship and prevailing practices shed light on the current situation for women within a region (Mishra). Entrepreneurship offers an opportunity for a community to not only better utilize its resources; it also promotes and facilitates the development of civil society. Civil society...

Entrepreneurship by definition can exist in many different forms, however, when we examine the environment in which it exists the definition not only changes but also has varying results. For example, does this environment endorse and promote the participation of women in not only the labor-force but also through facilitating opportunities for self-governance and entrepreneurial experiences? Furthermore, we should consider the type of entrepreneurship that will exist, depending on the type of support women receive from the community, meaning: traditional versus non-traditional; or formal versus informal (Kobeissi 7).

Beyond the concept of entrepreneurship (that is, the glorified concept of Western pursuit to open opportunity), there lies a world of emerging and developing regions that have tried to capitalize on this same practice. Tonia Warnecke, of Rollins College, USA, has made a distinction between “necessity” entrepreneurs and “opportunity” entrepreneurs. By her definition, necessity entrepreneurs are people (often women) who work within informal structures; require less education; provide smaller yields; and create less influential community and business connections (Warnecke). In contrast, the Western ideal of opportunity entrepreneurialism is the ability to exploit identified gaps in the market place. These people are usually educated individuals with decision-making power, as well as alternative prospects strong enough to take advantage of adverse risks (Warnecke). To create and transform a region through investing in civil society, development needs to begin with youth even as it engages its most underrepresented resource, women. As we begin to dissect the tenets of an emerging economy, identifying this distinction between necessity and opportunity entrepreneurs becomes imperative to policy development and common practices of entrepreneurship. It is here that we will see advancement of civil society, as well as recognize how to best integrate and influence youth.

Investing in women entrepreneurs—ultimately creating a shift towards a stronger civil society—must begin by altering the environment in which they are raised. More specifically, there needs to be a shift towards nurturing young girls and women to create an entrepreneurial mindset. While the natural elements of entrepreneurship can in fact be innate, creating a community of this type of thinking takes education. This change, however, needs to come in conjunction with transition to and development of civil society. To make change in the mindset of a region therefore, change has to be tailored to the community in which it is happening (Warnecke). In this context imposing Western ideals of capitalism and markets would therefore be viewed more as an intrusion and likely rejected, as it lacks the ability to identify systemic barriers that young women face.

Using India as a case study, we can identify specific elements that are required for transitioning an economy parallel to a shift in the make-up of civil society. India has recently increased its status in global economic significance, in reference to both gross domestic product and foreign direct investment inward and outward (United Nations Conference on Trade and Development). We have also recently seen a rapid mobilization of resources to progress the nation into a new era of control and influence. Progression of an economy is often accompanied by progression in the empowerment of women. India, a patriarchal structured nation, demonstrates this progression through changes evident in the attitudes towards women and the opportunities to which they have access (Pallavi Jain). Increasingly, it has become standard for urban areas to embrace the education of young females. More importantly, education in India is now being viewed favorably in reference to social status.

Looking at the current environment within which women entrepreneurs exist, the demographic of industry in India are primarily women between the ages of 40 to 49, past traditional childbearing age and further and at an age where familial obligations are not as strong (R. Ganesan). When identifying opportunities for young women in India, however, studies have shown that there are fewer motivational factors for the age group of 20-29 (R. Ganesan). This is an ironic finding given the juxtaposed large-scale desire for independence as well as higher social caste among this age group. This finding can be explained by the type of education as well as social upbringing young women face. Without being exposed at a young age to entrepreneurship and social networking systems, young women will not explore ideas centered on entrepreneurship.

Instead, what we see at a later stage in life is women choosing to go into business to gain further control over their lives, unlike Western motivations of career advancement (Das) at a younger age. This societal mentality creates a gap between utilizing human capital during the peak of one’s youth; and the potential for economic advancement. The fundamental social changes that have occurred in India rest on the new found support by husbands and families towards a women’s pursuit for entrepreneurship (Pallavi Jain). Since this support comes, however, past the prime age of a woman, it means that the advancement of civil society and the investment in the individual as a social contributor is lacking for young women.
Examining the entrepreneurial climate for young women in India reveals three key systemic barriers to entry into the industry: first, lack of access to working capital; secondly lack of support in financial banking (R. Ganesan); and, finally, lack of business acumen towards effective marketing skills and tools. Financially, as women usually do not hold assets, receiving substantial loans that would allow for large-scale entrepreneurial ventures is limited. This identified structural problem is socially driven by norms and traditions. That said, there is opportunity to investment in young women who are increasingly gaining financial control. The lack of financial support and working capital also highlights, and further questions, the level of societal change in reference to women in the business sector.

The second hurdle women face is the result of financial institutions not investing in women entrepreneurs, due to the lack in confidence in the likely success of their business (Pallavi Jain). This leads to the question of who exactly the bankers are—typically male. More specifically, although husbands and families support the venture of women entrepreneurs within their own family, this confidence does not transfer to all women in general. Thus, in order for the entrepreneurial environment and climate to begin shifting to better utilize human resources, civil society and social norms needs to adjust alongside.

A third and major limitation that still resides in the flourishing environment of women entrepreneurs in India is lack of effective business acumen and the ability to properly market their business (R. Ganesan). The reason is that many entrepreneurs although educated, still lack entrepreneurial training. Women’s ability and access diverse networks—critical to expanding business—are still limited by gender (Pallavi Jain). Although this is an identified limitation for women, it has also created an opportunity to invest in the next generation, through means such as the following:

RECOMMENDATIONS

1. Create opportunities for mentorship between young women and experienced entrepreneurs

The ability of an entrepreneur to exchange and engage with fellow entrepreneurs facilitates a platform for discussion. As we begin to see a change in societal structure, there is opportunity to begin creating networks between women. These networks create the motivation to better involve young women and to coach them in entrepreneurialism that generates economic and social freedoms. Mentorship partners can also enable communities to promote participation of women from all casts, critical to economic advancement given that governments often endorse programs that are targeted mainly at higher caste women in society (R. Ganesan). Mentorship amongst women in different social associations can help to create a better entrepreneurial environment for young women.

2. Create incentives for development programs in entrepreneurial skills and practices, such as competitions that match young women with industry leaders, with a view to developing marketing skills.

Marketing and the ability to take advantage of available openings, are skills that need to be taught. Developing these skills, however, requires a transition in civil society to encourage desire and appreciation of these skills. This means society needs to be aware of its current limitations and to nurture the next generation. This could take form as creating challenges and incentives for young women, such as cooperative programs in formal non-traditional companies or position within marketing departments. These kinds of incentives take young women outside of their comfort zones to embrace the kind of risk-taking that fuels entrepreneurialism. The resulting is change in civil society as young women become more engaged would further open opportunities for others to be permitted into spaces where marketing skills can be advanced as well.

3. To increase representation of women, create stronger recruitment programs aimed at attracting young women into informal fields.

Often women in emerging economies will capitalize on entrepreneurship in informal settings. These informal start-ups are usually in traditional roles. Although these women entrepreneurs are pushing social barriers by virtue of being an entrepreneur, operating a business outside of the formal economy can still yield them role models among informal workers. A strong recruitment of young women into these fields—gear towards finances, and corporate management—will begin to bridge the gap between the new generation of women and entrepreneurial opportunities: the outcome, a shift in civil society towards greater independence and growth.

CONCLUDING THOUGHTS:

From the perspective of emerging economies, the diversification of markets and foreign relations is critical to progress and development within the region. As a case study of this phenomenon, India can serve as a microcosm of emerging economies. In the case of India, key opportunities have been identified and indexed to change and as well as the rate of change. Young women and the investment in their mindset, monetary control, and mentoring and development, is key to maximizing human resources and capital. Although changes have been made in India, however, they still have not generated the rate of growth and development that countries like Japan have seen (Das). One major difference between emerging countries is in their ability to capitalize on half of their population—women. Creating opportunities for young women to engage in the economy will enhance a nation’s ability to capitalize on all resources it has available. Furthermore, it will create an opportunity to advance civil society through growth and development.

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Using the Youth to Build Economic Resilience – Strategies to Minimise Youth Unemployment

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1. INTRODUCTION

The youth of today, are the leaders and providers of the future. However, the current and projected high unemployment rate among youth continues to be a threat to the social, economic and political stability of nations. The potential consequences of youth unemployment can have significant damage on future growth and social wellbeing. The main purpose of this article is to gain an understanding as to why youth unemployment rates are consistently high and to use this information to address the issue and suggest potential solutions to minimise youth unemployment.

Youth accounts for approximately 17% of the world’s population and 40% of the unemployed and is defined as people between the ages of 15 and 24. In 2013, as many as 74.5 million young people were estimated to be unemployed, reaching a global youth unemployment rate of 13.1%. Not only is this frightening, but the youth-to-adult unemployment ratio has reached a historical peak, with young people almost three times more likely than adults to be unemployed. Although extensive data is available, and youth unemployment has been a conscientious issue, only 35 out of 138 countries reviewed have formally adapted actions plans that have specific targets, indicators and evaluation systems to monitor unemployment. Of this, only 13% identified a budget for the implementation of youth employment priorities.

It is important that youth are provided with a smooth transition into the labour market. Youth need exposure, interaction and work in the labour market in order to best utilise available economic resources. Youth are drivers of economic development in a country and achieving decent work for young people is a critical element of the progression towards wealthier economies, fairer societies, stronger democracies and sustainable economic growth. If youth fail to transition from education into employment, economies will suffer considerably in the long term. Future labour markets will be under-skilled and underemployed. Governments will be in great deficits due to high social costs and welfare payments. Further, the domino effect will see economic growth and development decline as governments will have limited funds to invest. Therefore, this domino effect needs to be addressed now. Employment strategies and collaboration...
needs to be employed by both the corporate sector and governments in order to provide training, jobs and education for the youth.

Another issue arising out of prolonged youth unemployment is the increasing number of youth who are not in education, training or employment (otherwise known as NEETs). NEETs pose a significant risk to the economy. An upward trend can be seen and NEETs are becoming a major concern for policy makers. One in six young people in OECD countries are currently without a job and are not enrolled in education or training. This figure is expected to rise and in certain countries, almost one quarter of young people is now classified as NEETs.

To be able to correctly address the issue of youth unemployment, it is necessary to understand the barriers that youth face when trying to find employment. Key reasons have been identified as to why youth struggle to make a presence in the labour market, and this research paper attempts to find solutions to overcome these barriers. Skills mismatch was pinpointed as a significant factor that drives youth unemployment. Youth lack the skills that employer’s desire. This proposes another issue and questions the relevance and quality of education. Further, research suggests that economic activity and speculation is even more sensitive to economic shocks than adult unemployment, as recently demonstrated by the global financial crisis. Youth unemployment rates are so high. These findings will then be analysed and potential solutions will be addressed in the following section. The article concludes with a summary of the study’s research.

2. OVERVIEW OF CURRENT STRATEGIES AND POSITIONS

In 2013, youth unemployment rose to 13.1% with 74.5 million young people unemployed. However, this global statistic is only expected to rise. From 2007 to 2013, the global youth population shrunk by 8.1 million, yet there was a decrease of employed youth by 37.1 million in the same period.

By assessing the key reasons for youth unemployment, strategies can be put in place to overcome the challenges associated with youth unemployment. Collaboration needs to be strengthened between employers and educational institutions. Youth need to be equipped with a well-rounded balance of technical, theoretical and soft skills to ensure a smooth transition into the labour market. Improved labour market policies and taxation strategies should be introduced to further accompany the youth’s transition into the work force and to assist during periods of economic downturn. Additionally, the promotion of youth entrepreneurship would provide youth with incentives and motivation to become an active participant within the economy.

This paper has four parts and will begin by establishing a broad global overview of the current youth unemployment situation. The article will then target specific reasons as to why youth unemployment rates are so high. These findings will then be analysed and potential solutions will be addressed in the following section. The article concludes with a summary of the study’s research.

Figure 1: Youth Unemployment Rates (ILO, 2013)

Over 1.2 billion people in the world are classified as youth, of which 90% live in developing countries (see Figure 2). Developing economies are experiencing a youth bulge, where young people represent more than 30% of the working age population. They are facing challenges of absorbing youth into education and labour markets. Comparatively, most developed economies are undergoing an ageing population. Thus, developed economies need to mobilise the productive employment of young people to sustain economic development and balance the effect of their declining and ageing labour force.

In 2013 the global youth employment to population ratio was 42.3%. However, this ratio is predicted to decline and is projected to be 41.4% by 2018. Youth labour force participation rates are also declining. In 1998, youth labour force participation was 54.7%, whilst at the end of 2013 this has dropped to 48.5%.

2.1 Europe

Youth unemployment is particularly high within the European Union (EU). Between 2008 and 2012, youth unemployment increased by almost 25% in the EU and Developed Economies. Youth unemployment is highest in Greece and Spain and currently accounts for more than half of the economically active youth population. As seen in Figure 3, within the EU there is a gap of nearly 50 percentage points between Germany (7.7%) and Greece (56%).

Youth Guarantee focuses on helping youth integrate into the job market after attaining an education. It has been introduced to ensure that all young Europeans receive a good quality offer of employment, education and traineeships within four months of leaving school or becoming unemployed. The strong apprenticeship program in Germany has contributed to the low levels of youth unemployment. Dual systems have proven successful in providing youth with a good start and smooth transition into the labour market. Denmark, Austria and Switzerland all adopt this system and are among the OECD countries with the lowest youth unemployment rates. In addition these countries have the lowest share of youth experiencing repeated spells of unemployment.

2.2 Asia Pacific

South Asia and East Asia experienced some of the lowest regional youth unemployment rates in 2012 at 9.3% and 9.5% respectively. Although these statistics may look promising on the surface, the youth employment-to-population ratio was only 37.2% in 2012 for South Asia and is expected to decline to 36.1%. It must also be remembered that South Asia has one of the highest regional working poverty rates. More so, higher unemployment rates in South Asia are linked with higher educational attainments. In Sri Lanka, those who have at least secondary education are female are more likely to be unemployed. Similarly, in India, unemployment is higher for highly skilled workers, particularly females.

Youth unemployment rates in South East Asia and The Pacific are considerably higher, reaching
13.1% in 2012. Youth in South East Asia are over five times more likely to be unemployed than adults, and current projections see youth unemployment rise to above 17% by 2017.

Australia’s current youth unemployment rate is 12.4%. National and ethnic origin can be partly attributed to this statistic as it is a root cause of poor labour market outcomes for youth. Young indigenous people are nearly four times more likely than non-indigenous youth nationals to be unemployed.

2.3 America and Canada

In 2013, youth unemployment in Canada was around 14.4% and was 2.4 times that of workers between the ages of 25 to 54, the biggest gap since 1977. Of the unemployed youth, more than a quarter have never worked before. Further, youth are twice as likely as adults to be laid off. The Youth Employment Strategy is the Government of Canada’s commitment to help young people successfully transition into the labour market. It focuses on providing youth with the opportunity to partake in internships, develop necessary skills and to provide youth with information that will allow them to make informed career decisions.

In 2013, America experienced a youth unemployment rate of 16.3% with a participation rate of 55.1%. However, when these statistics are isolated, unemployment and participation rates vary significantly across races and can be seen in Table 1 and Figure 4. Further, the employment-to-population ratio for youth stood at 46.1% in February 2013, indicating that the ability of the American economy to create jobs for youth remains low.

The Middle East and North Africa (MENA)

The Middle East and North Africa have the highest youth unemployment rates in the world, at 27.2% and 29% respectively in 2013. In many of these countries, youth with educational attainments are more likely to be jobless. In Saudi Arabia, over 43% of unemployed youth have tertiary education. This has also led to overqualified youth accepting relatively low paying, low skilled jobs that do not match their potential abilities.

In contrast, education systems in countries such as Egypt and Jordan, struggle to deliver graduates with the necessary skills for future employment. As a result, many of the youth searching for jobs are underqualified for the available positions. The World Bank’s Enterprise Surveys found that the lack of labour skills was a key constraint in countries such as Jordan, Egypt, Lebanon and Syria.

The inequalities to access education is a significant factor affecting youth unemployment and is another reason why there is a mismatch for skills desired by employers and those that youth have attained. Students that come from a disadvantaged background have a lower chance of completing their primary education, and a lower probability of gaining access to better education. They have fewer opportunities to undertake and access additional education institutions such as university.

3. FINDINGS

3.1 Educational Attainments

Education is a vital component to attaining a decent job. It acts as a pathway into the workforce. Although in 25 out of 27 countries youth unemployment was highest among those who had primary education or less, higher education does not automatically translate into improved labour market outcomes and more jobs. Particularly in developing economies, such as Latin America, unemployment rates are highest for those with secondary education. Similarly, youth unemployment rates in Vietnam and in many MENA countries increase with the level of educational attainment. For example, in Tunisia, 40% of university graduates are unemployed, compared to 24% of non-graduates.

Further, it was found that four out of ten employers say that they cannot find the skills they need in potential employees at entry level. In China, 30% of university graduates have difficulty finding employment upon graduation and in the Middle East, university graduates are often unemployed for up to three years after graduation. One in two youth around the world find that their education did not prepare them to find a job.

Skills mismatch is a key driver of youth unemployment and is defined as the gap between an individual’s skills and the demands of the job market. In advanced economies, there is a higher risk of mismatch for those at the bottom of the educational pyramid. Further, young people in advanced economies are more likely to be overeducated than workers aged 30 and above. Over-education of youth in advanced economies is increasing and is having a negative impact on youth unemployment. Youth with higher levels of education are working in jobs in which they are overqualified for. A survey undertaken by Accenture found that in the United States, 41% of college graduates had to take jobs that did not require a degree. As a result, they are crowding out youth who are at the bottom of the educational pyramid.

The mismatch of skills also has a flow on effect. As youth are unable to attain jobs they therefore find themselves caught in an experience trap, as employers are increasingly demanding prior work experience (further discussed in section 3.4). Similarly, as education is not guaranteeing youth employment opportunities, motivation is lost and more and more youth are dropping out of education. Consequently, around the world there is a growing number of NEETs. This is an emerging concern and is discussed in section 3.3.

Education should not act as a barrier to participating in the workforce. The increase in educated youth who are unemployed is another trend that is emerging. It contradicts the assumption that higher education and training increase the productivity and employability of young people. It is disruptive on youth and can have scarring effects as highly educated youth are unable to attain employment, leading to an increase in NEETs.

Gaps in access to education as well as the quality of education still need major improvements. 130 million young people emerge from education without the basic reading, writing and numeracy skills needed in everyday life. In 2009, 67 million children of primary school age were not enrolled in primary school, and in 2007, approximately 71 million adolescents were not enrolled in lower secondary education because they had not completed primary school or they could not make the transition into secondary school.

3.2 Gender Inequality

The gap in gender inequality is closing. Most countries are seeing a decreasing gap in the male- to-labour force participation rates and employment- to-population ratios. However, in some countries highly educated young females are still increasingly vulnerable. Young women in the MENA region are faced with the largest challenges of entering the labour market. 42.6% of the female labour force in the Middle East is out of work followed by 37% in North Africa. Female labour market participation barely reaches 25% in North Africa and not even 20% in the Middle East. In Turkey, the unemployment rate for university educated women is more than three times higher than that of university educated men. Similarly, the unemployment rate in the United Emirates for university educated women is almost three times higher than men, and in Saudi Arabia, the rate is 8 times higher.
Women are typically posed with a higher risk of skills mismatch than men. Figure 5 shows that women are more frequently overeducated and less frequently undereducated than men. Further, there are more females out of school than males. Almost half of the world’s out-of-school girls are in Sub-Saharan Africa and around one-quarter in South Asia.

Figure 5: Overeducated and Undereducated Employment

### 3.3 Prolonged Unemployment – Discouraged Youth

High and increasing unemployment rates coupled with longer periods of job search have resulted in many young people becoming discouraged and giving up the employment search altogether. More than six million youth have given up looking for a job. The youth unemployment figures do not give a well enough rounded view of the seriousness of this issue as the statistics fail to incorporate those that have given up looking for employment. It is estimated that the number of young people either unemployed or discouraged from seeking work in advanced economies would increase to 13 million, compared to 10.7 million who were unemployed in 2012. Further, in the third quarter of 2012 in the EU, 12.6% of inactive youth wanted to increase to 13 million, compared to 10.7 million who were unemployed in 2012. Thus, the longer we delay addressing youth unemployment, the higher the costs. Inaction will result in increased poverty, slower long-term economic growth, and higher social and economic costs.

In OECD countries, more than one third of young unemployed persons were classified as long term unemployed in 2011. Jobs also tend to be less stable for youth. During 2012, 42% of young workers in the EU were working on temporary contracts, which is four times as much as adults.

Prolonged unemployment and the prospect of long term unemployment even if an education is attained have resulted in an increase in NEETS. Prolonged periods of unemployment can cause a long term ‘scarring effect’ as youth are demotivated. As illustrated in Figure 6, more youth are experiencing longer periods of unemployment. The number of NEET’s in advanced economies currently stands at one in six, putting them at risk of labour market and social exclusion. As many as 60% of young people in developing regions are either without work, not studying, or engaged in irregular employment and nearly two thirds of youth in developing economies are not achieving their full economic potential.

Figure 6: Share of Youth Unemployed Who Have Been Unemployed for at Least Six Months, 2008 and 2011 (%)

### 3.4 Experience Trap

Youth often find themselves caught in an experience trap as education is not adequately tailored to meet the needs of the labour market. Increasingly, employers are also seeking young people with work experience. As youth lack the demanded skills of the job or past experience, they are rejected from entry level positions and those within the aging population continue to take up these employment positions. Consequently, youth struggle to gain the experience required to transition into the workforce.

Further, youth are often the first to be laid off during periods of economic downturn, as they are cheaper and easier to dismiss. The financial crisis appears to have reinforced the “last in- first out” pattern for youth, and in most countries they have a higher rate of turnover between employment and unemployment than adults. Thus, the longer we delay addressing youth unemployment, the higher the costs. Inaction will result in increased poverty, slower long-term economic growth, and higher social and economic costs.

### 4. DISCUSSION

#### 4.1 Addressing the NEET Challenge

With forecasts predicting that the number of NEET’s is only going to rise, it is important that this issue is carefully addressed. In order to address the NEET challenge, economies need to ensure that they invest in the earliest levels of education. Governments need to ensure that students remain in education until they have attained a decent level of numerical and literacy skills. As discussed in section 3.1, there is an increasing number of youth who not only lack the basic literacy and numeracy skills but also fail to complete primary education. Investment in education is essential and has the highest rate of return when focused at the earliest levels of education. Youth who drop out of school early have a particularly high risk of becoming permanently disconnected from the labour market. Other strategies to address NEETs are discussed below.

#### 4.2 Linking Education and Training for the Workforce – Apprenticeships, Internships and a ‘Dual System’

Collaboration needs to exist between educational institutions and the corporate world. Innovation, technology and market developments have turned the world into a fast-changing environment. Thus, there is a need to equip the pool of potential youth employees with the skills required to keep up with the changing world. By providing youth with work experience during their studies, they are provided with the opportunity to practically apply the theory whilst simultaneously developing the necessary on the job skills required for future employment. Thus, inexperience will no longer act as a barrier for entry level employment opportunities.

Long term strategies that align educational systems with labour market requirements are essential in reducing youth unemployment and sustaining long term economic growth. The ‘dual system’ of apprenticeships combines school-based education with in-company training. It is proven to be an effective system as demonstrated by Austria, Denmark, Switzerland and Germany’s low youth unemployment rates. It successfully provides large numbers of young people with quality education and training for the recognised qualifications demanded by enterprises. The apprenticeship system is characterised by close collaboration between public policy, training providers, enterprises and social partners. Germany, where apprenticeships and vocational training have long been the norm, has the second lowest rate of 7.7% youth unemployment in the EU.

Countries can improve their education and training policies by engaging the enterprise sector. Currently of the two thirds of employers that interact with education providers, only 15% of them interact on a monthly basis. Education systems need to be reformed to incorporate the skills that employers are demanding. The corporate sector and governments should assist in the co-financing of education to strengthen the education system and the training that youth require in order to match the skills required by employers and to aid youth in the transition into employment.

Youth employability should be enhanced by the introduction of flexible training systems and better career guidance services. Youth employment should be fostered through private sector development. Providing youth with these opportunities is particularly important for economies with an aging population. If youth are not adequately engaged in the workforce, future economic growth could be hindered due to labour shortages and increased social costs. By directly...
targeting the supply side of the labour market through a ‘dual system’, youth will have both the skills and experience employers demand. European counties with strong apprenticeship systems have a lower ratio of youth-to-adult unemployment, and young people have a larger share of skilled and high-wage occupations. Similarly, the Education for Employment Foundation (EFE) is a network of locally-run affiliated non-profits that created economic opportunity for youth in the MENA region through demand-driven job and placement interventions. A distinctive feature of EFE’s programs is their close partnership with employers. In 2012, almost 6000 young people in the MENA region were trained, of which 69% had been placed in jobs. Of this, 77% of youth retained their jobs. The EFE model is proving to be sustainable because it is built on local leadership and networks.

4.3 Youth entrepreneurship promotion

Entrepreneurship can offer greater independence, increased job satisfaction and high income potential. It provides career opportunities for youth to unleash their economic potential. However, shorter credit history and lack of access to business networks makes it difficult for youth to become successful entrepreneurs. In general, youth lack the business skills, and have less knowledge and experience and general savings than adults. Financial institutions regard youth as high-risk because of their lack of collateral and business experience.

Promotion of youth entrepreneurship can provide youth with motivation and self-employment opportunities. Governments should adopt measures and programs to encourage entrepreneurial activity among individuals to help them overcome the barriers that they encounter when setting up a business. Interventions can be in the form of entrepreneurship training, increased access to finance, mentoring and business support. Youth entrepreneurship promotion can significantly help combat youth unemployment and this was demonstrated in 2007 when the Youth Employment Initiative found that youth entrepreneurship promotion had the highest positive impact on employment creation.

Entrepreneurship education offers a path to employment and enhances motivation and work related skills of young people. Entrepreneurship education combined with an ecosystem of effective support can boost job creation and innovation within an economy.

4.4 Labour Market Policies and Taxation

Active labour market policies can be implemented to assist in lowering youth unemployment. Labour market policies should help stimulate economic growth and promote youth participation by implementing systems that combine education and work experience. Policies could also include labour market training and job creating through the form of subsidized employment. Labour market training programs could help better match labour supply with labour demand. Governments should encourage employers to continue or introduce a quality apprenticeship program. Governments and business should also monitor the implementation of the programs in order to evaluate their success and to ensure the programs are able to respond to the needs of the fast-paced environment.

Taxation incentives could be executed by the government to provide an enticement for businesses to incorporate youth. This could provide benefits for both parties. Youth are provided with an opportunity to gain exposure and experience within the labour market and further develop their skills to help increase their employability in the long term. They may also gain long-term employment from these strategies. Similarly, businesses too will benefit both in the short term and long term. In the short term the businesses will receive monetary benefits. In the long term the business may gain many invaluable benefits and value from the initial employment.

Wage subsidisation could also be introduced. The government could subsidise youth wages for businesses that hire youth during their studies, or implement apprenticeship programs. A reduction of tax liabilities for the firm makes hiring more affordable whilst also offering young people work experience and a chance to boost their skills and self-confidence. These incentives could help stimulate demand for young workers. In the long run the supply side of the labour market would also be improved.

5. SUMMARY

Youth unemployment is a serious issue that needs to be addressed as projections predict youth unemployment will continue to rise. Youth labour force participation rates and youth employment-to-population ratios are also expected to decline. If youth unemployment is not sustainably addressed, social unrest and loss of faith in social progress is high. Youth unemployment poses a threat to political stability and social cohesion as economic growth rates will decline, economic potential will not be reached and subsequently, quality of life will decrease.

Both developing and developed economies are experiencing challenges addressing youth unemployment. The research has highlighted that youth unemployment is driven by general economic conditions, skills mismatch, job search barriers and barriers to the creation and development of business opportunities. Developed economies are experiencing aging populations, and it is therefore essential that young people are mobilised and transitioning smoothly into the workforce. In comparison, developing economies are experiencing a youth bulge and need to find productive and efficient methods of transition for youth to enter the workforce.

NEET’s are also a growing concern for economies. Prolonged unemployment and doubtful economic outlook has led to more and more youth failing to attain educational attainments or giving up altogether on the prospect of employment.

This article has suggested promoting a dual system in more economies to address the issue of skills mismatch and lack of experience. By facilitating access to vocational training and introducing stronger apprenticeship programs that combine education and work experience, youth will have a smoother transition into the workforce, and will follow the trends of Switzerland and Germany, who have some of the lowest youth unemployment rates in world. Partnerships among government, educators and businesses are essential in creating more channels for young people to transition from school to work. Public-private partnerships are essential in all youth programs, because of the critical need to link programs with real jobs. Labour market policies including the introduction of taxation incentives could also help stimulate employment demand for youth, whilst simultaneously improving the supply side of the youth population.

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Structural Estimation of Non-transferrable Utility Marriage Matching Models

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1. INTRODUCTION

Many economic systems can be described as two-sided matching models. Following Roth and Somomayor (1990), the term “two-sided” refers to the case that agents in such market can be classified into one of two disjoint sets, such as between workers and firms, buyers and sellers, investors and entrepreneurs, two business firms, schools and teachers, medical students and hospital, and men and women. Two-sided matching has been the focus on many recent studies. In particular, marriage matching model has a number of existing researches. However, many social surveys such as those used in the field of marriage, only contain data on the end of results of mutual choices made by individuals (in the marriage context, married couple and single men and women), so they lack explicit information on the context or constraints under which the decisions were made. Using these observed data, many empirical studies are conducted. However, these studies are largely based on a reduced-form approach. This approach is ad hoc and inadequate in explaining individuals’ sorting outcomes. Since the market outcome is the result of mutual choices made by individuals in both sides of the market, the observed matching does not necessarily reveal the underlying preferences, but more likely to be the outcome of compromise of the resource constraints and the conflicts of interest. A better understanding of who matches with whom calls for a structural investigation.

Structural estimation is important in two aspects. First, it helps us further understand the motivation for matching, and role of resource constraints in matching. Second, the estimated preference can be further used to conduct counterfactual analysis of markets outcomes in different environments. It thus provides a valuable tool to infer mate preferences from observed matches and formulate the problem in the way that allows decision makers to use the estimated preferences to make counterfactual predictions of marriage outcomes in different circumstances of supply and demand.

In this paper, I borrow the idea from the non-transferrable utility matching game (NTU matching game) as the foundation for structural estimation. I will explain what is, why I chose, and the superiority of NTU matching model than TU (transferable utility matching game). The first goal of this paper is to review the existing research of this field because there are no standard ways to carry on estimation. Second goal is to show the newly introduced, relatively tractable estimation procedure by Uetake and Watanabe (2012). They only showed the way and method and have not carried out empirical estimation, so I will consider doing it.

The remaining sections are organized as follow. In section 2, I briefly show what is and why I decided to use NTU matching model through reviewing existing literatures. In section 3, I introduce the model of one-to-one, two-sided matching model. In section 4, I present the estimation theory and procedure, and then discuss the data and what variables to estimate. Section 5 concludes.

2. LITERATURE REVIEW

NTU matching model, firstly introduced by Gale and Shapley (1962), has several advantages. From modeling perspective, it overcomes the difficulty of modeling agents’ strategies when the number of conceivable strategies is very large (Roth and Sotomayor (1990)). Empirically, it offers the possibility to separately identify utility functions for both sides of the market; c.f., Choo and Siow (2006).

Recently, the number of studies that estimate two-sided matching models has been growing, but studies for NTU matching models are still scarce. A few exceptions are Uetake and Watanabe (2012), Agarwal and Diamond (2013), Logan, Hoff, and Newton (2006), Hsich, Hortacsuand Ariely (2010), and Hsich (2011). Although several researchers already suggested some estimation procedures, little is known about the identifiability of the utility functions in NTU matching models.

Identification analysis in NTU matching model is challenging since NUT matching models often predict multiple equilibria. Most paper, including Uetake and Watanabe (2012), sidestep the problem of multiplicity by choosing utility specifications that exclude preference heterogeneity, based on some set of equilibrium selections. Logan, Hoff, and Newton (2006) uses Bayesian framework. Hsich (2011) choses utility specifications to be as flexible as possible to allow for multiple equilibria, but the model only accepts for married couples – it cannot include single men and women.

TU matching models has more researches compared to NTU matching models. Theories of TU matching games, which allows agents to exchange money when they make a match, first introduced by Koopmans and Beckmann (1957) and Shapley and Shubik (1972), and, for marriage models, Becker (1973) introduced a specific model. Then econometric models are initiated by Choo and Siow (2006), and extended by Fox (2010a, 2010b), Graham (2011), and more. TU matching games model the competition among players and the resource constraints by introducing the price mechanism. The novelty of it is that it capable of decomposing the complex problem into two single-agent discrete choice problems, subject to the market clearing conditions. Although the common market prices are usually unobservable, they can be treated as unobserved “fixed effect” and hence can be removed.

As I mentioned before, there is a major problem in NTU matching models – multiple equilibria. Graham (2011) mentions that when agents make transfers to one another, the equilibrium assignment is generally unique and surplus maximizing, but in the absence of transfers, neither of these two conditions holds, thus there exists multiple equilibria in NTU games. Therefore Graham (2011) justifies the TU matching models.

However, the limitation of Choo and Siow (2006) type TU matching models is that it is unable to separately identify men’s and women’s utility functions. Loosely speaking, only the sum of men’s and women’s utility functions is identifiable. Moreover, the market price, i.e., the “transfer of utility” itself is ambiguous, difficult to imagine, and they are not identified. These facts make the TU matching model unattractive in terms of policy analysis since some key features of structural parameters are not identified.

In this paper, I chose to implement the NTU matching model to marriage market, and carry on the estimation based on the model of Uetake and Watanabe (2012). The reason is that, as I mentioned before, the number of studies in NTU matching model is still small. There are several papers including Uetake and Watanabe (2012) and Agarwal and Diamond (2013) that only suggest the estimation method but have not carry out the estimation using real data. For marriage matching models, Logan, Hoff, and Newton (2006) is the almost only paper which has done the estimation using national surveys in NTU fields – compared to TU fields. As I said in the last paragraph, TU matching models lack some important features of the marriage market estimation outcome, and we have to take in the incomprehensible transfer of utility to account. If we succeed estimating NTU matching models, it will provides a valuable tool to assess the likely outcomes of a new policy and help the decision makers to design the new mechanism.

3. MODEL

We now present a simple one-to-one two-sided matching model, which is called the marriage matching problem by Gale and Shapley (1962), using the notation from Uetake and Watanabe (2012). In a matching market, there are two finite and disjoint sets $\mathcal{M}$ and $\mathcal{W}$, $M$ is the set of men, and $W$ is the set of women. Each man $m \in \mathcal{M}$ has preferences over the women, and each woman $w \in \mathcal{W}$ has preferences over the men. These preferences may such that, a man $m$ would prefer to remain single rather than be married to some woman $w$ doesn’t care. The utility functions for each $m$ and $w$ are as follows:

$$U(m(w)) = u(m(w)) + \epsilon_{m,w},$$

$$U(w(m)) = u(w(m)) + \epsilon_{w,m},$$

where $u(m)$ is an implicit function of observable characteristics of $m$ and of $w$, $\epsilon_{m,w}$ is factors that affect utility that are not included in $u(m)$, which an researcher cannot observe, but players can. The same and opposite thing can be said for women’s function. Without loss of generality, assume that the utility of being single is $0$ for all $m$ and $w$, i.e., $U(m) = U(w) = 0$.
The outcome of the game is a matching \( \mu : M \rightarrow W \), a one-to-one correspondence of order two \( \mu(x) = x' \) such that if \( \mu(m) = m \) then \( m \in M \) and if \( \mu(w) = w \) then \( w \in M \). Note that if \( \mu(m) = w \) then \( \mu(w) = m \), indicating that \( m \) is matched with \( w \) in matching \( \mu \).

The solution concept I use is pairwise stability defined below.

**Definition 1.** A matching \( \mu \) is pairwise stable if the following two conditions are satisfied.

1. (Individual Rationality) \( U_m(\mu(m)) \geq U_m(m) \) and \( U_w(\mu(w)) \geq U_w(w) \) for all \( m \in M \) and \( w \in W \).

2. (No-Blocking-Pair Condition) \( \forall (m,w) \) such that \( U_m(\mu(m)) \geq U_m(m) \) and \( U_w(\mu(w)) \geq U_w(w) \), following two conditions are satisfied.

   a. Woman \( w \) prefers man \( m \) to \( \mu(w) \) and \( \mu(w) \) is the best man among all men \( m \) who prefer woman \( w \).

   b. Man \( m \) prefers woman \( w \) to \( \mu(m) \) and \( \mu(m) \) is the best woman among all women \( w \) who prefer man \( m \).

4. **ESTIMATION**

4.1 Theory

My inference of the model is based on the observations from \( K \) independent markets, \( k = 1,2,\ldots,K \). I specify the utility functions as

\[
\begin{align*}
\sigma_m(w) &= \mu_m(\{X_m, X_w, Z_k \}; \theta), \\
\sigma_w(m) &= \mu_w(\{X_m, X_w, Z_k \}; \theta),
\end{align*}
\]

where \( X_m \) and \( X_w \) are observable characteristics, \( X_k \) is market-level characteristics, and \( \theta \) is the parameter of the model to be estimated.

Let us denote the solution (that is the stable matching) of equations (1) and (2) by \( \mu^*(m) \) and \( \mu^*(w) \). Then, let us denote the probability of \( \mu^*(m) = w \) as \( \sigma^*(m) \) and the probability of \( \mu^*(w) = m \) as \( \sigma^*(w) \). We can interpret \( \sigma^*(m) \) to be the probability that man \( m \) chooses woman \( w \) given pre-matching \( \mu^*(m) \) and woman \( \sigma^*(w) \) to be the probability that woman \( w \) is matched with man \( m \) given pre-matching \( \mu^*(w) \). Therefore, the probability of obtaining matching between man \( m \) and woman \( w \) is \( \sigma^*(m) \times \sigma^*(w) \).

For any \( m \in M \) and \( w \in W \), the following equations (3) and (4) hold:

\[
\begin{align*}
\sigma_m(m) &= \arg \max\{\sigma_m(w) \mid U_m(\mu(m)) \geq U_m(m)\}, \quad \forall m \in M, \\
\sigma_w(m) &= \arg \max\{\sigma_w(w) \mid U_w(\mu(w)) \geq U_w(w)\}, \quad \forall w \in W.
\end{align*}
\]

The first part of (3) is the conditional probability that \( w \) is the optimal choice among all women who prefer man \( m \) to \( m' \), under the condition \( m' \) is the current partner of woman \( w \) in the pre-matching. The second part of (3), \( \sigma^*(m) \), is the probability that the current partner of woman \( w \) is man \( m' \) in the pre-matching.

The choice set of man \( m \) in the second part of equation (3) is all women \( w' \) who prefer \( m \) to \( m' \), i.e., \( \{w' \in W : U_w(m') \geq U_w(m')\} \). So let us define \( \sigma_m^*(m') = \sigma_m(m) \times \sigma_m^*(m') \).

4.2 Procedure

Finally, I will move on to a computational procedure. Since the number of potential choice sets, \( \tilde{M} \times \tilde{W} \), increases exponentially in the number of players, so the exact computation of the probabilities in (3) and (4) becomes practically impossible as \( |M| \) and \( |W| \) increase. So, we should consider a computational procedure that approximates the mappings by simulating the choices set. The process is as follows.

1. Set the initial choice probabilities in pre-matching, \( \sigma = (\sigma_m(m)\mid m \in M, \sigma_w(w)\mid w \in W) \).

2. Given \( \theta \) and \( (m,m') \), compute \( f_{m,m'}(w) = \Pr(U_m(w) \geq U_{m'}(w)) \) for any \( w \in W \).

3. Simulate the choice set, \( W_m, m's \), many times (say, \( S \) times) for each \( (m,m') \) using \( f_{m,m'} \).

4. Compute the conditional choice probability \( P_{m,m'} = \Pr(w = \arg\max\{U_m(w)\mid w \neq \mu_m(m')\}) \) for each \( s = 1,2,\ldots,S \) and \( (m,m') \).

5. Compute \( \frac{1}{S} \sum_{s=1}^{S} \prod_{m \in M} P_{m,m'} \times \sigma_m(m) \) and the right hand side of (4) by a similar procedure.

6. Solve (3) and (4) until \( \sigma_m(m) \) and \( \sigma_w(w) \) converge.

Note that \( \frac{1}{S} \sum_{s=1}^{S} \prod_{m \in M} P_{m,m'} \times \sigma_m(m) \) converges to the right hand side of (3) as the number of simulations becomes large.

This is not the end of the estimation. Using this, we have to maximize the likelihood function to get a parameter. Since the procedure above this is a simulation, we should carry out the calculation of likelihood many times. Figure 1 shows the image of this estimation process as a whole. Step 1 to 6 above is so-called "inner loop", the process need to make the portions of likelihood function, which is calculated during the process of "outer loop". Since we repeat the estimation many times, it is expected that the number of times of calculation will increase exponentially.

![Image of parameter estimation](image-url)
4.3 Variables and Data

Now I need to specify concrete variables to apply to my utility functions. According to the classification of studies of marriage patterns by Kalmijn (1998), I want to see the socioeconomic effect. So now I am thinking of including education, age, and maybe income in to the observable traits in the utility functions (i.e. $X_m$ and $X_w$ above).

To discuss the data I use, one thing to note is that defining the marriage market is of first order importance to the empirical study. However, it is difficult to have a fully satisfactory solution since the actual marriage market faced by each agent is unobserved to the researchers. In my study, I use the data of married and unmarried men and women extracted from IPUMS-USA.

5. Conclusion

This paper surveyed past and current empirical matching models from both aspects of NTU and TU. Then, following the idea of Uetake and Watanabe (2012), I showed the estimation method of NTU marriage matching model. There are plenty of future works, including carry on the estimation using the way I showed in section 4.

REFERENCES

Maintaining Social Warfare with Financial Service: Social Business in Bangladesh, China and the World

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1. INTRODUCTION

There has long been doubts on whether and how financial service can promote social warfare through helping those less-privileged people. As a matter of fact, social business has provided an excellent answer, even though it is also imperfect. This paper originates from the author’s personal experience in Bangladesh where the idea of social business came up and discusses about several cases of social business as well as analyzes obstacles and opportunities social business is faced with.

According to Nobel Peace laureate Muhammad Yunus, social business is a non-loss, no-dividend company designed to address a social problem. The profits are used to expand the company’s reach and improve the products and services. The first social business started from Bangladesh where Yunus, founder of Grameen Bank, took over a pound from the government and set up Grameen Fishery and Livestock Company in 1986. Since then, 54 social business companies have been established within Grameen system and the model has been replicated throughout the world. Overall social business has gained huge success around the world, especially in developing countries where government cannot provide enough public service to common people. This paper first presents some cases of social business in Bangladesh, most of which I have visited myself in Bangladesh. Then it briefly introduces social business cases in China as well as analyzes the world. So he established Grameen Bank, which is now a monument for fighting poverty worldwide.

There was not the concept of social business when Grameen Bank was established, but Grameen Bank is just operated as social business. In this sense, there is no doubt it is the first and largest social business with 2567 branch offices and 8595384 members in the country. Since inception the cumulative amount disbursed has been 14,940.71 million US dollars with a rate of recovery around 98%.

Grameen Veolia

In Bangladesh, millions of Bangladeshi are exposed to drink water that is contaminated with arsenic regularly, which may lead to skin diseases even cancers. This will especially harm young generation in Bangladesh, which makes up half of the population in the country. In 2008, Grameen Health Care Services Ltd and Veolia Water (a leading French water distribution company) jointly set up Grameen Veolia Water Ltd to address the water problems in rural Bangladesh, and now it serves fresh water maintaining the highest WHO standard for arsenic to poor people at a tariff they can afford.

It is extremely critical to provide safe drinking water and expand coverage of its service. But there are also some obstacles in the process. Some villagers would not like to drink treated water because they believe their “ancestor” water is natural and safe even though it is not clean enough. What’s more, the expenses of treating water are relatively high so current most service of Grameen Veolia is limited to areas within convenient reach to the capital city Dhaka.

2. SOCIAL BUSINESS AROUND THE WORLD

2.1 Social Business in Bangladesh

Grameen Bank

In 1970s when professor Muhammad Yunus was dean of department of economics at Chittagong University, there was a great famine throughout the country. Many people were starved to death and most poor people gained meager income through borrowing from usurers. Yunus found out if the poor could get access to microcredit at a reasonable interest rate, they must be better off. The sense of responsibility drove him to establish Grameen Bank, which is now a monument for fighting poverty worldwide.

“...When the sun goes down, everywhere turns dark”. For traditional villages in Bangladesh, electricity is a kind of luxurious thing. Most households in the village were deprived of electricity before Grameen Shakti came. Now because of Grameen Shakti as well as government and other organizations, nearly half of the population have access to electricity in their households. Grameen Shakti is the largest single off-grid system in the world delivering solar home systems to rural people in Bangladesh since 1996. Grameen Shakti has 1256 branch offices and has installed 1235604 solar panels, which makes up over 70% of the total solar home systems in the country, benefiting 8.0 million rural people directly or indirectly. In addition to solar system, Grameen Shakti has also installed 24733 biogas plants and 24340 improve cooking systems, helping maintain clean cooking environment and efficient cooking systems. Going to households, popularizing at center meeting and among school teachers are main channels of marketing. Overall, Grameen Shakti is welcomed by villagers because of comprehensive service and prompt reaction to clients.

2.2 Social Business in China

Fuping Development Institute

More than 30 years of economic growth in China has seen severe polarization between the rich and the poor, and until now China still has more than 10 million people struggling under the poverty line. They are deprived of the rights to claim loan at conventional banks and receive basic social service. Twenty years ago, the famous Chinese economist Yushi Mao was worried about the situation and set up Fuping Development Institute with many other distinguished economists, technicians and entrepreneurs. Since the establishment of Fuping, many farmers and migrant workers have been able to get loans without mortgage and pay back with a flexible schedule. Fuping hires staff from the local region who have good connection with local villagers and are familiar with the dialect so that there are no obstacles in communication. They are hard-working and proud of their own job, which is much similar to Grameen Bank. In addition to microfinance, Fuping also provides services in early education, eco-agriculture, vocational training and job placement as well as support for social innovations, whose impacts have enabled common people especially those less privileged maintaining their dignity and pursuing their dreams.

2.3 Social Business in Other Countries

Time Bank

In 1980, the 46-year-old Edgar Khan suffered from myocardial infarction which changed his perspective of life. He decided to devote his life to helping those people in need and diminishing inequality in the world. So he established Time Bank as a kind of social business. But it is also different from social business discussed above because what has been paid for social service is not the interest, but the time you spend taking care of others before.

When an individual contributes some time to another person or an institution, the time will be saved as deposits in his personal account. When he needs help later, he can get service from Time Bank via payment of his saved time. Now this model has been applied to more than 300 communities of 23 countries in North
New Forms of International Cooperation. The Case of Latin America and the Caribbean and China

Dr. Enrique S. Dussel Peters
Professor, Graduate School of Economics, National Autonomous University of Mexico (UNAM) and Director, Center for Chinese-Mexican Center, UNAM, Mexico

1. INTRODUCTION

China and Latin America have started a new qualitative stage in their relationship at least since 2000. Led by massive trade and followed by investments, this new stage in their relationship has not been followed, so far, by an overall political strategy, cooperation or institutions in neither Latin America nor China. These increasing gaps between trade, investments and institutions are significant to understand increasing tensions and frictions among Latin American countries and China, including Mexico and China. This paper is based on the increasing descriptive literature that has resulted in the last years on the recent economic engagement between Latin America and the Caribbean (LAC) and China, particularly in the field of trade and investment. In both cases the LAC-China relationship has become of critical importance for LAC – also LAC for China, as we shall see- and it is increasingly necessary to deepen the socioeconomic analysis and reflection also related to LAC´s development strategy. As we shall see, the new relationship between LAC and China is presenting new challenges for LAC in the proposed socioeconomic fields.

The document will be divided in two parts. First, the document discusses the main characteristics of the Latin American-China relationship in terms of trade and investments, and relevant for understanding the current stage of LAC-China relations. The second section examines the main conclusions of the paper and speculativities regarding options for new forms of international cooperation between LAC and China.

2. LAC-China MAIN CHARACTERISTICS IN TRADE AND INVESTMENTS

Based on a wide literature review, at least three topics can be highlighted in terms of trade between LAC and China.1

First, China’s and LAC’s trade relationship has increased dramatically from both perspectives. From a LAC perspective, China’s presence has increased substantially in terms of trade, becoming its second main trading partner and only after the United States. Graph 1 is relevant in highlighting China’s increasing presence over total imports - and accounting levels of above 14% since 2010- , while exports have reflected a lower dynamism. As presented in Table 1, with few exceptions – and including those countries which do not have diplomaticities with China-Chinahas become among the top 5 trading partners of the main countries of the region: for the 17 countries considered, in terms of exports to China only 3 countries had China among its top 5 export destination in 2000 (Chile, Peru and Uruguay) and it increased to 7 countries in 2012; for the case of imports the number of countries increased from 3 to all 17 considered countries, respectively. From China’s perspective, the role of Latin America has also increased: in 2012 LAC’s share over total Chinese trade was of 6.7% and only behind the United States and Japan (and leaving aside Hong Kong and not considering the European Union as a group). Thus, Latin America is in 2012 the third major trading partner of China, displacing countries such as Germany and South Korea (see Graph 2).

1 For a full literature review, at least three topics can be highlighted in terms of trade between LAC and China.
### Table 1
Selected Countries of Latin America: China’s Importance in Trade (2000-2012)

<table>
<thead>
<tr>
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<td>3</td>
<td>4</td>
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<tr>
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<td>8</td>
<td>9</td>
<td>7</td>
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<td>6</td>
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<td>3</td>
<td>--</td>
<td>18</td>
<td>4</td>
<td>2</td>
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</tr>
</tbody>
</table>

Source: own calculations based on UN-COMTRADE (2013).

Graph 1: LAC: SHARE OF TRADE WITH CHINA (1989-2012) (share over respective total)

Graph 2: China: total trade by main trading partners (1995-2012)

Graph 3: LAC: GENERAL TRADE STRUCTURE WITH CHINA (1989-2012) (thousands of SUS)

Source: own elaboration on the basis of COMTRADE (2013).

Second, LAC-China trade has been characterized by huge imbalances: Since 2000 Latin America has a trade balance deficit with China that, until 2002-2003 was still below $10 billion. Since then, however, LAC’s deficit has increased substantially and above $50 billion (see Graph 3). Thus, China is the main source of LAC’s trade deficit and the tendency during 2000-2012 shows that it will increase with total trade in the future.

Third, LAC-China trade structure reflects worrying tendencies. On the one hand, China’s exports to LAC are relatively diversified based on manufactured exports, in contrast to LAC’s exports to China which are highly concentrated: only the three main export chapters from LAC to China increased their share over total exports from levels below 40% in the early 1990s to 45.07% in 2000 and levels close to 60% during 2009-2012. As discussed in detail, LAC has become a major supplier of different kind of ores, slag and ash, as well as oil seeds (mainly soya beans) and copper, and oil, while Chinese exports have concentrated on electronic products, automotives, optical instruments, and ships and floating structures (Dussel Peters 2013). This composition of trade is also reflected in the technological level of the respective trade between LAC and China. If we define medium and high-tech products as the sum of chapters 84-90 of the Harmonized Tariff System, Graph 4 accounts for significant structural changes: i. in terms of LAC’s exports to China, the share of medium and high-tech chapters fell during 1989-2012 from 8% in 1989 to levels above 10% in 2001-2002 to 5% in 2012, and contrast to LAC’s exports to the rest of the world (ROW) accounting for levels around 30% of total exports throughout the period, ii. In terms of LAC’s imports from China during the same period, the share of medium and high-tech chapters has increased substantially, from 29% in 1989 to levels above 40% during 2009-2012; medium and high-technological levels of imports from ROW have been below 40% during 2007-2012.

Graph 4: LAC: Trade with medium and high-technology content (share over total) (1989-2011)

Source: own elaboration on the basis of WDI (2012); medium and high-technology chapters are 84-90 of the HTS.

Thus, the technological composition of trade between China and LAC account for substantial development differences and paths: while China’s exports are upgrading substantially during 1989-2012, LAC’s exports to China are at a technologically low level and with a falling tendency since 2001.

Another group of topics could be raised in terms of China’s overseas foreign direct investment (OFDI) in LAC.  

First, since the crisis of 2007-2008 China has increased significantly its overseas foreign direct investment (OFDI), both in terms of FDI and GDP; the OFDI / FDI coefficient, increased from levels below 20% until 2005 and reached 72.51% in 2012, demonstrating that, in a few years, China’s OFDI will probably surpass its FDI. It not only reflects the growing internationalization and strength of China’s economy, but also the relative fall of FDI inflows in China’s economy and its increasing shift to the domestic market, as discussed earlier. LAC is playing an increasing role as a recipient of Chinese OFDI. During 2003-2009 LAC accounted for 18.99% of China’s OFDI; British Virgin and Cayman Islands, however, accounted for 97% of LAC’s OFDI from China. From a Latin American perspective, China’s OFDI represented the third source of FDI for LAC, although it has fallen recently (CEPAL 2011).

Second, Chinese OFDI is highly influenced by a group of public policies, particularly those of “Going Global”, the current Twelfth Five-Year Plan, Mofcom, the State Administration of Foreign Exchange (SAFE) and the National Development and Reform Commission (NDRC). Particularly the Catalogues for OFDI clearly define China’s public policy for OFDI. These institutions set up “positive lists” – i.e. of sectors, products and processes - that are allowed to be acquired by Chinese firms; the rest of the products, processes and firms in foreign countries will not be “enhanced” or “incentivated” by these public policies and, in practical terms, will not be allowed.

Third, Table 2 takes an in-depth look at one of the principal characteristics of Chinese OFDI in LAC from 2000-2012: with only 40% of the transactions, 3

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1 These chapters refer to: 84 (autoparts), 85 (electronics), 86 (railway or locomotives), 87 (automobiles), 88 (aircraft and spacecraft), 89 (ships, boats and floating structures) and 90 (optical apparatus).

2 For a full analysis, see: Dussel Peters (2013), Lin (2013) and MOFCOM (2013).
87.3% of China’s total OFDI to LAC comes from publicly-owned companies - which is 83.92% of public Chinese OFDI in total. Of the other 35 private Chinese OFDI transactions carried out from public Chinese OFDI in total. Of the other 35 publicly-owned companies - which is 83.92% of China’s total OFDI to LAC comes from more than 62% while involvement in other areas has diminished. In LAC, 97.29% of the public Chinese OFDI was concentrated in projects related to raw materials, and the search for market specialization patterns of their respective OFDI. It is also possible that China’s public OFDI is only a first step of China’s general OFDI and that China’s private OFDI will follow.

Table 2: China: OFDI in LAC by type of firm (2000-2012)

<table>
<thead>
<tr>
<th>Year</th>
<th>PUBLIC</th>
<th>PRIVATE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount ($US million) (1)</td>
<td>Nr. Of transactions (2)</td>
<td>Amount ($US million) (1)</td>
</tr>
<tr>
<td>2000</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>2005</td>
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Source: own elaboration based on Thomson-Reuters (2013).

Fourth, during the period 2000-2012 56.52% of total Chinese OFDI was concentrated in projects related to raw materials, and the search for market share accounted for 33.80% of the total. However, since 2007 OFDI in raw materials has increased to more than 62% while involvement in other areas has diminished. In LAC, 97.29% of the public Chinese FDI was concentrated in transactions linked to Table 3: China: OFDI to LAC by type of use (2000-2012) (percentage over respective total)

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Source: own elaboration based on Thomson-Reuters (2013).
3. CONCLUSIONS AND PROPOSALS

China’s recent economic and trade relationship is putting back apparently old debates and questions from the 1950s and 1960s in Latin America and the Caribbean: is development based on raw materials sustainable in the short, medium and long term? Is technological development – today under the heading of “upgrading” – possible based on an export-orientation of raw materials? What is the role of the public sector in these socioeconomic activities? Are Latin America and their political and business elites ready and prepared for such a massive and profound encounter?

LAC has been able to export massively raw materials to China, which allowed for a production and trade structure that LAC expected to have left in the first half of the 20th century: capital intensive and low value-added products and processes in sectors such as agriculture, oil and mining, among others. However, and contrary to earlier periods of raw material-booms, since the mid-1990s the price of raw materials have been relatively high, also as a result of China’s demand. Thus, and for the first time in the last three decades, countries such as Argentina, Bolivia, Brazil, Chile and Venezuela, among others, have benefitted massively in terms of higher export prices and better terms of trade (Jenkins 2011). Nevertheless, this is only one side of the coin. The other refers to even higher exports from China to LAC and a trade deficit above $50 billion since 2008. Thus, the region has not only had a “Dutch disease” effect as a result of trade with China but, on the contrary, trade with China has resulted in ever-increasing trade deficits. In the late 2000s practically each of the Latin American countries accounted for a trade deficit with China. And, this brings us back to our initial questions: are Latin America and their political and business elites ready and prepared for such a massive and profound encounter?

In addition to the profound challenges that China is posing to LAC in the trade front, China’s OFDI is similarly impressive for LAC. As a result of relatively coherent public policies, China’s OFDI globally and to LAC can only be realized if (public and/or private) firms comply with rather detailed norms, rules, guidelines and directories, i.e. the performance of China’s OFDI internationally and in LAC is not a coincidence, but part of a short, medium and long-term dynamic development strategy in which China, today, wishes to buy required raw material and fossil supplies, in addition to increasingly technologically sophisticated firms. Understanding these guidelines of the public sector it is not surprising that China’s public OFDI in LAC concentrated for 97.29% in raw materials, but rather why it was not 100%; China’s OFDI in LAC is clearly not acquiring technologically relevant firms. A more in-depth analysis would have to detail the differences between public and private OFDI, considering also that China’s private OFDI is concentrating on acquisitions to have access to the respective LAC-markets. China’s OFDI, from this perspective, perpetuates the very recent and dynamic trade relationship with LAC and its “overall dependency”, but also its inequality given the high levels of trade and OFDI concentration: China’s public firms extract raw materials and fossil energy from LAC, in general with little value-added and technological linkages, to allow for transformation processes and growth in China. The old questions posed by Prebisch, as discussed earlier, seem to be more current than ever, considering also the fast dynamism of this new socioeconomic relationship.

At least two issues arise from the former results. On the one hand, the socioeconomic and ecological sustainability of deepening this production and trade patterns in LAC, and given the high concentration of LAC’s exports to China. In this context it is highly questionable if economically and socially this development path can be deepened in the short term: it is possible to double meat and soya production in a few years, considering social, economic and ecological costs? On the other hand, China has proven that in spite of the success of LAC in terms of exports of raw materials, Chinese manufactured exports are even more dynamic and could easily double within a year. Also as a result of an effective process of upgrading – in which China is exporting solely manufactured goods such as electronics, autoparts, telecommunications, etc.- the demand of these goods in Latin America can increase substantially in the next years. The technological downgrading of LAC’s exports to China, presenting significant differences with LAC’s exports to the rest of the world with substantially higher levels and an increasing tendency, is also of concern in LAC’s booming trade with its second main trading partner.

It is particularly in the strategic and policy sphere, where LAC institutions are ill-prepared: contrary to China’s long-term development strategy with hundreds of instruments to promote an upgrading process, most of LAC and Mexico show little potential to compete with China today and in the future. LAC’s EOI-strategy is rather primitive if compared with the complexity – not without contradictions and difficulties- of China’s public sector. In addition, it is preoccupying that LAC’s institutions in general–business chambers, the public sector in general, as well as academic institutions-present so far a huge gap in terms of their knowledge and specialization on China compared with trade and investment performance in the last 15 years. From this perspective, China’s recent OFDI to LAC reflects a high degree of coherence: OFDI in general, but particularly the overwhelming public OFDI to LAC during 2000-2012, is channeled to the region through a group of filters and is functional to China’s overall development strategy that requires raw materials and energy. These investments however, and from a LAC-perspective, are reinforcing the already newly existing trade patterns between LAC and China, and deepening the already analyzed core-periphery structures at the beginning of the 21st century.

It is in the benefit of both, LAC and China, to counter these unsustainable trade and investment conditions in the short, medium and long run through concrete cooperation projections and respectively established goals. LAC should target these topics through concrete projects for detailed segments of value-added chains for the LAC-region as a whole and for specific territories, in cooperation with China who has been pursuing a national development strategy since the 1970s and until today. Improving public, private and academic institutions and partnerships in LAC, China and bilateral institutions should also be in the interest of both, since increasing socioeconomic and political tensions and discussions on these topics will not generate harmonious conditions in the short, medium and long run; the Community of Latin American and Caribbean States (CELAC) specifically established in its last meeting in January 2014 China in the regional agenda.

Finally, the proposed cooperation between China and LAC can be particularly fruitful considering the important role of China’s public institutions in trade and investments, i.e. public policies can play a critical role in developing new forms of cooperation to overcome current limitations. These cooperation instruments should go beyond debates on “opportunities and threats”, i.e. in terms of specific segments of value-added chains, respective trade and investments and solutions. Institutions and respective proposals, otherwise, will lag behind the socioeconomic performance between LAC and China.

REFERENCES

INTRODUCTION TO BASE EROSION AND PROFIT SHIFTING

At the risk of oversimplifying a complex and multifaceted issue I would like to begin my report with a definition of the international taxation issue referred to as Base Erosion and Profit Shifting also known as “BEPS”. BEPS refers to the range of highly efficient and sometimes aggressive tax planning techniques used by Multinational Corporations “MNCs” to shift profits from their country of derivation (high tax jurisdictions) to a subsidiary located in a low tax jurisdiction. In effect the shifted profit is not taxed in the country where it is earned but rather in the subsidiary country where the effective tax rate is significantly lower. Here we have the profit-shifting component of BEPS. On the other hand we have “Base Erosion” this is the subsequent loss of tax revenue to governments as a result of profit shifting. The contracted tax base has the net effect of decreasing government spending power.

With a number of high profile profit shifting cases over the past few years (Apple, Google, Amazon, Starbucks, Microsoft etc.) and the advent of budgetary issues being faced by governments around the world, BEPS has become a key area of interest for the G20, OECD and governments around the world.

The Reality of Profit Shifting

Base Erosion and Profit Shifting is a very real issue, whilst the amounts of profit being held offshore is yet to be reliably quantified (due to a lack of transparency issues amongst tax authorities), the tax expense of some Multinational Corporations can be used to highlight the extent of the problem. Consider some of the following statistics:

• In 2011, Google’s Australian arm remitted a total of $74,000 in tax to the Australian Taxation Office. That same year Google Australia reported $1BN of revenue.
• Starbucks UK had reported revenues totaling £3BN between 1998-2012, and during this period has paid a cumulated £8.5M in corporate tax.
• Between 2002 and 2013 Apple Australia has diverted $8.9BN in untaxed profits to a shell company located in Ireland (Chenoweth, 2014).

None of the above activities reflect regular business activity. However recent trends in the world economy can provide rationale for such activity. The has OECD reported that the British Virgin Islands, Bermuda and the Bahamas represent over 25% of international Foreign Direct Investment (FDI) flows, however these FDI flows have not represented any tangible economic activity in any of the three countries. It is interesting to note that Bermuda, the British Virgin Islands and the Bahamas all retain tax haven status. Conclusions are being drawn that such investment is being directed into these countries by MNC’s to setup subsidiary companies to hold the organisations intangible property (value drivers such as patents and copyrights). This then allows companies such as Apple and Google to transfer profits from the country’s where they were derived (i.e. Australia, England, Germany etc.) to their tax haven subsidiaries in return for the use of these non-monetary intangible properties (patents, copyrights and even marketing services).

CONSEQUENCES OF BASE EROSION AND PROFIT SHIFTING

BEPS is a society encompassing issue. The effects are not limited to a contracting tax base (base erosion), which consequently limit a governments spending power. OECD tax director, Pascal Saint-Amans, regards BEPS as first and foremost a political issue undermining the legitimacy of the modern tax system (Chessell, 2014). Individuals are bearing their entire tax obligation where as highly profitable multinationals are able to hire expensive tax lawyers to structure their business in such a way where they are
paying an effective tax rate on global operations as low as 4%. Another particularly damaging consequence of BEPS relates to competition issues. Multinationals already experience significant competitive advantages over their smaller domestic competitors, there is a strong argument that profit shifting further drives the competitive wedge between MNC’s and domestic institutions that are paying significantly higher tax, or rather their “fair share” of tax.

**THE CURRENT INTERNATIONAL TAXATION FRAMEWORK**

BEPS is considered by many as a by-product of the international taxation rules and principles developed by the League of Nations in the 1920’s to address double taxation (OECD, 2013). Double taxation refers to the risk posed to international trade and economic growth, which is fostered by the possibility of one item of profit being taxed in two different jurisdictions.

It is suggested that the rules developed by the League of Nations have worked so well that Multinationals have been able to find gaps in these fundamental tax rules to facilitate double non-taxation (D’Ascenzo, 2013). Double non-taxation refers to the situation where an amount of profit is transferred between two (or more) countries and is not taxed at all. These amounts are sometimes known as “stateless income”.

It is common knowledge that law and regulation struggle to keep pace with the changing business landscape, with this in mind the globalization of business and international trade has rendered the existing international tax rules outdated. The existing tax framework is grounded in the economic environment of the 1920’s. A period characterized by low cross border trade and zero digitalization (OECD, 2013). Fast-forward ninety-years and these same basic tax principles are still in place. Two key concepts of the existing international taxation framework and drivers of Base Erosion and Profit Shifting are “Transfer Pricing” and the concept of “Permanent Establishment”.

Multinational Corporations commonly engage in internal transactions between the countries in which they operate. The price at which the transaction takes place is referred to as the “Transfer Price”. To avoid using Transfer Pricing as a tool for deflating tax liability this area has always been under regulation both at a domestic and international level. The basic principle underlying Transfer Pricing is the “arms-length principle”, that is any internal transaction price is to be identical to the price that would be transacted upon between two independent parties transacting on the open market i.e. market price. Despite this underlying principle, transfer pricing remains a major tool for corporate tax avoidance.

The “arms-length” principle has a limited effectiveness. The arms-length principle can only accurately price transactions for goods and services, which have an active market (from which prices are derived). A key contributor to profit shifting today is the application of the arms-length principle to items, which do not have an active market. These items generally fall under the bracket of intangibles and intellectual property. In this way multinational corporations are able to shift their profits from the high tax jurisdictions in which they operate to tax havens by engaging in cross border transaction for use of patents, brand names and copyrights which are determined at the discretion of management in the absence of a market price for intangible items.

A permanent establishment is a fixed place of business through which an enterprise is carried on (ATO, 2012). A fixed place of business refers to a physical location. Generally business income is not subject to taxation in a jurisdiction unless it is being carried out through a permanent establishment (ATO, 2012). The concept of “permanent establishment” is one that has been embedded in international taxation for a long period of time and like transfer pricing, it is a concept that must be reworked with the advent of the digital economy.

The concept of permanent establishment was derived at a time where the bulk of economic activity took place at a single physical location (Gluyas, 2014). However the Internet now allows multinational’s to have a presence and make significant sales in another country without any physical existence. Consider companies such as Amazon, Google and Apple whose business is not reliant on having any physical presence but rather intangible assets and intellectual property. These companies are able to locate their intangible assets and intellectual property (value drivers) in tax havens such as Bermuda, the net effect of this structure is that profits are not taxed where the customer is located (source) but where the value is created (residence). However because value drivers are located in tax haven countries little to not tax is payable by the company (Chessell, 2014).

To that extent profit shifting by Multinational corporations is perfectly legal. The existing international tax framework has not been able to match the rapid change in the way business operates. Businesses today are able to very easily structure their affairs to minimize their tax liability. However just because an action is legal does that make it ethical?

**THE BEPS PROBLEM – ACHIEVING AN OUTCOME**

With the onset of budget deficits around the world and increased publicity around profit shifting cases there has been a real sense of urgency to remediate BEPS. In response to this, the OECD (through the G20) has been entrusted with the unenviable task of carrying out the necessary international tax reforms to stop multinationals avoiding their tax obligations. These changes are to be facilitated through the BEPS Action Plan, a comprehensive 15-point program aimed at eliminating the root causes of profit shifting.

The OECD’s BEPS project represents perhaps the best chance to correct the BEPS issue. This is because such a far-reaching issue could only ever be solved in a multilateral context. This is because the international principles, which govern cross-border trade and taxation, must be revisited at a fundamental level. Any nation who takes unilateral and uncoordinated action to protect their tax base does so at the risk of creating business uncertainty and potentially tax competition between countries. Unilateral action such as reducing tax rates to promote inbound investment and deter profit shifting is certainly a more dangerous path, according to KPMG Corporate Tax Partner, Grant Wardell-Johnson. Tax competition distorts efficient investment decisions and causes governments to modify their tax systems in a way that is not consistent with the aims and objectives of broader society. However a more far reaching concern is that uncoordinated action creates substantial business uncertainty. Theoretically, BEPS is an issue that the OECD and G20 can solve however; tax competition is a problem that no international organisation would be able to remediate.

In spite of the current work being undertaken, critics of the BEPS project have argued that the OECD and G20 are fighting a losing battle in a world dominated by intellectual property which can be located anywhere (Uren, D. 2014). Further to this, multilateral action requires multilateral agreement. Progress on the BEPS project may well be impeded by the inability of G20 and OECD members to sign up to the plan. Granted there is strong support to eliminate profit shifting given that many countries around the world have been precluded from taxing trillions of dollars of profit being held offshore, however consider the United States. According to OECD tax director Pascal Saint-Amans, President Obama may well interpret the BEPS project as an Anti-American project given that it is US companies under the most scrutiny by the OECD and G20 governments (Chessell, 2014). This having been said, I am of the belief that any true remedy to Base Erosion and Profit Shifting lingers on international consensus. Whether this will be achieved remains to be seen.

**CONCLUSION**

To conclude, while the issue of Base Erosion and Profit Shifting is yet to be accurately quantified however its existence is very real. It is estimated that trillions of dollars of taxable profit has been moved to tax haven countries by Multinational Corporations such as Apple, Google, Microsoft and many others. These shifted profits are tax dollars, which could be used by governments to increase investment in education, health, science and so on. Despite this the actions of business are not illegal, loopholes exist in the current taxation framework which facilitate profit shifting, but then again; just because the action is legal does that make it ethical?

Surely the business of the 21st century must give back to the society that allows it to prosper. But then again, where does the greatest obligation of
the business lie? To society? Or to its shareholders? Certainly if it is the latter, Apple and its profit shifting friends are only doing their job— that job being business optimization. Profit shifting allows greater after tax profits, which creates greater value for the owner, isn’t that why businesses exist?

One final point for readers of this report to consider, imagine that this financial year your government gave you (the taxpayer) the option to pay tax at a lower marginal rate than you would otherwise incur, let’s say 5% tax instead of the 30% tax you are liable for. How much of your yearly income are you going to choose to pay in tax? 5%? 30%? How would you justify your decision?

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Foreign Direct Investment in Asian Economies

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1. INTRODUCTION

Foreign direct investment is an investment in foreign capital with the intention of extracting long term profits. It is the capital flow resulting from the behavior of multinational companies (MNCs). The magnitude and the direction of FDI are affected by the behavior of MNCs. Foreign direct investment is investment of foreign assets into domestic structures, equipment, and organizations. It does not include foreign investment into the stock markets. It is more useful to a country than investments in the equity of its companies.

This study has been conducted to identify the significance of developing economies’ political traits in determining their FDI inflows. The lower and upper middle income countries are taken up for the sample of our study to verify previous researchers’ claim of political indexes being significant in explaining international investment patterns. Absence of such studies in our set of countries makes our research paper unique as compared to other studies done on this topic. Major South Asian and East Asian economies are being used as our sample countries. South Asian economies being politically unstable as compared to East Asian countries, makes our portfolio of countries diverse, hence, giving a non-biased result of Political Traits of a country affecting its FDI.

Developed economies’ FDI patterns have been innumerably explained with the help of political indexes especially in the presence of social and economic factors. Hence, to fill the literature gap we decided to study FDI patterns of upper-middle, lower-middle and lower income countries of the world. We chose Asian economies that fall in the mentioned categories, and tested the effects of Political Stability on Foreign Direct Investment.

To accurately test our hypothesis of whether political considerations are an important determinant of inward FDI in developing economies (in presence of already proven significant economic and social factors), we were quite selective in our sample countries.

We can conclude that political factors are also an important consideration along with economic and social factors for foreign investors while deciding upon country/region of investment.

2. REVIEW OF LITERATURE

Before studying theoretical and empirical relationship of different economic, social and political determinants of FDI, it is important to understand Dunning classification of the variable, which is based upon foreign investors’ varying investment objectives. Dunning, is one of the most cited authors on the topic of FDI. He in 1993 categorized investors’ motivations in three major categories for classifying types of foreign investment.

The first type of FDI known as “market-seeking”, aims at targeting domestic market for exploiting its profitability potential. Large size of domestic markets is therefore a major determinant of such type of FDIs. Closed economies, which are protected from foreign competition by means of trade barriers, might be positively related to such type of FDIs. This is because it allows foreign investors to better exploit the profit potential of local markets in absence of foreign competition.

Second type of FDI, which was named as “resource-seeking” by Dunning, aims at utilizing local
resources. Such investment is undertaken with the aim of exploiting domestic resources which might not be present in investor’s home country or because of their lower prices which would help him create competitive advantage across businesses located globally. Size of domestic market might not be a very major determinant of such investments. However economy’s openness might be a major prerequisite for such resource-seeking investments. This is because such types of investments are not merely targeting local market and therefore economy’s trade restrictions might hamper its potential in exploiting the cost advantage it has attained by manufacturing locally.

Dunning called the third type of foreign investments as “efficiency-seeking”. Such investments are undertaken with an intention to gain advantage of economies of scale and economies of scope. Agglomeration economies of scale are often a major determinant of such types of foreign inward investments. Several studies have been conducted so far to study the effects of FDI on host countries’ economy with various economic, political and social characteristics.

A study on foreign direct investments by US marketing activities (Bennett and Green, 1972) showed that political instability does not affect foreign investments and so the factor is irrelevant in explaining international FDI patterns.

Bhawati (1978) claimed that export promotion implemented by open economies is more helpful in attracting FDI than closed economies’ import substitution strategy.

Krugman (1979) supported the arguments of positive spillover-effects and knowledge transfers for local economy in their respective research studies.

Wheeler & Moody (1992) found that US’s FDI is attracted by the size of the total inward investment in US. There are certain industries where external economies of scale are a significant determinant of each firm’s profitability; such industry specific foreign investment cannot be fully explained without the consideration of agglomeration economies of scale as a determinant of foreign investment.

Dunning (1993) categorized investors’ motivations in three major categories for classifying the types of foreign investment. The first type of FDI known as “market-seeking”, Second as “resource-seeking” and the third type of foreign investments as “efficiency-seeking”.

Frearstra & Markussen (1994) claimed that foreign investment affects host country’s economic growth by means of new inputs.

Wang and Swain (1995) tried to explain foreign investment flows with the help of profitability rates (using local market size as a proxy) and found significant positive relationship between the two. The size of domestic market and its growth prospects are important considerations for foreign investors when deciding upon various location options.


Morrisey and Rai (1995) pointed out that institutional framework of an economy can be another potential determinant of country’s inward investment. However the main question remains; what type of institutions is helpful in attracting foreign investors?


Dewenter (1995) claimed that there is no significant relationship exists between the two variables i.e FDI and exchange rate.

Barrell and Pain (1999) showed that 1% increase in US unit labor costs relative to EU could result in 0.89% increase in outward investment flows from US to EU.

Cheng & Kwan (2000) claimed that governments are major catalysts for economic restructuring and therefore can, to large extent, determine their country’s total inward foreign investment.

Jaspersen et al. (2000) and Hausmann and Fernandez-Arias (2000) found no significant relationship between FDI flows and political risk for various countries on the other hand.

Charkrabarti (2001) found mixed evidence concerning the relationship between country’s inward investment and its trade openness which was proxy through exports and imports as a percentage of GDP.

Brahmasrene & Jiranyakul (2001) claimed that no significant relationship exist between FDI and exchange rate.

Girma and Wakelin (2002) proved the existence of positive spillover effects of multinationals on local British vendors, operating in UK. Moreover they also found that this effect is greater in cases where technological gap between local & foreign businesses is lower.

Jordaan (2004) claims that high quality infrastructure increases businesses’ productivity potential and therefore stimulates FDI flows towards countries that possess such infrastructural framework. He also claims that the impact of economy’s openness on FDI depends on the type of investment undertaken.

Nnadozie and Osili (2004) in his study on South Africa showed that inflation rates have negative but less robust effect on FDI inflows.

Head and Sorensen (2005) and Lan and Gonzalez in their research on Spanish multinationals showed that cultural elements are important considerations for certain foreign investments.

Artige and Nicolini (2005) stated that market size as measured by GDP or GDP per capita is the most robust FDI determinant in econometric studies. Although it has proven to be significant in explaining horizontal investment (investment in sectors where domestic investment is present) but it is an irrelevant determinant for vertical type of investments. Jeon & Rhee (2008) studied US’s investment flows to Korea and showed FDI’s significant association with real exchange rate and with its expected changes.

In the above mentioned studies, Economists have consensus over the idea that business friendly economic, social and political factors help attract higher flows of foreign investment inflows. Economic proxies of high revenues and lower business costs were found to be significant in terms of explaining countries’ foreign investment inflows, as verified by the literature review. On the other hand social variables like extent of urbanization are often found to be significant independent variables in explaining nation’s foreign investment inflows. The next classification of FDI determinants do not justice to well-studied literature and therefore it will be inaccurate to claim that our variable of interest can be solely explained with the help of three type of variables mentioned above. In the past few decades, submergence of social, political and economic literatures have led to emergence of new potential research areas that are much under studied at the moment. Institutional economics is one such topic. Unfortunately current literature fails to properly classify various significant determinants of FDI and therefore might result in confusion regarding the relevant aspects of an economy expected to affect its FDI patterns.

As mentioned earlier, varying types of FDI cannot be effectively explained with the help of similar set of independent variables (Dunning’s argument). This is because difference in foreign investors’ objectives makes them prefer heterogeneous social, economic and political environments. Therefore lack of FDI classification in terms of explaining their cross sectional or time series patterns can cause serious confusion regarding the explanatory variables’ expected sign. For instance, privatization’s example can be rightly cited here which has been found to have both positive and negative sign with respective countries’ foreign investment patterns.

Foreign investment targeted at local economy’s sector that is being privatized is obviously expected to be positively related with the former whereas on the other hand lack of infrastructural framework (in sectors of state owned enterprises) might have detrimental effect on countries’ investment inflows. Hence lack of sector specific FDI classification has been a major constraint in studying the literature effectively.

Better classification of relevant and significant determinants of FDI is required to enable generation of better and more appropriate theoretical/qualitative explanations for the observed phenomenon. For instance the so called political proxies we have used for our empirical findings can be much better indicators of countries’ institutional and legal construct rather
than their political outlooks. This has been the case for many other previous researches as well, where researchers have claimed FDI’s significant relationship with a certain dimension of a variable, where in fact the proxy belongs more to some other type or category of literature. Hence, we being economists we should be careful regarding analyzing and classifying different determinants of FDI, which can be truly explained only in the light of their respective literatures.

Moreover, we believe that sector specific classification of FDI should be used in analyzing variable’s determinants, which will ensure more reliable and accurate results at least in some cases. This will not only help identify important industry specific investment practices but will also help concerned governments in improving relevant social, economic and political dimensions for attracting more foreign investment inflows. For instance literature contains controversial opinion regarding countries’ protectionist policies, which are often found to have both significant positive and negative signs with FDI patterns. We believe that Dunning’s classification of FDI can be effectively used in explaining countries’ foreign investment patterns.

Foreign investors having certain investment objectives often prefer certain developing economies merely because of their limited documentation and governmental involvement in economic activities, therefore criticizing lack of data as the reason for topic’s effective study might not be very valid claim. Most importantly significance of political proxies in themselves reveal interesting insights. For example significance of political variables in explaining countries’ FDI patterns in presence of other economic and social proxies refer to the fact that political traits of an economy are expected to affect its future profit and cost structures which make the presence of economic variables only because of their limited documentation and governmental involvement in economic activities unimportant. We believe that Dunning’s classification of FDI can be effectively used in explaining countries’ foreign investment patterns.

In our model, the Foreign Direct Investment inflows are the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows total net, that is, net FDI in the reporting economy from foreign sources less net FDI by the reporting economy to the rest of the world. Data are in current U.S. dollars. Gross Domestic Product at purchaser’s prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in current U.S. Dollars.

Dollar figures for GDP are converted from domestic currencies using single year official exchange rates. Two proxies have been used for Infrastructure, namely, Rail Lines and Telephone lines. Rail lines are the length of railway route available for train service, irrespective of the number of parallel tracks. Telephone lines are fixed telephone lines that connect a subscriber’s terminal equipment to the public switched telephone network and that have a port on a telephone exchange. Integrated services digital network channels and fixed wireless subscribers are included.

Tariff Rate is the unweighted average of most favored nation rates for all products subject to tariffs calculated for all traded goods. Data are classified using the Harmonized System of trade at the six- or eight-digit level. Tariff line data were matched to Standard International Trade Classification (SITC) revision 3 codes to define commodity groups. Primary products are commodities classified in SITC revision 3 sections 0-4 plus division 68 (nonferrous metals). Inflation as measured by the consumer price index reflects the annual percentage change in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or changed at specified intervals, such as yearly. The Laspeyres formula is generally used.

Labor force participation rate is the proportion of the population ages 15-24 that is economically active: all people who supply labor for the production of goods and services during a specified period. The participation rates are harmonized to account for differences in national data collection and tabulation methodologies as well as for other country-specific factors such as military service requirements. The series includes both nationally reported and imputed data and only estimates that are national, meaning there are no geographic limitations in coverage.

Market capitalization (also known as market value) is the share price times the number of shares outstanding. Listed domestic companies are the domestically incorporated companies listed on the country’s stock exchanges at the end of the year. Listed companies do not include investment companies, mutual funds, or other collective investment vehicles.

Urban population refers to people living in urban areas as defined by national statistical offices. It is calculated using World Bank population estimates and urban ratios from the United Nations World Urbanization Prospects. In the model, Taxes are on income, profits, and capital gains are levied on the actual or presumptive net income of individuals, on the profits of corporations and enterprises, and on capital gains, whether realized or not, on land, securities, and other assets. Intra governmental payments are eliminated in consolidation.

To check for Political Stability we have taken into account four different dimensions of governance, which include Political Stability and Absence of Violence, Regulatory Quality, Rule of Law and Control of Corruption. These indicators are taken from the Worldwide Governance Indicators (WGI). These aggregate indicators combine the views of a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. They are based on 31 individual data sources produced by a variety of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms.

Political Stability and Absence of Violence reflects perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism. Regulatory Quality reflects perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. Rule of Law reflects perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. And Control of Corruption reflects perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as “culture” of the state by elites and private interest.

### 4. THE FOLLOWING TABLE SUMMARIZES THE VARIABLES USED:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Labels</th>
</tr>
</thead>
<tbody>
<tr>
<td>gdp</td>
<td>GDP (current US$)</td>
</tr>
<tr>
<td>rail</td>
<td>Rail lines (total route-km)</td>
</tr>
<tr>
<td>telpb</td>
<td>Telephone lines (per 100 people)</td>
</tr>
<tr>
<td>tariff</td>
<td>Tariff rate, applied, simple mean, manufactured products (%)</td>
</tr>
<tr>
<td>inf</td>
<td>Inflation, consumer prices (annual %)</td>
</tr>
<tr>
<td>labfor</td>
<td>Labor force participation rate, total (% of total pop ages 15-24)</td>
</tr>
<tr>
<td>markcap</td>
<td>Market capitalization of listed companies (as % of GDP)</td>
</tr>
<tr>
<td>urbanpop</td>
<td>Urban population (as % of total)</td>
</tr>
<tr>
<td>taxes</td>
<td>Taxes on income, profits and capital gains</td>
</tr>
<tr>
<td>fdi</td>
<td>Foreign direct investment, net inflows (BoP, current US$)</td>
</tr>
<tr>
<td>vioplstb</td>
<td>Political Stability and Absence of Violence</td>
</tr>
<tr>
<td>regul</td>
<td>Regulation Quality</td>
</tr>
<tr>
<td>law</td>
<td>Rule of Law</td>
</tr>
<tr>
<td>crptn</td>
<td>Control of Corruption</td>
</tr>
</tbody>
</table>

Note: Variables with prefix “L” means log of the variable has been taken
4.1 Analysis

First all we did a basic statistical analysis before running Panel Regression to reach our results. Panel regression was done to see the effects of variables not only with time but across countries as well. Few Variables e.g. Foreign Direct Investment, Gross Domestic Product and Railway lines had to be normalized; hence, log was taken to normalize them. Summary of data statistics is given below.

5. RESULT ANALYSIS

5.1 Statistical Analysis

Table 2: Statistical Summary of the Variables Used

<table>
<thead>
<tr>
<th>Variable</th>
<th>Obs</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>gdpc</td>
<td>170</td>
<td>5.06E+11</td>
<td>1.15E+12</td>
<td>203.3287</td>
<td>8.36E+12</td>
</tr>
<tr>
<td>rail</td>
<td>96</td>
<td>23165.18</td>
<td>27809.53</td>
<td>456</td>
<td>66239</td>
</tr>
<tr>
<td>telph</td>
<td>170</td>
<td>17.25318</td>
<td>8.33292</td>
<td>0</td>
<td>61</td>
</tr>
<tr>
<td>tariff</td>
<td>103</td>
<td>9.307185</td>
<td>7.808806</td>
<td>0</td>
<td>61</td>
</tr>
<tr>
<td>inf</td>
<td>170</td>
<td>5.293312</td>
<td>6.021255</td>
<td>-4.022988</td>
<td>58.38709</td>
</tr>
<tr>
<td>labfor</td>
<td>160</td>
<td>48.24937</td>
<td>7.54536</td>
<td>35.3</td>
<td>74</td>
</tr>
<tr>
<td>markcap</td>
<td>170</td>
<td>98.718</td>
<td>67.57322</td>
<td>606.001</td>
<td></td>
</tr>
<tr>
<td>urbpop</td>
<td>170</td>
<td>51.14035</td>
<td>27.71012</td>
<td>15.041</td>
<td>100</td>
</tr>
<tr>
<td>taxes</td>
<td>164</td>
<td>2.13E+10</td>
<td>4.33E+10</td>
<td>-4.55E+09</td>
<td>2.8E+11</td>
</tr>
<tr>
<td>fdi</td>
<td>164</td>
<td>0.1326429</td>
<td>0.7969931</td>
<td>-0.98</td>
<td>1.77</td>
</tr>
<tr>
<td>crptn</td>
<td>140</td>
<td>0.0564286</td>
<td>1.044764</td>
<td>-1.15</td>
<td>2.42</td>
</tr>
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<td>1.044764</td>
<td>-1.15</td>
<td>2.42</td>
</tr>
</tbody>
</table>

Out of thirteen independent variables used in our study five of them turned out to be significant in explaining our sample countries' inward FDI's, at 95% confidence level. Independent variables significance was tested at 90% confidence level. Among the eight variables that turned out to be significant four of them were countries' political construct proxies.

The following is the list of independent variables that turned out to be significant:

- GDP
- Rule of law index
- Countries' regulatory environment’s quality index
- Countries' political stability and political violence index
- Inflation

6. Panel Regression Analysis

Table 3: Panel Regression Result Summary

| Variable | Coef. | Std. Err. | z     | P>|z| [95% Conf. Interval] |
|----------|-------|-----------|-------|-----------------------|
| Lfdi     | 0.415318 | 0.2875261 | 1.44  | 0.149 [-0.1482228 0.9788587] |
| Lgdp     | 1.072527 | 0.2935192 | 3.65  | 0.049724 [0.49724 1.674814] |
| crptn    | 2.110733 | 0.0564286 | 1.98  | 0.047 [0.7969931 1.7969931] |
| law      | -3.839479 | 1.049926 | -3.66 | 0.002 [-5.897297 -1.781661] |
| regqual  | 2.427241 | 1.090066 | 2.19  | 0.029 [0.253512 4.600971] |
| vioptstb | 0.9179658 | 0.4537884 | 2.02  | 0.043 [0.0285568 1.807375] |
| taxes    | -0.0102566 | 0.0213495 | -0.48 | 0.631 [-0.0521009 0.0315878] |

The coefficient of log GDP turned out to be 1.07 in our study implying that net inward foreign investment increases by 1.07% by one percent increase in sample countries' GDP level. Though the variable turned out to be highly significant but its coefficient was not found to be very large. One reason that could explain the coefficient being low is, especially for our sample of countries, because of the fact that resource-seeking FDI (as classified by Dunning) forms a larger proportion of these countries total FDI, rather than market seeking FDI.

Similarly, Rule of Law, which turned out to be highly significant, was found to have a value of -3.84. This means that 0.1 unit increase in country’s Rule of Law index leads to 38.4 percent decrease in country’s inward foreign investment.

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R-sq: Between 0.9951 Overall 0.9262

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with each other. Most importantly, a consumer of economic information should also look for reasonable social and political justifications for both kinds of results namely conventional and unconventional.

As a conclusion, it can be deduced that political conditions of a country have a significant impact on the Foreign Direct Investments of the country. Being a portfolio of developing and third world countries, the results are applicable to both types of countries. Foreign Investors not only see the macro economic variables, before deciding to invest in a country, but political situation of the country is also a big part of the decision making.

REFERENCES


Session IV: National Cases
The Internationalization of Renminbi and China's Financial Reform

Prof. Hong Tu
Professor, Nankai University, China

INTRODUCTION

The outbreak of the global financial crisis promotes an international consensus of reforming and improving the international monetary and financial system. With the weak recovery of the economy of USA and the escalation of the debt crisis in the Euro zone, the fluctuations of leading international reserve currencies have been magnified, and the international economic governance structure has changed greatly, which directly expand the demand of the international market of Renminbi. In the past three decades, Chinese government has taken an export-oriented development strategy. Through the capital controls, interest rate controls and fixed exchange rate regulation, China has maintained a rapid economic growth and a stable macro-economy. However, since the financial crisis erupted in 2008, the sluggish world economy, as well as the higher domestic labor costs and the increasingly serious problems on energy, resources and environment in China have made it difficult for China to maintain its existing growth model. China has to look for a more sustainable development path.

In 2009, the Chinese government started the RMB trade settlement pilot scheme, which officially opened the acceleration of RMB internationalization process. The internationalization of the currency usually can bring its country international seigniorage revenue, reduce the exchange rate risk and transaction cost of its residents in international trade and investment activities, promote the business of financial institutions in the issuer country. Driven by domestic policies and the demand of the international market, RMB settlement of cross-border trade and offshore RMB financial market both have made remarkable progress. RMB internationalization has taken feasible measures and the task of RMB internationalization has become increasingly clear and pressing. In the five-year plan for 2011 to 2015, the Chinese government put forward to expand the use of RMB in cross-border trade, and gradually make the RMB convertible under capital accounts. Meanwhile, Chinese government confirmed some regional measures to promote RMB internationalization. For example, China now explicitly supports Hong Kong to be developed as an offshore RMB business center, and Shanghai to be constructed as a global center for the innovation, trading, pricing and liquidation of the RMB-denominated products.

A large number of theoretical researches and international experience show that the liberalization of the exchange rate regime, the interest rate marketization, the financial market deepening, the institutional modernization, and capital account openness come into being as an organic whole. But, in practice, the biggest characteristics and difficulty of RMB internationalization is that Chinese government will promote the internationalization of the RMB under such an environment that the domestic financial market is undeveloped, the market-driven exchange-rate and interest rate system are not yet finished, and the capital account is not fully convertible. All those bring problems and uncertainty for the process of the internationalization of RMB. Especially in the past two years, there exists many significant new development and features of RMB exchange rate regime reform and RMB internationalization, prominently reflected in the following two aspects. First, accompanied by the contraction and correction of current account imbalances among the major economies, the expectation on the exchange rate of RMB has changed from upward gradually to a two-way volatility of the equilibrium exchange rate stage, even in a certain period there was unilateral depreciation expectations. Second, although at the policy and economic practice level, RMB internationalization has made dramatic progress, the underdeveloped financial market of China has become a major obstacle to RMB internationalization.

This research will summarize the latest progress of the reform of the RMB exchange rate regime and RMB internationalization, analyze the existing problems and challenges of in the process of RMB internationalization, analyze in theory the correlation of the domestic financial market development, exchange rate liberalization, interest rate marketization, capital account openness and RMB internationalization. The part last of this research puts forward some policy suggests for the internationalization of RMB.

PART 1. THE LATEST PROGRESS AND CHARACTERISTICS OF THE REFORM OF RMB EXCHANGE RATE REGIME AND RMB INTERNATIONALIZATION

1.1 The flexibility of RMB exchange rate regime increases, global economic imbalances has eased.

Following June 19, 2010, the people’s bank of China announced restart the RMB exchange rate regime, April 16, 2012, China’s central bank again expanded floating range of the RMB against the US dollar in the inter-bank spot foreign exchange market from 0.5% to 1%, and magnitude the floating range of trading price of spot exchange for the RMB against the US dollar, which is listed to clients by designated forex from 1% to 2%. As a supporting arrangement, the central bank’s foreign exchange operations also make adaptability adjustment, a significantly cut in the foreign exchange intervention. According to China Monetary Policy Report Quarter Two 2012, from April 16, 2012 to the end of June, in 50% of the trading day, the market exchange rates float over 0.5% of the middle trading price, among which the biggest volatility is 619 basis points, the rate of 0.98%. In this period, the average price difference of opening price and closing price of previous day in foreign exchange market is 33 basis points, more narrow than the average 47 basis points from the beginning of 2012 to April 16, showing that the market supply and demand has improve its impact on the formation of exchange rate.

At the same time, June 1, 2012, China launched the RMB against the Japanese yen direct trade in the inter-bank foreign exchange market, and introduced direct trading market maker, improving the middle price formation of the RMB against the yen. So far, there are nine currencies listed in China’s inter-bank foreign exchange market, including dollar, euro, yen, Hong Kong dollar, pounds, Malaysia ringgit, Russian rubles, Australian dollars, Canadian dollars and other major international currency. In addition, the RMB has realized OTC listing trade with the Thai baht, won, Vietnamese dong and so on, as well as inter-bank market trading with the baht in Yunnan area. With the increase in direct exchange currency with RMB, it becomes more and more difficult for Chinese government to manage the RMB exchange rate, and the market forces in the role of the RMB exchange rate is growing gradually. China Monetary Policy Report Quarter Two 2012 points out that China to further expand the RMB exchange rate floating range is more mature, and China will give greater scope to the adjustment of market supply and demand, encourage the yuan’s flexibility in both directions.

After the outbreak of the financial crisis, the world’s leading economies consistently seek economic structure transition. Global imbalance characterized by China-U.S. trade imbalances has alleviated. American current-account deficit of GDP has decreased more than 50%. China’s international double payment surplus both in conventional and financial projects has also improved.

Since 2008, China’s current-account surplus of GDP decreased year by year (See table 1-1). In 2011, a current account surplus of GDP is 2.8%, a decline by 7.3% compared with a peak of 10.1% in 2007. The second quarter of 2012, China’s capital and financial project deficit was $71.4 billion, which is another quarterly deficit except the last quarter of 2011. According to the data of China Administration of Foreign Exchange, in the first half of 2012, the current account surplus in China is $83.2 billion, capital and financial account appears deficit of $20.3 billion. It is expected that in 2012 China will achieve basic balance of international payments.

As reasons of the improvement of China’s balance of payments, we can attach to not only the cyclical factors of the post financial crisis period, but also the structure factors of acceleration of China’s development mode transformation and the domestic demand pulling. First, in terms of scales and proportion, the surplus of international trade continues to decline since the crisis. There is no rebound even in the fast
recovery of the world economy in 2010. Second, the decline of the surplus derives from the increase of import, rather than the export factor which lead by the cyclical factor. From 2008 to 2011, the average annual growth of imports had reached 17.7%, 4.4% higher than the export growth rate. Finally, the consumption has playing a more and more important role to the growth of China’s economic. Consumption to GDP ratio had reached to 51.6% in 2011, which was the highest since 2001. Meanwhile, foreign trade dependence degree has decreased from the peak 67% in 2006 to 50% in 2011. All these show that the endogenous power of China’s economic growth is rapidly increasing. The improvement of the balance of payment derives from the transformation of China’s development mode and the adjustment of the economic structure, rather than the RMB exchange rate.

1.2 The RMB exchange rate gradually closes to long-term equilibrium level, facing a pressure on the depreciation in the future.

From the reform of the RMB exchange rate formation mechanism in 2005 to the end of June 2012, the exchange rate of the RMB against the U.S. dollar had an accumulated appreciation of 30.86%, against the euro had an accumulated appreciation of 27.23%, and against the yen had an accumulated depreciation of 8.27%. According to the calculation of the Bank for International Settlements, the nominal effective exchange rate of RMB has appreciated by 23.12%, and real effective exchange rate has appreciated by 30.40%. According to a report of IMF in July 25, 2012, it says that the shrinking trade surplus and the RMB appreciation of China means that now the RMB exchange rate has come close to its fair value. With the shrink and correct of current account imbalances with major economies, recently, the exchange rate of the RMB against the U.S. dollar is gradually move to a equilibrium exchange rate stage of two-way fluctuation.

In fact, since September 2011, the expectations of RMB appreciation has suddenly changed to depreciation in the offshore Non-deliverable Forwards (NDF) market, which increased capital outflows pressure, and longer term NDF contract showed further depreciation expectations (see chart 1-1). Of course because of the central bank’s direct intervention, the spot rate did not appear persistent depreciation. But since the first quarter of 2012, the expectations of RMB has reversed to unilateral devaluation, and in the second quarter of 2012, the exchange rate of the RMB against the U.S. dollar had a depreciation of 0.88%, a maximum since 1994.

The volatility of short-term RMB exchange rate has increased and long-term has returned to real value, which indicates that the underestimate of RMB has pasted, and China’s external economic imbalances has been corrected. From the international perspective, as a foreign currency asset, RMB has entered its equilibrium price stage. From the fourth quarter of 2011, the people’s bank of China has obviously felt the growing pressure of supply of liquidity, and the counterpart of foreign exchange reserves has appeared net decline for three months, which is the first time since 1998. In 2012, the counterpart of foreign exchange reserves renews positive growth of foreign exchange (see table 1-2), but incremental than expected weak. In the first half of 2012 it only increased 300 billion yuan. According to the current growth of the counterpart of foreign exchange reserves, the newly increased counterpart of foreign exchange reserves may be less than 1 trillion yuan, lower than 2.77 trillion yuan in 2011, significantly less than the average 3.1 trillion yuan in the past five years.

Corresponding to the shrink of the counterpart of foreign exchange reserves, at the end of the second quarter of 2012, China’s foreign exchange reserves is $3.24 trillion, decreasing $65 billion than in the first quarter. But in the second quarter, China has realized a trade surplus of $68.7 billion, plus a $30 billion inflows of foreign direct investment, so the commonly used alternative index (=the counterpart of foreign exchange reserves -trade surplus-FDI) to monitor cross-border capital flows in the second quarter appears a nearly 600 billion yuan in negative, reflecting the outflow of funds. In the first half of 2012, Chinese investors have directly invested in 116 countries and regions, a total of $35.42 billion non-financial direct investment, up by 48.2%. It shows that the market has strengthened its expectation of the uncertainty of Chinese macro-economy acceleration, and the reverse of capital unilateral inflows is obvious. The long-term trend of RMB appreciation will not change, unless the state of the Chinese economy appears fundamental deterioration.

However, the depreciation stage raises new challenges to investors, enterprise and the government.

1.3 Further opening the capital account

Capital account openness is an indispensable step of internationalization of RMB. It is directly related to the international status of RMB from trading currency to the investment and financing currency and last to the reserve currency. Since 1993, the Chinese government clearly put "the long-term goal of China’s Reform of Foreign Exchange Administration is to make the yuan convertible", China has constantly improved the RMB fully convertible under capital account. In the period between 2002 and 2009, China has issued 42 capital account reform measures, and wrote “gradually make the RMB convertible under capital accounts” into the five-year plan for 2011 to 2015.

According to Annual Report on Exchange Arrangements and Exchange Restrictions by IMF in 2011, capital account is divided into seven categories with 40 items. Currently, China has 14 items basically convertible (mainly focus on the credit instruments trading, direct investment, direct investment liquidation, etc), 22 items partly convertible (mainly in the bond market trading, stock market trading, real estate transactions and personal capital transactions) and 4 items incompatible (mainly focus on the non-resident involved in the domestic money market, funds trust market and trading derivatives).

The opening of capital account has accelerated its speed in recent year. On April 3, 2012, China’s Securities Regulatory Commission, People’s Bank of China and State Administration of Foreign Exchange decided to support an investment amount of RMB qualified foreign institutional investor (RQFII) and qualified foreign institutional investor (QFII). The expansion of RQFII increased to 50 billion yuan, with a total quota of 70 billion yuan, and the expansion of QFII increased to $50 billion, with a total quota of $80 billion.

July 27, 2012, China further released relative stipulations of Provisional Measures on Administration of Domestic Securities Investments of Qualified Foreign Institutional Investors (QFII), lowering the threshold for all five kinds of applicant organization, broadening the investment range of QFII, relaxing the investment restraints about buying domestic shares, simplifying the approval procedures. China Securities Regulatory Commission has issued 37 QFII licenses in the first half of 2012, by contrast, the total QFII license issued in 2011 is only 29, all which indicate that China is steadily promoting capital account opening.

1.4 The RMB off-shore financial market initially set up

As a test-bed for RMB internationalization, Hong Kong RMB offshore financial market has been developed rapidly in the past two years. As Hong Kong Monetary Authority loosened the restriction for financial institutions and individuals to hold RMB, China’s central bank raised the limit of liquidation amount to bank of China (Hong Kong). Especially in the second half of 2011, China’s central bank put forward a specific plan to support Hong Kong as an RMB offshore financial center. At present, Hong Kong has become the most important and the only RMB off-shore financial center.

First of all, Hong Kong has become the main platform of RMB cross-border trade settlement. In late November 2011, Hong Kong RMB cross-border trade settlement amounted to 2.22193 trillion yuan, five times than that in 2010 and 1165 times than that in 2009, the proportion of Chinese total cross-border trade settlement rise to over 80% from 5% in 2009. Meanwhile, Hong Kong RMB business institutions grow rapidly, from 32 in 2004 to 133 at the end of 2011. There were 183 banks participating in Hong Kong’s RMB clearing platform, most of which are foreign-owned or located overseas, forming a RMB payment and settlement network that covers more than 30 countries in the world. In addition, there are almost 800 foreign banks entrust banks in Hong Kong to process their RMB business.

Secondly, Hong Kong has preliminary formed a unified offshore RMB pricing mechanism. In early 2012, the volume of spot trade of the U.S. dollar to RMB reaches $2 billion, and the volume of deliverable forward market has exceeded that of non-deliverable forward (NDF) market. In June 2011, Hong Kong Financial Markets Association officially launched a fixing for the renminbi’s spot exchange rate against
The U.S. dollar, forming a unified offshore RMB exchange rate pricing mechanism.

Thirdly, Hong Kong offshore RMB investment and financing channels gradually develop. First, by November 2011, Hong Kong offshore RMB deposits have grown to 627.3 billion yuan, accounting for about 10% of total deposits in Hong Kong. RMB becomes the third most popular currency next to the Hong Kong dollar and the U.S. dollar. In April 2012, the total volume of Hong Kong banking RMB deposit exceeded 552.3 billion yuan. The RMB loan in Hong Kong also grows fast, increasing from 2 billion yuan in 2010 to 30.8 billion yuan in 2011. Second, the RMB bonds market develops rapidly. Since 2007 Hong Kong started to issue RMB bonds, which means that Singapore may become the second offshore RMB financial center. Predictably, there will be more and more RMB offshore centers in the future.

1.5 The internationalization of RMB speeds up

In the past two years, whether from policy or economic practice perspective, RMB internationalization has made a remarkable progress as follows:

A. The amount of RMB cross-border trade settlements increases at a high speed.

Since July 2009, the Chinese government has officially conducted the pilot project of RMB cross-border trade settlement. The overseas pilot project puts the region in Hong Kong, Macau and ASEAN nations. The pilot project enterprises in the first batch amount to 365. In June 2010, the range of the pilot project of RMB cross-border trade settlement reached 20 coastal and mainland provinces. The overseas settlement spread over all nations and regions, with the pilot enterprises to 67724. In August 2011, the mainland RMB cross-border trade settlement spread over China. Until then, RMB cross-border trade settlement has been free of region. The business has ranged from foreign trade and service trade to other usual items, and generally expanded to part of capital items.

Finally, yuan-denominated financial products are increasingly abundant. Hong Kong financial institutions have brought out different kinds of yuan-denominated financial products, such as yuan-denominated deposit of certificate, funds, insurance, gold, foreign exchange, trade financing and so on. Hong Kong has also set up yuan-denominated IPO in the first half of 2011. In the future, Hong Kong will also pursue yuan-denominated exchange-traded fund (ETF). The Hong Kong exchange will launch a US dollar-reminbi contract in the third quarter of 2012.

In fact, Singapore, London, Tokyo and Chicago are all trying to be another RMB offshore financial market. In July 2012, China's government says it will appoint a Chinese bank to clear RMB trades in Singapore, which means that Singapore may become the second RMB offshore financial center. Predictably, there will be more and more RMB offshore centers in the future.

B. The number of countries that signed currency swap agreements is increasing, and so is the scale.

China has enhanced the monetary cooperation with neighboring countries since December 2008. By the end of July 2012, People’s bank of China had concluded 51 currency swap agreements with 18 central bank or monetary authorities, including South Korea, Hong Kong, Malaysia, Belarus, Indonesia, Argentina, Iceland, Singapore, New Zealand, Uzbekistan, Mongolia, Kazakhstan, Thailand, Pakistan, UAE, Turkey, Australia, and Ukraine. The total scale reached 1666.2 billion RMB. (See table 1-3). In the year of 2011, China renewed its swap agreements with Hong Kong and South Korea and doubled the scale. In 2012, the agreements with Malaysia and Mongolia has been renewed and enlarged (see table 1-4). By signing the currency swap agreement with other countries, RMB could enter into the financial system of these economies, promoting the RMB settlement and circulation. By now, part of the swap agreements has entered into a substantive stage, which played an important role in easing liquidity tensions, promoting bilateral trade and investment, and maintaining regional financial stability.

In addition, China used RMB in the inter-government financial assistance, multilateral economic organization assistance or contribution appropriately. China also tried the best to make RMB into the IMF’s Special Drawing Rights. All of these contribute to the internationalization of the RMB and lead the RMB into a reserve currency.

C. RMB has smoothly started to act as an international currency.

By far, RMB has been widely used in China’s neighboring including ASEAN member countries, Central Asia, Mongolia, Russia and other countries. We can draw the conclusion that RMB has basically completed the process of “peripheral” and is in the initial stage of the “regionalization” from the phenomenon that over 180 overseas countries and regions have the actual receipt and payment business with China, and the RMB offshore market in Hong Kong has begun to take shape.

Besides, some countries have already begun to accept RMB as a reserve currency. By the current, central banks of several countries, such as South Korea, Belarus, Malaysia, Thailand, Cambodia, Russia, Philippines, have announced that RMB to be their reserve currency. Although the proportion of RMB in the national foreign exchange reserves is still at a low level, for instance, lower than 1% in Thailand, it is a beginning for RMB to play the role of international currency.

PART 2. THE REALISTIC PROBLEMS AND CHALLENGES IN THE PROCESS OF RMB INTERNATIONALIZATION

Although internationalization of RMB has made rapid and significant progress due to the push of policy and market demand, with the worsening of the European debt crisis, short-term international capital outflows, and the slowdown of China’s economic prospects, the Expectations of RMB appreciation have faded or even reverse. From the fourth quarter of 2011, the process of RMB internationalization appears to slow down.

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2.1 The conflict between the exchange rate controls, the depreciation expectation of RMB and RMB internationalization

So far the major driving force of RMB internationalization’s rapid development is the arbitrage transaction between the RMB offshore market and onshore market and the expectation of unilateral Appreciation of RMB.

At present, there exist two RMB spot markets, the Hong Kong offshore market and the mainland onshore market. The nonmarket-based management of RMB exchange market formation mechanism leads to certain spreads of the RMB-dollar exchange rate, so arbitrage transaction can bring profits. When the market exist expectations of RMB appreciation, the offshore RMB exchange rate without control in Hong Kong is higher than that controlled in mainland. Therefore, large amount of Chinese trade enterprises choose to sell dollars in mainland, while purchase dollars in Hong Kong. A large number of RMB acquired in the name of import settlement is actually used to buy dollars in the offshore market. Imports are essentially settled in dollars. This cross-border arbitrage behavior is directly reflected as an RMB cross-border settlement of affiliated companies between Hong Kong and mainland, cause a kind of lame RMB settlement (i.e. import RMB is significantly higher than export payments). Now the amount of import trade settlement in RMB accounts for more than 80%, while the export trade settlement in RMB only accounts for about 9%. Import trade settlement in RMB triggers RMB outflows, as well as a surge in Hong Kong RMB deposit.

The essence of promoting RMB internationalization on the expectation of RMB appreciation is that the residents use high-yielding RMB assets to exchange non-residents’ low-yielding dollar assets. The larger the scale of RMB internationalization, the more national welfare will lose. At the same time, in order to maintain the established exchange rate movements, China’s monetary authorities have to keep buying new RMB to maintain the equilibrium exchange rate or even devaluation, the force of market arbitrage falls, the increase of RMB deposit overseas can not continue, so the driving force of RMB internationalization will disappear, which means that RMB internationalization may encounter a reverse. Monetary authorities have paid large financial cost, but the process of RMB internationalization is fragile. Since September 2011, along with the reverse of the expectation of offshore RMB appreciation and the turbulence of international financial market, a lot of RMB assets have turned back to dollar assets. RMB internationalization faces challenge.

More important, the RMB exchange arbitrage activity between offshore and onshore markets is more special than normal arbitrage activities. China’s current exchange rate regime has not yet fully market-oriented, monetary authorities have to make continuous interventions in foreign-exchange markets to maintain a small gradual appreciation of RMB, so that the arbitrage space in RMB offshore market will not narrow because of an increased arbitrage activities. Against this background, with the opening of RMB trade settlement policy and Hong Kong offshore market, the overseas investors can continue to take RMB assets, so the arbitrage space will always there. This will bring monetary authorities lots of financial losses, and make monetary policy more difficult.

Therefore, the development of RMB trade settlement and offshore market before exchange rate liberalization would bring a lot of no risk arbitrage opportunities. The RMB offshore market may be dominated by exchange arbitrage activities, and impact the onshore market. The reform of RMB exchange rate forming mechanism is more urgent under the circumstance of a rapid development of offshore market.

2.2 The conflict between a limited extent of capital account liberalization and RMB internationalization

China has made great progress in the openness of capital account, but from the structure of international capital flows, the most important items are still highly regulated, or in practice managed as non-convertible because of the lack of defined regulation. Take Foreign Direct Investment (FDI) under direct investment as an example, from central to local, the degree of openness is really great. From an overall point of view, the restricted areas of foreign direct investment in China is far less than most developed countries, all parts of China even compete to offering foreign investments “super national treatment”. But the settlement of foreign exchange capital of foreign investment enterprises is highly regulated in China. Foreign investment enterprises can not settle the exchange directly in commercial bank, and if the amounts of foreign exchange exceed a certain amount, the settlement should have actual demand and be approved by foreign exchange management department. So on this item alone, the degree of convertibility is not high.

Generally speaking, China’s capital control is mainly reflected in three aspects. Firstly, the individual capital outflow is highly regulated. Currently only the QDII has clear legal provisions (March 29, 2012, China’s State Council decided to set up experimental zone for financial comprehensive reform in Wenzhou, where one of the tasks is to carry out the pilot of individual foreign direct investment. Wenzhou becomes the first pilot city that releases individual foreign direct investment.). Second, that enterprises and financial institutions borrow from abroad are highly regulated. Loans that foreign invested enterprises can borrow should be limited by the difference of the approval total investment and registered capital (so-called betting difference). Overseas financing of financial institutions (including both domestic and foreign corporate financial institutions) is subject to the approval amount of the authorities, other enterprises or institutions basically can’t borrow from abroad. Thirdly, that overseas residents invest in China’s asset markets (including capital markets and real estate) is highly regulated. Currently, there are only two channels for foreign capital to invest in China’s stock market, that is QFII and B shares, and it is prohibited for non-residents to invest in China’s real estate.

Because China imposes strict capital controls, enterprises have to submit various documents in cross-border RMB transactions, which led to the related transaction costs 15 times expensive than that of the dollar or the euro, and then multinational companies are unwilling to accept RMB payment. From the point of the investors, capital controls also build a huge obstacle. If enterprise want to issue RMB bonds in RMB offshore market, it is extremely difficult to get the approval of State Administration of Foreign Exchange, so they issue RMB bonds mainly through the Hong Kong subsidiary. At present, overseas creditors claim order is at the back, so in this case, if default occurs, international investors are difficult to claim. This situation would reduce investors’ willingness to invest RMB assets.

A direct manifestation of the limit of capital account is that the domestic RMB can not flow out to the overseas market in a large scale from capital items and offshore RMB investment return channels for the domestic market is also restricted. This, in turn, may restrict the acceptance of the RMB as an international currency. When overseas RMB can not buy onshore RMB financial products, offshore market becomes the only option. Unless the degree of openness of China’s capital accounts to be deepening, the expansion of RMB assets at offshore market may soon reach the limit. The imbalance in the ratio of RMB import and export settlement, to a certain extent reflect the current situation that the RMB backflow channel is not smooth enough, and the degree of openness of domestic financial market is limited.

2.3 The contradiction between non-market interest rate and internationalization of the RMB

Interest rate is the domestic price of the currency. In the case of interest rate marketization, with the opening of capital account, the interest rate arbitrage will make the capital market interest rates converge, thereby reducing arbitrage opportunities, and reduce cross-border speculative capital flows, conducive to the stability of the currency of the international monetary. China’s interest rates are not market-oriented pricing, under the administrative control, interest rates can not only reflect the real needs of the market, but result in price distortions. RMB assets are unable to get a reasonable and correct pricing, reducing the yuan’s international acceptance. Also precisely because of the lack of renminbi assets pricing basis, the development of the RMB derivative products also lack the basic market environment, further limiting the recognition of the yuan in the international arena.
At the same time, China’s domestic controls on interest rates, resulting in differences in the onshore market and the offshore market price, lead to a high arbitrage motivation. Hong Kong interest rates refer to the U.S. dollar interest rates, which means that Hong Kong financing cost is much lower than that in mainland. A large number of Mainland companies have chosen to issue renminbi bonds in Hong Kong, mainly because that the debt issuance costs in Hong Kong are significantly lower than that in mainland. At the same time, the current price level is still higher than the nominal interest rate, so the real interest rates are still negative. Thus on Capital Account Liberalization, capital will flow to market with positive real interest rate, which may expand the scale of capital outflows. Once the U.S. interest rate changes, the interest of renminbi deposits in Hong Kong reduces, investors cannot get a good rate of return, so the rate of expansion of the offshore renminbi funds pool will also decline, accordingly, the supply of overseas RMB will be reduced.

### 2.4 The contradiction between the underdevelopment of RMB offshore financial market and the internationalization of RMB

Fewer regulation and financial innovation capacity make the offshore market much more attractive to multinational banks and international investors than onshore market. In the history of today’s major international currencies (especially U.S. dollars), the development of offshore markets have played an invaluable role. Therefore, it is important to develop an offshore RMB market to promote the internationalization of the RMB.

On the current situation, however, in addition to Hong Kong, Singapore and some mature regions of the RMB business, RMB funds are scarce in other parts. The number of RMB in overseas markets is still too small, which limits the development of export trade in RMB settlement. Similarly, the RMB correspondent bank’s network and clearing channels yet to be perfected, to a certain extent, affected the development of cross-border RMB settlement.

For Hong Kong’s offshore RMB market, Hong Kong’s offshore RMB market has made great progress, but Whether the market breadth or the market depth, the development is far less than the level of offshore markets of other international currencies.

First of all, the RMB stock of Hong Kong market is limited, yet difficult to support the internationalization of the RMB needs, and vulnerable to be affected by the fluctuations of international financial market. After an explosive growth, the growth of Hong Kong renminbi deposits has slowed down noticeably since the second half of 2011. The annual RMB deposits rose by 55 percent, far below the 420 percent growth rate in 2010. And the absolute size of renminbi deposits in Hong Kong also decreased.

Secondly, the size and type of the existing RMB financial products in the Hong Kong market is very limited. At the offshore foreign exchange market, the RMB spot and forward average daily trading volumes are only $1 billion to $5 billion. Except for trade settlement, offshore renminbi have limited investment channels. The range and issue size of RMB product is still at an early stage, with a lack of the RMB offshore market derivatives, financial products and debt hedge. RMB futures, options, forwards, swaps and other trading products need further improvement and supplementation. once the RMB appears large fluctuations, due to the lack of RMB hedging instruments, foreign investors with renminbi can not find a wealth of investment hedging instruments, so they can not protect against exchange rate risk, thereby foreign traders reducing their long-term willingness to hold the RMB.

Thirdly, RMB products lack liquidity, and the number and structure of the RMB market participants need to be optimized. The secondary market of RMB snacks bonds lacks liquidity, where the daily trading is not active, and trading volume is small. Most investors who purchase RMB bonds in primary market tend to hold to maturity, rather than trading. Offshore RMB market participants are focus on those who have trade relations with mainland China, including import and export enterprises, overseas clearing bank, foreign correspondent, Hong Kong Branch of the Chinese-funded financial institutions and so on. The extent of international financial institutions to participate in offshore RMB market transactions needs to be improved. More active trading RMB bonds are mostly issued by highly rated issuers such as large state-owned enterprises, but the trading volume of bonds without ratings or with small circulation is often zero.

Further more, the lack of Hong Kong’s offshore RMB market return mechanism becomes a bottleneck restricting of offshore RMB expansion. The main channels of the RMB from Hong Kong back to the Mainland are that mainland enterprises issue renminbi bonds in Hong Kong and remit RMB up to the mainland, or Hong Kong qualified institutional investors invest in the mainland inter-bank bond market, or through RQFII and RMB FDI. Enterprises in Hong Kong have low motivation to borrow RMB loans, resulting in the emergence of a large RMB net position in Hong Kong banks. So RMB has to be deposited into the BOC Hong Kong, and then deposited into People’s Bank of China Shenzhen Branch by BOC Hong Kong, which form an indirect and passive backflow. The absence of the offshore market return channel also restricts the accumulation of RMB position in overseas banks and the development of RMB financial products.

Finally, with the expanding of Hong Kong’s offshore RMB market, the influence of offshore market to the onshore market is rising significantly. To a certain extent, the offshore market influences the trends of fluctuations and efficiency of monetary policy in the domestic RMB market. Studies have shown that the RMB forward exchange rate of offshore market plays a significant price guide role on the onshore market forward exchange rate. With the development of the offshore market in Hong Kong, the exchange rate volatility at offshore market will be more conducive to the onshore market.

### PART 3. FINANCIAL DEEPENING IS A PRE-REQUISITE FOR CONTINUING TO PROMOTE THE INTERNATIONALIZATION OF RMB

In summing up the historical experience of the world’s major currencies internationalization, the IMF believes that if the currency of a country wants to achieve internationalization, the issuing country must meet the following conditions: First, the scale of economic development and openness, which is a basic condition for a currency to achieve internationalization; second, adequate international liquidity means, that is the government must have sufficient foreign exchange reserves and the ability to financing from abroad, in order to meet exchange requirements that may occur at any time, and maintain the foreign exchange market and exchange rate relatively stable; third, relatively stable macro-economy and effective regulation; fourth, the improvement of market economy, mainly for the commodity markets, labor market, capital markets, information markets and financial markets, reasonably reflecting the establishment of the price system and the normal operation of the micro-enterprise operational mechanism, etc.; five, a reasonable exchange rate system, the exchange rate to be able to reflect the relationship between supply and demand of the foreign exchange market, playing a role of guiding the rational allocation of foreign exchange resources, to implement a managed floating exchange rate system. A large number of domestic and foreign research generally considered the four factors that determine a currency as an international currency. They are size of the economy, size and development of financial markets, stable value of the currency and network externalities (Chen and Peng, 2007).

It seems that the reform of exchange rate system and interest rate, and the liberalization of capital account are the problems must be solved in the process of RMB internationalization. Although these problems are always put parallel with financial market deepening as one of the prerequisites of currency internationalization, but actually, the exchange rate liberalization, the interest rate marketization and capital account liberalization all need a highly developed domestic financial market. Therefore, the most fundamental premise of the RMB internationalization is to build a efficiency, deep financial market. Whether the goal of the internationalization of the RMB would ultimately be reached, the expected benefits of the internationalization of the RMB would fully be achieved will fundamentally depend on the efficiency and depth of China’s domestic financial markets.

### 3.1 The historical experience of major international currencies shows that financial development is the prerequisite of internationalization

The historical experience of the development of major international currencies shows that financial development is the prerequisite of internationalization.

From the characteristics of an international currency, issuing countries all have well-developed finan-
Currency of a country can move towards internationalization is a result of the national credit support by strong economic and financial strength, a sound financial system, open monetary policy, highly developed financial market system and monetary regulatory mechanism, generally accepted by the international community (Feng Yuchuan, 2007). The history of the development of major international currencies shows that once the prerequisites are meet for internationalization, the speed of internationalization will be very fast, but if not, it will be a long process. Only when there are important breakthroughs on China’s domestic financial reform, will the internationalization of the RMB make substantive progress.

3.2 The devaluation expectation of the RMB exchange rate reflects the underdevelopment of China’s domestic financial markets

Reasonable exchange rate formation mechanism requires a free and sound financial system of the issuing country. Developed financial markets can provide investors with a large number of investment instruments and risk management tools to better guard against the risk of exchange rate fluctuations, enhance the attraction of domestic currency to international investors, and avoid the impact to the country’s financial system and macro-economy caused by mass evacuation of funds. A large number of studies have shown that the direct cause of the fluctuations in exchange rates is not the macro level, but the game between foreign exchange traders with different information or with different understanding of the information in the specific trading system. The purpose of the game by individual traders with different expectations is to pursue the benefits. These benefits include risk reduction by investment diversification, capital utilization efficiency caused by the difference of the world’s financial markets, arbitrage opportunities caused by the deviations to “law of on price”, and so on.

Due to the low level of the development of domestic financial markets, especially the underdevelopment of the bond market and derivatives market, assets that are able to absorb large amounts of international capital flows have been limited to real estate assets, bank assets, and in part through the stock market. Accompanied by the excessive expansion of credit and investment in the past few years, particularly after the implementation of the 2009 economic stimulus policy, local government financing platform, the real estate market bubble, the excess part of the infrastructure as well as commercial bank disintermediation, etc., continue to make investors worry that China’s economy may undergo a hard landing. These problems, if not timely, properly resolved, could seriously affect investors’ confidence. Capital outflows since the fourth quarter of 2011 reflect the concerns of investors. Therefore, the devaluation expectation of the renminbi exactly reflects the lack of market confidence in the Chinese financial and economic development.

Thus, the only way of the internationalization of the RMB is to promote the development of financial markets, through financial deepening, in order to protect the effect of “invisible hand”.

3.3 Capital Account Liberalization and the offshore financial market development is inseparable from the development of domestic financial

History has shown that the benefits of open capital account depend on the degree of maturity of the domestic financial sector. The more adequate development and reasonable regulatory the financial structure is, the more benefits the capital account liberalization can bring. When a country has a large enough financial markets to absorb the fast flow of international capital, the possibility of financial crisis is small, especially when these financial markets are under the reasonable supervisions. High quality and prudential supervision of financial institutions facilitate the allocation of capital to the sectors with highest productivity. On the contrary, if the financial institution itself is weak and there are structural problems, or regulatory risk, then an open capital account is often more harm than good on economic growth.

Large numbers of studies involve the relationship among the degree of financial development, a country’s capital account opening process, and the economic and financial stability. Mukerji (2003) studied the impact of capital account liberalization on economic growth volatility. The result shows that for countries with a high degree of financial development, capital account liberalization does not enlarge the volatility of economic growth; while for countries with lower degree of financial development, capital account liberalization will lead to large fluctuations in economic growth. Integrating the existing researches on financial openness from all angles, we believe that financial openness does not in itself constitutes a sufficient condition for economic growth, especially for emerging markets, the realization of their interests, to a great extent, depends on a range of environmental condition factors. A growing number of studies have shown that the direct benefits of financial openness in theory is difficult to automate, the more potential benefits comes from indirect channels. Because financial openness depends on the country’s own level of financial development, institutional quality (the legal system, the governance model), the macro-policy and trade openness, the benefits can only be potential and must depend on the constraints of the above conditions.

Although China has made considerable progress in enhancing the domestic financial sector, however, there are still lots of problems that make the result uncertain to open capital account. As the most important price in China’s financial markets, bank lending rates are still not completely determined by the market. To a large extent, China’s central bank continues to control bank lending rate and the total lending. This has resulted in the segmentation of domestic financial markets and international financial markets, and forms the arbitrage opportunities, coupled with the underdevelopment of domestic financial markets, causing a dilemma of the capital openness. If continuing to open its capital account when the domestic financial deepening is inadequate, the fragile financial system will face great impacts, thereby affecting the develop of the domestic economy; if strengthening the regulation, the process of capital openness will hesitant to move forward. Therefore, only under the condition of a developed domestic financial market and a floating exchange rate, can the market mitigate the enormous impact of international capital flows, thus the openness of capital account can promote national economic development.

3.4 The expected return of the internationalization of RMB depends on the breadth and depth of domestic financial market

In general, currency internationalization could reduce exchange rate risk facing economic agents, and allow both the public and private sectors to issue debt in
The essence of currency competition is the competition of goods and financial products. Regional or global clear international division of labor and competitive financial system is key to the success of the monetary regionalization or internationalization. Commodity competition depends on innovation and price stability. To provide differentiated products is the basic condition of the other countries’ demand for domestic currency. Currencies of the developed countries being able to become an international currency, the important condition is to provide differentiation through innovative products, so as to output currency through trade. Regardless of pounds or dollars, have emerged regulations of the capital flows or currency devaluation after being the international currency, but these did not change the international currency status of pounds or U.S. dollars. Study the fundamental reason is that the United Kingdom or the United States at that time all maintained the status of international trade and technological innovation status. (Iwami and Sato, 1996)

Moreover, the history of international finance shows that currency internationalization is the results of market choice rather than the driven by the government, so it is a natural result of the economic rise of the big country.

Therefore, if the RMB wants to become an international currency, it must be built on the basis of the sustainable development of China’s economic growth in the next 20 years and the sustainable development of financial markets. The improvement in the level of internationalization of the RMB should be a step by step progress that complies with domestic and international market needs; it is a natural product of China’s economic development and financial liberalization. So China should also base on the country’s economic development and growth, gradually promote the use of RMB in cross-border trade, investment and financing during the perfect and openness of the financial system.

Therefore, the internationalization of the RMB should not become the main goal of the Chinese government, but an important part of China’s financial reform and opening-up strategy. The process of internationalization of the RMB should be subordinate to the overall economic growth and financial reform in China. The most important tasks of the Chinese government is to change the mode of economic growth, accelerate domestic economic restructuring, accelerate the structural reform of state-owned enterprises and promote domestic financial market reforms. In addition, China should also improve its position in the international division of labor, improve the way of export trade, optimize export structure and increase the pricing of the RMB in international commodity trade.

We believe that the fundamental driving force of the internationalization of the RMB is the stable economic growth of China.
does not mean that the Chinese government should quickly release all controls on interest rates, exchange rates and capital flows. The prerequisite of interest rate marketization, exchange market and capital account liberalization are the reform of the domestic financial system, the opening up and structural adjustment of the financial sector, and the breakup of the administrative monopoly of the financial sector and banking monopoly.

The biggest problem of China to link its financial market to the world is the lack of a degree of market. So far, the administrative means is still the primary means of regulation of financial markets. For financial market reform, liberalization of interest rate, lower restriction or access of private sector are particularly important, the most critical challenges China faces now is mainly from two aspects: one is the transformation of the domestic financial sector by allowing competition among private sectors and allowing the market to determine interest rates and other asset prices; the other one, is to constantly improve the multi-layered financial market system and improve the depth and breadth of the financial markets.

The market-oriented reforms of interest rates, conducive to China’s monetary policy to rely on “price” rather than “quantitative” tools, is a key step for China’s financial system reform. The perfect of price mechanism will pave the way for the more mature financial markets in the future. So far, China’s domestic bond market interest rates, interbank offered rate, the discount rate have been largely achieved market pricing. Interest rate of foreign currency has been basically achieved market pricing, so the market-oriented reform of interest rates mainly embodied in the ceiling for deposit rates and the floor for lending rates. The marketization of deposit interest rate is the most difficult step in the process of marketization of interest rates. The control of deposit interest rates floats upward, often out of the consideration for the protection of the interests of banks. In order to further promote the interest rate marketization, China needs to reform the existing banking system, actively explore the mechanism for withdrawal, and try the deposit insurance system. At present, there is about 3% spread between the ceilings on lending and floors on deposits, contributing 80% of the bank’s profits. With the two interest rate cuts since June 2012, the Chinese Government has given banks greater freedom on setting deposit and lending rates, but the Chinese government still ensures that the bank enjoys a considerable spread. Financial system dominated by state-owned banks fundamentally serves the state-owned enterprises. China’s domestic financial system reform involves fundamental to China’s economic reforms. Accelerate the reform of domestic financial request the Chinese government to break the low efficiency of the current interest groups and promote the economic system of market-oriented reforms.

Improve the breadth and depth of financial markets, means that China’s financial markets should be able to provide a rich and diversified financial investment instruments and risk management tools, while ensuring the financial markets of sufficient size and higher mobility.

China’s current financial system is bank-dominated. The Chinese government has a strong direct control of the entire banking system, by restricting market access and financial services regulation to ensure the profits of the banking sector, thus limiting the development of other financial markets. China’s bond market size and liquidity is a key obstacle to the internationalization of the RMB, as a reserve currency-dominated sovereign debt is the kind of security assets that investors want. The majority of Chinese government bonds usually have been held to maturity and never traded in the market. China’s capital market is relatively small and not depth enough. The total market capitalization of Shanghai and Shenzhen Stock Exchange is nearly 80% lower than that of New York and Nasdaq. In other areas of financial markets, such as the amount of foreign exchange transactions, foreign exchange derivatives trading contracts, the size of the fund management assets, the amount of hedge fund assets and private equity funds, China has not only lagged behind the United States, but also behind the United Kingdom, Japan, France, Germany and Singapore.

Therefore, accelerating the market-oriented reforms of the financial system, improving a multi-level capital market, and enhancing the depth and breadth of financial market are the most urgent task in both the China’s economic reform and the process of RMB internationalization.

4.3 China needs to foster the development of multinational enterprises and multinational financial institutions with international competitiveness

One of the currency international revenue is that financial institutions get more business from currency Internationalization. Sustainable internationalization of the RMB not only needs the force of the local efficiency of cross-border financial institutions and multinational corporations to advance it, but also require a number of efficient local multinational corporations to promote the use of the RMB in international economic activity, what’s more the global RMB financial services which is provided by a group of efficient local cross-border financial institutions is also important.

China’s large banks have the most of RMB business on the domestic financial market. Along with the process of internationalization of the RMB, in international financial market, they must also become large banks with the world’s RMB business. The internationalization of the RMB is the process of overseas RMB assets demand increases and RMB circulation expand in global market. The large-scale banks of China should have the ability to establish the world’s leading capacity and infrastructure in fields such as the RMB liquidation, RMB cross-border financial market and the RMB overseas financing, they should be through the way of appropriate support to the overseas RMB business in management, technology and human resource to make their network, product lines, technology platforms, work team and management level to adapt to the requirements of the development of global RMB business. Their foreign institutions should also combine the advantage of local marketing services and the parent bank of RMB business advantage to cultivate their core competitiveness of foreign banks do not have, to achieve their international operations development by leaps and bounds. They should start from commercial bank’s RMB loans, deposit and related services to promote the construction of international in China owned banks. It is not only the only way for large China banks to adapt itself to the reconstruction of global economic and transformation of China’s development mode, but also the basis for China to get expected return from the internationalization of the RMB.

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Active Fixed Income Portfolio Management: Opportunities for Institutional Investors in Russia

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Higher School of Economics, Russian Federation

INTRODUCTION

When it comes to fixed income strategy, some investors are familiar with the simplest approach: buying bonds and holding until maturity. Using this strategy, the investor’s return is approximately the average yield of the bonds in the portfolio. But when it comes to active bond management, very few have an appreciation of the techniques available and the potential advantages.

Still, in the recent low-rate environment, many investors are seeking to enhance the returns they generate from their fixed income portfolio. This paper looks at active fixed income management and the methods used in the effort to add value.

Remember, there are two basic ways to add value. One is to generate a total return above what a buy and hold (or yield only) strategy would generate. The second is to reduce volatility from a fixed-income portfolio, so more risk can be taken elsewhere.

1. ACTIVE BOND MANAGEMENT OVERVIEW

Active management can take many forms, but some of the most commonly used methods designed to add value are:

• **Interest Rate Risk Management:** Using duration to manage interest rate exposure is a means of seeking to take gains in falling rate environments while protecting principal in rising rate environments. During periods of rising rates, active management can also reduce the opportunity cost of locking into lower rates for extended periods.

• **Maturity Structure Management:** Yield curve analysis seeks to build a portfolio which can demonstrate an improved risk versus reward balance by adjusting deferment of anticipated changes in the shape of the yield curve. For instance, a barbell structure tends to perform well when the yield curve flattens. Short-term bonds can be reinvested at higher rates as they mature and longer-term bonds can appreciate at long-term rates.

• **Sector Exposure Management:** The relative attractiveness of Government, Agency and Corporate sectors can also be managed to help achieve gains or preserve principal in various business and economic environments. If a flight to safety is expected to drive the yield of Treasuries lower, Treasury prices will rise relative to other bonds, offering the opportunity to realize gains. When the economy is moving from contraction to expansion, the spreads on corporate bonds often narrow, allowing them to outperform other sectors.

• **Credit Spread Management:** The risk-to-reward ratio within investment grade corporate bonds can provide opportunities similar to those offered across sectors. Active managers will increase or decrease a portfolio’s exposure to AAA, AA, A or BBB corporate bonds based on anticipated changes in their relative spread levels.

• **Credit Risk Management:** At the security level, the bond market can be very inefficient. A combination of quantitative and qualitative analyses can often identify significant opportunities (or avoid significant risks) on bonds in much the same way managers seek to add value when managing stock portfolios.

• **Reinvestment Risk Management:** A buy-and-hold strategy may result in bonds maturing at a poor time in the interest rate cycle. Often the proceeds are reinvested into another bond or set of bonds independent of market conditions.

Building a bond portfolio with a desired risk-to-reward profile is more complex than simply picking bonds. To avoid pitfalls and optimize opportunities, thought must be given to how an investor determines the maturities, structure, sectors and credit qualities appropriate for the objectives of a given portfolio.

2. RUSSIAN BOND MARKET REVIEW

2.1. Municipal & corporate debt

Looking back at the results of 2013, analysts unequivocally recognize a serious economic downturn: there was a slow-down in GDP growth (1.3% only, according to Rosstat), national currency weakened by more than 3% amidst consistently high oil prices, investment and consumer demand shrank, and the labor market saw a sharp decline. The only comfort comes from the freeze on the rates of natural monopolies, which should slow inflation down in the second half of the year.

2.1.1 Municipal bond market

The opening of Euroclear settlements to Russian corporate and municipal bonds on January 30, 2014, is a big event for the segment of municipal debt. The new service complements settlements of Russian OFZ bonds, launched in February last year. According to the head of Euroclear Bank Mr. Frederic Hannequart, the growing interest of international investors to reducing risk, while ensuring stable returns on their diversified assets, will keep growing in connection with the access to Russian companies. Foreign companies may also become important stakeholders in development of key municipal programs, he commented. Finance Ministry forecasts that in 2014 Russia’s regions will increase the volume of placement three-fold. The number of Russian territories issuing bonds will grow in 2014 from 28 to 39, and the amount of borrowings raised will increase three-fold, to RUR 450 bln. According to Prime citing Konstantin Vyskhovsky, director of public debt and state financial assets at the Finance Ministry, Russian territories are planning to borrow in the bond market for 2014, according to their budget laws.

2.1.2 Primary market of corporate debt

In late November 2013, corporate issuers managed to pass the 5-trillion milestone in terms of market volume and ended the year at RUR 5.2 trillion (for comparison: the 2012 figure was RUR 1 trillion lower). The most fruitful months in terms of borrowings were February and October, when the aggregate volume came close to a quarter of a trillion rubles. Corporate bond issuance in the domestic market amounted to almost RUR 1.9 trillion, significantly higher than in 2012 (RUR 1.2 trillion). In the real sector, Russian Railways were the most active issuer (8 issues, RUR 185 bln) along with FGC UES (8 issues, RUR 110 bln), which mainly placed infrastructure bonds. Last year, Rosneft closed seven deals placing ruble-denominated issues for a total of RUR 110 bln. Securitization deals picked up in 2013: borrowings totaled RUR 94 bln (compared to RUR 70 bln in 2012). It is noteworthy that traditional mortgage loans were not the only type of assets used. By way of example, HCF Bank closed a deal to securitize consumer loans totaling RUR 5 bln. Arrangers were Alor-Invest, Alfa-Bank, Gazprombank, Bank Zenit, NOMOS-BANK/Bank Otkritie, FAABank, Renaissance Capital, Sberbank CIB, HCF Bank; structural arrangere: Alor-Invest, HCF Bank. A real securitization boom hit the market in December 2013 - January 2014, when AHML, Absolut Bank, Transcapitalbank, VTB and PSB securitized their assets. A RUR 3 bln bond placement was held within the first Russian multi-originator securitization of mortgage assets on December 24. East Siberian Mortgage Agent 2012 acted as the issuer. The pool of underlying mortgage loans was formed by five organizations. The issue structure includes one senior tranche with a coupon of 8.75% p.a. and additional security in the form of AHML guarantee, one mezzanine tranche with a 11% p.a. coupon, and three junior tranches. This created a mechanism allowing small mortgage lenders to participate in securitization deals. “We believe that multi-originator deals are a promising trend in development of the Russian market of mortgage-backed securities. We see a significant market interest in this topic and hope that next year this trend will develop actively”, commented deputy general director of AHML Natalia Koltsova. On December 23, 2013, the regulator published the Law on Securitization and the Law on Collateral. “These laws are in many ways revolutionary for the Russian financial market”, says the managing partner at Linia Prava Dmitry Glazunov. “Finally, in the Russian legal framework we see instruments, which are common in developed Western countries, and allow implementing complex deals like securitization.” The law contains provisions on new types of so-called SPVs, making it possible to implement local securitization of non-mortgage assets with cre-
2.2 Russia & CIS Sovereign Debt market 2014

Standard & Poor’s Ratings Services projects that the six rated Commonwealth of Independent States (CIS) sovereigns will borrow an equivalent of $51 billion from long-term commercial sources in 2014. This would be a 10% decrease in long-term commercial debt issuance compared with 2013. They expect that $41 billion of total commercial borrowing will be raised in local currency. Some 30% (or $16 billion) of the sovereigns’ gross commercial borrowing will be to refinance maturing long-term commercial debt (2013: $22 billion), resulting in estimated net commercial borrowing of $35 billion.

Consequently, S&P project that rated CIS sovereigns’ commercial debt stock will reach an equivalent of $281 billion by the end of 2014, up by $28 billion (or 11%) from 2013. Adding in bilateral and multilateral debt, the total stock will reach $314 billion, a year-on-year increase of $23 billion (or 8%).

During 2014, the share of commercial sovereign debt rated ‘BBB’ will stand just below 80% of total commercial debt. At the same time, the share of debt rated below ‘BBB’ is set to account for about 20%, including 17% as ‘CCC’ rated debt.

S&P expect that Russia, the region’s largest economy, with GDP estimated at $2.2 trillion at end-2014 (nearly 10 times the size of the next largest economy, Kazakhstan) - will issue the largest share of debt in the region: $38.7 billion. Almost 100% of Russia’s new borrowing will be commercial borrowing ($38.5 billion), which will account for 75% of CIS gross commercial long-term borrowing in 2014. A significant portion of the region’s commercial borrowing will be in local currency (81%).

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The Effectiveness of Conditional Cash Transfers: A Case Study of the Philippines

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INTRODUCTION

The Philippines anno 2014: recovering from their recent typhoons, economic growth of an estimated seven percent and less than one year left to reach the Millennium Development Goals (MDGs). The wanted progress on the second goal ‘Achieve Universal Primary Education’ is most likely not going to be achieved. How is that possible since they implemented a Conditional Cash Transfers (or simply CCT) program? Should they have changed the schooling system earlier instead of trying CCT, did in fact prevent CCT further decrease of inaccessible education or is it perhaps the combination of both? The reaching of goal four ‘Reduce Child Mortality’ has a more positive perspective, because of CCT or not? The following goal ‘Improve Maternal Health’ on the other hand, does not have positive expectations.

This paper will research what the impact of conditional cash transfers has been and still is in the Philippines. Is the outcome positive enough to continue the program or should other solutions be investigated to improve living in this less developed country?

Micro-level data are coming from a research done by, among others, the World Bank and AusAID. Macro-level data on the other hand, are all coming from the databank of the United Nations, specifically oriented on the indicators of the Millennium Development Goals.

1. A SUMMARY OF CONDITIONAL CASH TRANSFERS IN THE PHILIPPINES

The meaning of CCT is not that difficult, it is hidden in its name. People will receive cash if they meet the conditions. Those conditions differ in each country, some are specifically oriented on education, e.g. Cambodia Education Sector Support Project, or want to increase gender equality, e.g. Female Secondary School Assistance Project in Bangladesh.

The CCT-program in the Philippines, which is called ‘Pantawid Pamilyang Pilipino Program’ or 4Ps in short, is organised by the Department of Social Welfare and Development. Just like the CCT-programs in Indonesia, Brazil and Mexico it focuses on health and education and, judging by the latest figures, helping over three million families.

The program was launched in 2008 and has been adjusted in 2013 with the start of the K-12 schooling system. The 4Ps had a budget of PhP 39 billion ($906 million) in 2012, which makes it the largest social programme in the Philippines.

1.1 Conditions

1.1.1 Educational Conditions

- Children between the ages of three and five must attend classes at least 85% of the time while enrolled in Day Care Program or pre-school program.
- Children between the ages of six and eighteen must be enrolled in elementary of secondary school and have an attendance rate of 85%. (This used to be fourteen but it was extended starting September 2014 because of the implementation of the new schooling system K to 12-program (K12). Additionally, someone could only been enrolled in the programme for five years, which was also enhanced until fifteen years.)

1.1.2 Health Conditions

- Pregnant women should regularly visit a local health center to receive pre-natal care, starting from the first trimester, and post-natal care after giving birth.
- Children between the ages of zero and five need to visit the health center to receive vaccination, weight monitoring and management of diseases.
- Children between the ages of six and fourteen should receive deworming pills every half year.
1.1.3 Other Conditions

- Family Development Sessions need to be attend-
ed at least once a month by the household heads.
- There has to be participation in community ac-
tivities in order to strengthen and promote the pro-
gram.

1.2 Benefits

The grants are chosen in such a way that people
will be encouraged to go to school and health centers
but it is not meant to make households dependent
on those grants. It is estimated that CCT accounts for
20% of the annual income.

1.2.1 Educational Benefits

The calculations of attendance and therefore
payments of PhP 300 per child happen monthly.
At February 27th PhP 300,00 was equal to €4,80
or $6,714.

No more than three children per household will
receive beneficiaries and this is limited to ten months
a year.

1.2.2 Health Benefits

Households get PhP 500 a month, which is equal
to €8,3 or $11.90, if they meet the health conditions.

1.3 Objectives

The program aims to enhance school atten-
dance and the use of health centers. Hopefully this
will improve nutrition for poor children as well as
education. Which leads to the ultimate long-term
goal: breaking the intergenerational cycle of pov-
erty.

1) Keep children in school
2) Keep children healthy
3) Invest in the future of children

(When evaluating the impact of CCT on reaching
the MDGs, the objectives above will be the ones
reviewed. A possible impact on goal three, six, seven
and eight will therefore not be estimated.)

2. THE EFFECT OF CCT ON MD GOAL 1:
‘ERADICATE EXTREME POVERTY AND
HUNGER’

When analysing if the households enrolled in the
CCT-program are indeed less poor than people in
control areas (without CCT), no significant differ-
ence could be found, although their income was en-
hanced since the start of the program. On the other
hand, what did increase was the portion of their in-
come that was spent on education and health (more
qualitative food and medicine) in contrast to adult
goods like alcohol. It is difficult to conclude that the
programme really has an impact on the first millenni-
ium development goal, apparently the same insignif-
icient numbers were also the case in other countries
where they implemented a CCT-program. Perhaps
it will take some more years after implementation of
4Ps to view an effect on long term, one must not for-
eget that the program was only implemented for three
years when the latest data (2011) was collected by
the World Bank.

3. THE EFFECT OF CCT ON MD GOAL 2:
‘ACHIEVE UNIVERSAL PRIMARY
EDUCATION’

According to a study on the ‘Pantawid Pam-
ilyang Pilipino Program’ by the World Bank in
2013, the 4P-program has a positive effect on the
school enrolment rate, nearly universal enrolment
could be reached. There was less of an effect visi-
bile when evaluating the older agegroup, but this is
mainly because the data was collected before the
implementation of K12 and its associated chang-
es to the 4P-program, as mentioned in the first
part of this paper. Let’s keep in mind that this is a
study done on micro-level and can’t just be ex-
trapolated to macro-level. It is not that a positive
effect in a few regions will mean a positive effect in
the entire country, there have to be some assump-
tions, e.g. there must at least be enough schools in
the region. So before celebrating and saying that
the solution for more enrolment is found, do not for-
ter that other measures have to be taken first.
However, it must be said that the Philippine gov-
ernment has listened to its economists (Dr. Celia
Reyes among others) and adjusted the number of
years that grants are available, which has a great
impact on possibilities for higher education. Imag-
ine you start receiving grants at an age of six years,
you might not have the means to finish high school
and be qualified for a job since grants are only eli-
gible for five years. Being qualified for a decent job
is crucial for climbing out of poverty.

Since the adjustments are very recent, data could
not be found (or even measured yet) on the ef-
ficacy of the K12-program and the new rules of the
CCT-program but there is no reason to expect neg-
ative findings. In the same way, data is not recent
enough to know if the implementation of the 4Ps
on national level has a large effect, all that can be
known for sure is that the program has a positive ef-
ficacy on micro-level.

4. THE EFFECT OF CCT ON MD GOAL 4:
‘REDUCE CHILD MORTALITY’

This millennium development goal is more like-
ely to be achieved, but is it because of CCT? Tar-
get four is to reduce under-five child mortality by
two thirds between 1990 and 2015. There were
58.5 deaths per 1000 births in 1990, which means
that in 2015 there should be no more than 19.5
deaths per 1000 births. However, the last data of
2012 shows 29.8 deaths per 1000 births, the goal
is probably not going to get reached but it is a low
number, the average of South Asian countries is
28 deaths per 1000 births. In 2008, at the launch of
the CCT-program, there were 34.5 deaths per
1000 births. A diminution of 1 less death a year has
been the same through the entire measured peri-
od, so there has been no visible effect of the pro-
gram. Micro-level data about this goal is impossi-
ble to find, so there is no way to be certain but the
almost reaching of the goal has probably nothing
to do with the program.

5. THE EFFECT OF CCT ON MD GOAL 5:
‘IMPROVE MATERNAL HEALTH’

Micro-level effects are looking positive, as well
for antenal care as for postnatal care. Target
S.A ‘Reduce by three quarters, between 1990 and
2015, the maternal mortality ratio’ has been inves-
tigated but the program did not result in significant
changes of more facility-based delivery or delivery
with professional assistance. However, target S.B
‘Achieve universal access to reproductive health’
was researched deeply, Pantawid regions had
10.5% more poor mothers visiting for antenal
care than the control areas had. The same result
(but 10 instead of 10.5%) could be found when
looking at postnatal care. Of course, just like in
the case of the second millennium development
goal, the CCT-program is not enough to reach the
goal. It definitely enhances the chances of reaching
the goal but other changes need to be made; from
more qualified nurses to more accessible health
centers. There is not a lot of data to be found on
the current state of the fifth MDG, the only thing
that can be concluded is that not enough has been
done to reach this goal. Perhaps an earlier and
wider instalment of the 4Ps could have triggered a
more positive outcome, but that will not have been
enough anyway.

CONCLUSION

Now that the program has been enlarged and
not only do more extremely poor families have ac-
cess to more benefits, they also have longer access
to these benefits, especially for education. This
cancels out the largest concerns economists had
with the Pantawid Pamilyang Pilipino Program.
The changes went hand in hand with the imple-
mentation of the new, longer schooling system
and are supposed to provide a more decent prep-
aration for jobs, which is crucial for climbing out
of (extreme) poverty. It is a pity that these adjust-
ments only happened since the beginning of aca-
demic year 2012-2013 because the first effects will
not be visible before 2020 due to the implementa-
tion schedule, but also, although some real efforts
have been made, that the millennium development
goals are probably not going to be reached. It must
not be forgotten that the CCT-program was not
enough to reach those goals, so even an earlier im-
plementation would not have guaranteed a better
outcome. Only when all other variables are in or-
der (quality of teachers, enough schools, ....) can
the program provide the last measures for a posi-
tive outcome concerning the MDGs. On the oth-
er hand, when looking at the goals of the program
itself, it is indeed money well-spend and no reason
can be found to diminish the 4Ps.
Explore A New Mode of Economic Growth: How does Consumer Finance Company Impact on Residents’ Consumption in China?

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1. INTRODUCTION

For decades of years, the economic development in China depends on the investment and export excessively. On one hand, the export has drawn a lot of attention from other countries, not only for the goods supplying, but also due to the Dumping Affairs bringing about. On the other hand, investment seems to be an effective method to support the economic growth, but investing too much on the major new infrastructure has made it a spent bullet. Especially, the “Four Trillion Investment Project” after the Big Crisis had turned the situation for better in a short time which contained ten policies about construction, medical treatment, environment and so on, but it finally led to missing the best period for the economic structure adjustment in China, in addition it resulted in currency inflation, local debt, unbalance factor price, productivity decline and weak competitiveness.

As what we mentioned above, the special economic structure, based on investment and export, also shows up redundant capacity which becomes more significant after the Big Crisis and “Four Trillion Investment Project”, and many latest studies and researches have drawn conclusions that the boom of Chinese economy cannot depend on the policies about economy stimulation simply, what important is the deep reform on the guiding and expanding consumer demand as a long-term mechanism for transformation of the economic development pattern. Therefore, the consumer finance company providing valid consumer credit and convenience will play a foremost role in the road of economic creation in China.

As the important direction of economic structure adjustment, residents’ consumption has become the “first power” of economic growth gradually. During these years, the residents’ consumption has made a great contribution to economic development with the correlation coefficient 0.998 (P<0.01) by the method of Pearson Test as the real tendency about GDP, GDP growth and residents’ consumption refer to Figure 1 and Figure 2. Compared with investment and export, this paper considers the residents’ consumption as an effective mode to improve the economy, which is similar to other studies in this field.

Figure 1. The Picture of GDP and Residents’ Consumption

Figure 2. The Picture of GDP Growth and Residents’ Consumption

2. CONSUMER FINANCE IN ASIA

In Asia, it has been many years since the first consumer finance service came up building consumer-oriented consumption finance in Japan and Korea. They take advantage of circulation industries and non-bank finan-
In order to simulate the development of consumer finance and boom the consumption credit, which leads a healthy pace in social consumption in China. They are located in Beijing, Shanghai and Chengdu, respectively Bank of Beijing Consumer Finance Company (BOBFC), Bank of China Consumer Finance Company (BOCCFC) and Jin Cheng Consumer Finance Company (JCCFC), held by Bank of Beijing (BOB), Bank of China (BOC) and Bank of Chengdu (BOCD) in January 2010. After one month later, PPF Group applied for the fourth approval from CBRC, and it founded as the first foreign sole proprietorship in China, located in Tianjin as Home Credit Consumer Finance Company (HCCFC). Table 3 states the differences among these companies.

![Figure 3. The Picture of History of Consumer Finance Service](image)

As the figure 3 indicated, the low-income family cannot apply for credit card, and similar consumption loan hardly accesses to high-end goods and luxury goods; therefore Japan and Korea have developed consumer finance company which serves for variety of installments of goods and consumption finance. Table 1 illustrates the basic information of consumer finance in Japan and Korea, and, table 2 shows that how different types of consumer finance services are brought about in Japan.

Table 1. Basic Information of Consumer Finance in Japan and Korea

<table>
<thead>
<tr>
<th>Service Object</th>
<th>Consumption Credit</th>
<th>Consumption Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Object</td>
<td>Credit card for month</td>
<td>Credit company Consumer finance company</td>
</tr>
<tr>
<td></td>
<td>for installment for revolving</td>
<td>Credit card Current in house card</td>
</tr>
<tr>
<td></td>
<td>One goods loan</td>
<td>Installment finance</td>
</tr>
<tr>
<td></td>
<td>Consumer loan for credit cash out for mortgage</td>
<td>Credit cash out Loan</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>Bank</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Object</th>
<th>Japan</th>
<th>Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Object</td>
<td>Bank</td>
<td>Credit company</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Object</th>
<th>Consumer finance company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Credit company Bank</td>
</tr>
<tr>
<td></td>
<td>Credit company Loan finance company</td>
</tr>
</tbody>
</table>

Table 2. Different Types of Consumer Finance Services in Japan

<table>
<thead>
<tr>
<th>Service</th>
<th>Risk</th>
<th>Customer (Family Income JPY)</th>
<th>Use</th>
<th>Market Share (JPY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Loan</td>
<td>Low</td>
<td>&gt; Eight Million</td>
<td>House, Education</td>
<td>Two Trillion</td>
</tr>
<tr>
<td>Credit Card</td>
<td>Middle/Low</td>
<td>&gt; Four Million</td>
<td>Electrical Equipment, Clothes, Food</td>
<td>Forty-Seven Trillion</td>
</tr>
<tr>
<td>One Goods Loan</td>
<td>Middle</td>
<td>Four-Five Million</td>
<td>Health, Language, Electric Power</td>
<td>Seven Trillion</td>
</tr>
<tr>
<td>Consumer Finance Company Loan</td>
<td>High</td>
<td>Two-Three Million</td>
<td>Emergency</td>
<td>Three Trillion</td>
</tr>
</tbody>
</table>

3. CONSUMER FINANCE COMPANY’S BORN UP IN CHINA

To be a strong support to residents’ consumption, consumer finance company has great significance owing to its abundant product line of consumption credit and promotion of residents’ consumption. Accordingly, China Banking Regulatory Commission (CBRC) proved the establishment of the first three consumer finance companies in order to simulate the development of consumer finance and boom the consumption credit, which leads a healthy pace in social consumption in China. They are located in Beijing, Shanghai and Chengdu, respectively Bank of Beijing Consumer Finance Company (BOBFC), Bank of China Consumer Finance Company (BOCCFC) and Jin Cheng Consumer Finance Company (JCCFC), held by Bank of Beijing (BOB), Bank of China (BOC) and Bank of Chengdu (BOCD) in January 2010. After one month later, PPF Group applied for the fourth approval from CBRC, and it founded as the first foreign sole proprietorship in China, located in Tianjin as Home Credit Consumer Finance Company (HCCFC). Table 3 states the differences among these companies.

Table 3. Differences among Four Companies

<table>
<thead>
<tr>
<th>Ownership</th>
<th>BOBFC</th>
<th>HCCFC</th>
<th>BOCCFC</th>
<th>JCCFC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation</td>
<td>BOB</td>
<td>PPF Group</td>
<td>BOCS1%,Ballan Group 30%,Lujiazui Finance Company 19%</td>
<td>BOCD 51%, Hong Leong Bank 49%</td>
</tr>
<tr>
<td>Sales teams enter POS counter with sale promotion</td>
<td>Provide characteristic of credit service along with shareholders</td>
<td>Employee &amp; retailer cooperative operate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By the end of 2012, the average growth rate of consumption credit was up to 29%. As a basis on the consulting report from BCG, it would stand for aposeful growth rate approximately 24% in the next two years to approach total amount of 21 trillion CNY credit until 2015. As to good prospect for consumer finance company, it lies in three factors:

- The rapid growth of economic development in China accompanies the improvements of residents’ incomes, which made it into the second largest economy all over the world. Referring to BCG, high-income families and middle-income families have a strong desire on purchasing, with their heavy demands on consumption credit.
- Low penetration at the beginning represents more space for development, especially the blank period of credit 20 years ago.
- There is a great support from central government, such as Twelve-Five Planning and Income Doubling Program, contributing to more clients and sources of financing for consumer finance company.

Because of the special regulations on consumer finance company formulated by CBRC, there are unique and particular characteristics as below:

- Only credit, don’t offer deposit just for domestic Chinese.
- Registered capital not less than three hundred million.
- Total asset of investor not less than 60 billion.
- Business for general consumption, not for house loan and car loan.
- The highest rate less four times than basic rate.
- Total loan amount less five times than income.

Based on the regulations from CBRC, not only consumer finance company applies to residents’ consumption finance, but also small loan company, pawnshop, bank unsecured loan and credit card all providing similar businesses still show obvious distinctions among loan amount, period and credit constraint. Table 4 represents the differences among five business forms.

Table 4. Differences among Five Business Forms

<table>
<thead>
<tr>
<th>Service Object</th>
<th>Small Loan Company</th>
<th>Pawnshop</th>
<th>Bank Unsecured Loan</th>
<th>Credit Card</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use</td>
<td>For city,personal, family, enterprise andagricultural</td>
<td>Basic &amp; original business</td>
<td>Strict approval takes a long time</td>
<td>Depend on credit record and ability</td>
</tr>
<tr>
<td>Consumer Finance Company Loan</td>
<td>Basic &amp; original business</td>
<td>Aiming at credit record takes only half a day</td>
<td>Credit less than five times than income</td>
<td></td>
</tr>
</tbody>
</table>

Table 4. Differences among Five Business Forms

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<td></td>
</tr>
</tbody>
</table>
It is thus evident that the consumer finance company provides credit service for both individuals and their family by small amounts of unsecured loans; and it also contributes to the effective simulations and growth of individual and family consumption due to some unique advantages such as applying small-amount loan with fast and flexible procedures. However, in China, consumers are unacquainted with those products providing by consumer finance company with relatively low cognitions in the consumer market. Additionally, it is a starter for those consumer finance companies operating in China, which research stays in an experimental and exploratory stage. All in all, the target of this paper is to expand the study into empirical field covered 2007-2012 consumption panel quarterly data by the method of Quasi-Natural Experiment and Difference in Difference.

4. LITERATURE REVIEW

Consumption is not only an important link of reproduction in society, but also is the final link leading consumer finance company more popular in residents` daily life. Frank Mackey first puts forward consumer finance in order to provide mortgage for general-income customers who wanted to buy jewelry. During the Great Depression, a lot of commercial bank had joined part in the operation of consumer financie to develop mature business pattern until the 1950s which influenced American economy positively. Samuelson (1969) and Merton(1971) consider that consumer finance means how to meet customers` various demands with an established finance background. In this points of view, it contains consumption, deposit, credit and constraint. Tufano (2009) concludes four main functions of consumer finance, including payment, risk management, credit and loan, deposit and investment. It conducts that consumer finance aims at reducing liquidity constraint and transaction costs to motivate potential purchasing power with the help of credit and treasure method.

Early in 1930, Fischer first advances consumer finance and consumption credit in "The Theory of Interest", based on the current consumption and future consumption. Zeldes (1989) studies that the prospection of consumption cause an increases on consumption expenditure. Bacchetta and Gerlach (1997) summarize five countries including America, Canada, British, Japan and France, with the idea that consumption credit influences resident`s consumption positively and significantly. Ludvigson (1999) researches on liquidity constraint, resulting in that loose consumption credit market would improve consumption as time goes by. According to references and analysis above, it is obvious to found that consumer finance company may motivate consumption expenditure by consumption credit, which also leads to a growth of economy judged by GDP. Hence, it hypothesizes that consumer finance company will bring about new condition for the residents` consumption both in time and space dimensions due to the service items offered by consumer finance company and provincial areas they settled.

5. RESEARCH DATA RESOURCE AND MODEL DESCRIPTION

5.1 Data Description

This paper relies primarily on panel data from CEINet Industry Database with quarterly coverage from 2007 to 2012 for its incomplete data. Due to the sample provinces contained four pilot areas (Beijing, Tianjin, Shanghai and Sichuan) affected by consumer finance company, it compares with the rest 27 provinces which have no influence from consumer finance company in this research; as a consequence, it can be set as a Quasi-Natural Experiment by the method of Difference in Difference.

5.2 Variable Description

COMPANY and SETTIME are two variables reflecting the influence of consumer financecompany. For those four pilot areas, the value of COMPANY is 1; it equals 0 in the rest areas. As a whole SETTIME values 0 before 2010; however, this variable changes into 1 because of the establishment of consumer finance company in China in 2010. Although those four consumer finance companies founded in the Quarter 2010, data always comes out one quarter later on the basis of time delay, and what is worth mentioning that it assumes consumer finance company started to impact from Quarter 1 in this paper.

5.3 Model Description

The paper brings in Difference-in-Difference model that can avoid endogenous problem and control the interaction between dependent variable and independent variable compared to OLS model in order to estimate net utility of consumer finance company in view of both time and space contrast which are measured by COMPANY and SETTIME. The basic Difference-in-Difference model refers to table 5.

Table 5. Difference in Difference Model

<table>
<thead>
<tr>
<th>Before Change</th>
<th>After Change</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treat Group</td>
<td>Y1</td>
<td>Y2</td>
</tr>
<tr>
<td>Control Group</td>
<td>Yc1</td>
<td>Yc2</td>
</tr>
<tr>
<td>Difference</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

6. EMPIRICAL RESEARCH AND RESULTS

6.1 Descriptive Statistics

It can be resulted in table 6 that no matter where and when, after 2010, it causes a possibility of an increase on the consumption expenditure. However, whether the consumption transformation is related to income or not, and it also represents a gradual rise which still needs data regression after further data processing.

Table 6. 2007-2012 Descriptive Statistics (CNY)

<table>
<thead>
<tr>
<th>Time</th>
<th>Variable</th>
<th>Income (Control Group)</th>
<th>Consume (Control Group)</th>
<th>Income (Experimental Group)</th>
<th>Consume (Experimental Group)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007q1—2009q4</td>
<td>Obs</td>
<td>324</td>
<td>324</td>
<td>48</td>
<td>5,724.55</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>3,762.06</td>
<td>2,408.59</td>
<td>5,724.55</td>
<td>3,590.02</td>
</tr>
<tr>
<td></td>
<td>Std.Dev.</td>
<td>528.94</td>
<td>1,911.38</td>
<td>947.138</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Min</td>
<td>1,138.40</td>
<td>1,718.40</td>
<td>1,950.54</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Max</td>
<td>8,588.70</td>
<td>9,048.40</td>
<td>5,296.31</td>
<td></td>
</tr>
<tr>
<td>2010q1—2012q3</td>
<td>Obs</td>
<td>297</td>
<td>297</td>
<td>44</td>
<td>4,694.84</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>2,524.17</td>
<td>7,848.23</td>
<td>4,694.84</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Std.Dev.</td>
<td>1,273.04</td>
<td>2,161.29</td>
<td>1,073.64</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Min</td>
<td>3,391.60</td>
<td>4,057.10</td>
<td>2,841.47</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Max</td>
<td>12,151.70</td>
<td>12,444.30</td>
<td>6,499.40</td>
<td></td>
</tr>
</tbody>
</table>

6.2 Data Processing

To some extent, consumption expenditure contains the relationship between price and purchase; as a consequence, it eliminates the factors impacting on the price in order to describe the regional consumption output accurately, which can reflect the actual consumption situations. In this paper, it applies quarterly consumption index in each area for empirical estimation and analysis.
Generally, the economic time series data usually has a seasonal volatility; therefore, it needs to eliminate the influence from seasonal volatility during the quantitative analysis. In this paper, all quarterly consumption data needs smoothing processing analysis in order to separate its linear trend. A large number of existed studies indicate Hodrick-Proscott-Filter has a better effect than any other smoothing processing method. Consequently, HP method is selected for the smoothing processing on consumption output data after eliminating price-change influence which refers to Figure 4 with an example of Beijing. It can be seen that the growth after 2010 looks like rapid obviously. Because of space limited, there is no explanations about the data processing of other provinces.

### Table 7. Regression Result

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coef</th>
<th>Std. Err.</th>
<th>T</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPANY</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SETTIME</td>
<td>542.094***</td>
<td>24.685</td>
<td>21.963</td>
</tr>
<tr>
<td>COM_SET</td>
<td>182.931***</td>
<td>51.465</td>
<td>3.554</td>
</tr>
<tr>
<td>INCOME</td>
<td>0.179***</td>
<td>0.011</td>
<td>16.121</td>
</tr>
<tr>
<td>cons</td>
<td>1842.951***</td>
<td>46.082</td>
<td>39.993</td>
</tr>
<tr>
<td>F</td>
<td></td>
<td>916.652</td>
<td></td>
</tr>
<tr>
<td>AdjR2</td>
<td>0.802(with-in)</td>
<td>0.949</td>
<td>0.688</td>
</tr>
<tr>
<td>Obs</td>
<td>713</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Indicates statistical significance at the 0.01 level, based on two-tailed tests.

7. SUMMARY AND DISCUSSION

Though it concludes a positive relation between consumer finance company and residents’ consumption, and there is an indirect influence with economic growth which is rooted in GDP closely, there are still several uncertain problems such as what the basic mechanism is, whether it transforms consumption structure, and how it contributes to GDP growth. In the further study, these problems will be solved step by step punctually.

For another reason, with the rapid development of consumer finance company in China, it reveals some problems drawn our attentions as listed below: Firstly, compared with other types of finance institutions, consumer finance company has a relatively limited business range. On an account of most of consumer credit had shared by big finance institutions, consumer finance company has only provides edge financial services, and it needs to exploit new types of credit products such as car loans and house loans which are controlled by the government. As a result, it needs a change from the government. Second, consumer finance company transfers their focus on low-income residents gradually in order to earn more business; however, this kind of business transfer increases the credit risk. Thirdly, consumer finance company does not absorb any residents’ deposit. Consequently, it may cause a rise on the financing difficulties. Last but not least, residents seldom make cross-regional consumption according to the restrictions on regional registration.

Based on the evidences shown above, powerful methods should be taken into practice. On one hand, it should eliminate the restrictions on capital structure and permit private capital into consumption credit which will arouse the enthusiasm of finance market and break up the banking industry monopoly. On the other hand, it also needs to absorb funds from shareholders in order to earn more cash to eliminate geographic restrictions with a low risk.

### 6.3 Results

After Hausman-Test which is the first step for panel date regression met the statistics standard resulted in fixed-effect model, table 7 indicates each regression coefficient. The coefficient of COM_SET is 182.931 (P<0.01) which T value is 3.554 standing for a positive correlation between residents’ consumption and consumer finance company. Therefore, it illustrates that consumer finance company has improved the consumption expenditure in the four provinces which is as experimental group compared to the control group expenditure in the four provinces which is as experimental group compared to the control group. Therefore, it illustrates that consumer finance company has a relatively limited business range. On an account of most of consumer credit had shared by big finance institutions, consumer finance company has only provides edge financial services, and it needs to exploit new types of credit products such as car loans and house loans which are controlled by the government. As a result, it needs a change from the government. Second, consumer finance company transfers their focus on low-income residents gradually in order to earn more business; however, this kind of business transfer increases the credit risk. Thirdly, consumer finance company does not absorb any residents’ deposit. Consequently, it may cause a rise on the financing difficulties. Last but not least, residents seldom make cross-regional consumption according to the restrictions on regional registration.

**REFERENCES**

Internationalizing Education: The Case for Canada

Ms. Tana Chen
Student, School of Business, Camosun College, Canada

1. INTRODUCTION

Recently, Canada has seen a significant increase in the international student population. Growth rates of international enrollment have jumped from 8% in 2007 to 14% in 2011 (Kunin, 2009, p. 15). Universities, colleges, and schools have been quick to react, since international students have a significant impact on societal, cultural, and economic factors throughout the country. I am an international student and have been in Canada for two and half years. Before, I came to Canada I studied in a Canadian education system in my high school in China. After I graduated from high school I decided came to Canada for my post-secondary journey. The biggest reason for my choice was that my high school teachers were all Canadian. They told me how beautiful Canada is, how nice and polite people are, and how important multiculturalism is to Canadians.

As an international student studying in Victoria, BC, I decided to focus this paper on the economic impacts in BC. I found that having more international students has impact directly and indirectly of the job opportunities not only in BC, but also the whole of Canada. I interviewed the international departments of three of Victoria’s three institutions – the University of Victoria, Camosun College and Victoria district 61 public high schools – regarding their internationalization plans, and the benefits of having international students not only for the high income of international students’ tuition fees, but also to “create a vibrant and culturally diverse campus community” and to provide domestic students with an opportunity to gain a broader perspective and have interactions with people from different cultures (Kunin, 2011, p. 9). Finally, I interviewed domestic students about how their attitudes have changed by having and knowing international students’ around.

2. LITERATURE REVIEW

For this paper, I studied several documents by Economist Roslyn Kunin, whose firm has prepared some economic impact studies for the Canadian Government, and the province of British Columbia. I also looked at the database of Statistics Canada, a report by the Office of International Affairs, Office of the Vice-president Academic and Provost of University of Victoria, and several websites, including the British Columbia Council for International Education CBIE-BCIE website About IE “Facts and Figures

In “Economic Impact of International Education in Canada”, Kunin (2009) reported on the changing face of education in Canada, and the costs and benefits associated with changing rates of internationalization. I used this report to determine some key facts and figures regarding the rates of enrollment and distribution of international students.

Kunin (2011) also wrote “Economic Impact of International Education in British Columbia”. As the report concentrated solely on British Columbia, it provided more specific data. I used this report to determine some specifics about the size of the international student population in British Columbia.

The report “Making a World of Difference”, by the Office of International Affairs at the University of Victoria (2006) presents a roadmap for the University to accommodate and integrate international students in the community. I found this report useful to see how higher learning institutions have progressed in their plans to internationalize and interculturalize the campus.

3. ANALYSIS

There are three main focal points that I took in analyzing the effect of international students in Canada. The first was the size of the international student population, which has been consistently growing in the past ten years. The second point I looked at was the introduction of new immigration programs designed to keep international students in Canada after they graduate. The government of Canada has recently opened up a new class of immigrant for professionals who received their training in the country. Lastly, I looked at the economic impact of each student who comes to this country to study. I considered not only the direct expenses, but also indirect and induced expenditure that cause students’ impact to grow. I was quite surprised about the economic impacts, not only across the country as a whole, but also in my local community.

3.1 Growth in the International Student Population

According to the Canadian Bureau for International Education (2014), “Canada ranks as the world’s 7th most popular destination for international students” (para. 1). The number of international students studying in post-secondary institutions around the country, representing more than 6.5 percent of the student population. Ontario attracts the largest number of international students amongst all provinces and territories. Nearly forty percent of all international students study in that province. By percentage, though, British Columbia (BC) has the highest ratio of international enrollments. Although it accounts for only 15 percent of Canada’s population, BC accepts about 28 percent of the international students in the country. This indicates the popularity of the province as an education destination. For language training and short-term international students BC has the most languages training programs followed by Ontario (Kunin, 2006, pp. 17-18). Moreover, the percentage of international student enrollments has increased dramatically in the past ten years, from a mere 136,000 students enrolled in 2001 to current enrollments of 265,000 (BCEI, 2014), Canada has seen growth rates in enrollment of about 8 percent per year, peaking at 14 percent in 2008 (Kunin, 2009), while in BC, enrollments have been growing faster, at an average rate of 11.4 percent (Kunin, 2013).

Of the more than 20,000 students studying at the University of Victoria (U Vic, 2014) there are 2000 international full-degree students, 500 exchange students (studying fewer than four months), 200 visiting scholars (studying less than one year), and 2500 international students in continuing education programs (U Vic, 2014; OIA, 2013) That represents an international population that Kunin (2013) argues in BC is as high as 7.8 percent (p. 5).

3.2 International Students and Immigration

Of the students Kunin (2011) surveyed, “67% reported spending money on traveling within the province. Sixty one per cent of participants reported planning to apply for immigration and stay in Canada after graduation and twenty percent are still undecided on this issue” (p. 9). International students who graduate in Canada have always been encouraged to apply for work permits. When international students have studied full time in Canada and completed a program of study in post-secondary institutions, and have written confirmation (for example, a transcript or an official letter) from their institutions that indicated that the applicants meet the requirements for completing their academic program, then the international students are eligible for work permits.

In 2008, the Canadian government introduced a new class of immigration, the Canadian Experience Class (CEC) (CIC, 2008). The Canadian experience class was designed to help international students who gained their training in the country stay in Canada after graduation, and become members of the Canadian workforce.

On November 8, 2013, Citizenship and Immigration Minister Chris Alexander announced changes to improve the CEC class. Alexander stated the Canadian Experience Class has allowed more than 25,000 people to stay in Canada permanently to contribute action to reduce backlogs and processing times. By making these changes to the Canadian Experience Class, they are moving toward a more effective and efficient immigration system. Overwhelmed with new applications, Citizenship and Immigration Canada (CIC) introduced an annual cap on the number of new CEC applications. They will accept a maximum of 12,000 CEC applications from November 9, 2013, to October 31, 2014. Despite the annual cap on applications, the department still feels they will admit approximately 15,000 individuals under the CEC in 2014. This is good news to those international student graduates who want to stay permanently in Canada, as they can apply for their Canada citizenship through the CEC program, provided they can find work in Canada.
3.3 Student Expenditure

I have been Canada for 900 days since August 20th, 2011. In that time, I have spent almost $91,000 in the country. Nearly twenty percent of that was on education. Compared to the international students’ average tuition fees, my tuition fees is a little bit less because I am taking college courses, which have a lower tuition than the universities’ courses. A quarter of my total expenditure is on books and supplies, including the rent, my cell-phone, gas, and electricity. An eighth of my total expenditure is from shopping. Personally, I like shopping a lot; however, it is difficult for any student to study in a new country without spending money shopping as well. The final major expense of my abroad life is on food and dining, which accounts for 8.6% of my total spending. I was surprised when I accounted for my expenditure, which led me to research how much other international students were paying for their education.

International students contribute in many ways to the Canadian economy. Each of the 1.5 million international students in Canada, including high school and post secondary, spends an average $10,584 per year including $6,456 in rent, $3,288 on food, and $840 on transportation. While, according to Kunin (2013) the almost 32,000 international students in British Columbia spent more than $1 billion last year, working out to an average of $31,250 per student, with more than half of the expenditure going to tuition fees (p. 11).

There are four main categories where most post-secondary students spend their money: Tuition, rooms, meals and transport. The average University tuition cost plus books and supplies and additional fees in Canada for international students is $18,670 per year. International students also pay an average of $14,870 in additional fees per year. The average cost of room & board is $12,013 per year and students pay almost $700 per year in transportation (Kunin, 2009, p. 25).

In BC, international students are responsible for more than 280 million dollars in school expenses, including tuition, books, and supplies. Further, they spend $130 million on shelter, and nearly 100 million more on other expenses. This translates into a total impact of over 9000 jobs in BC, and tax revenue of 70 million dollars. More than half of the jobs go to the government sector, the largest employment impact falls upon the government sector, which receives more than half of the jobs related to international students, primarily through public educational services. Government accounts for almost 80% of the direct impact. This is no surprising given the “labor-intensive” nature of educational service. Generally speaking, the more labor intensive a product or service involves, the larger employment impact will be, for a given amount of expense. Other important sectors include transportation, retail, finance, and insurance, which together receive about 17 percent.

It is interesting to note that although the direct employment impact in retail trade and accommodation and food services is small, especially with the latter, the size of induced employment impact in these sectors is larger. This is due to the nature of the induced impact being estimated. It captures the increase in spending due to increase in household income, which is reflected in an increased level of consumption. This in turn is reflected in more retail and hospitality services. (Kunin, 2011, p.14)

3.3.1 Impact on local Community Level

Enrollment in Victoria post-secondary institutions is very high. International students represent 17 percent share of enrollments, which is significantly higher than both the national and provincial averages (Kunin, 2011). Kunin goes on to say that although “[m]ajor urban centres such as Victoria and the Greater Vancouver take up significant share of the overall economic impact. . . . some institutes such as Thompson River University are already pursuing more pro-active strategies to attract international students. With time, it is possible that overall economic impacts will increase outside the major urban centers” (Kunin, 2011, p.15). For a city like Victoria, which has a population of 363,000 people (Statistics Canada, 2013), adding 1600 jobs, and $9 million dollars in expenditure has a significant impact.

4. INSTITUTIONAL RESPONSES TO CHANGING ENROLMENT

Universities, colleges and high schools have been building action plans to ensure international students success. In interviews with the International department of three institutions in Victoria, I determined how the schools are reacting to the massive growth in international enrolments.

4.1 University of Victoria

I interviewed David Wang who is the Global Engagement Officer of University of Victoria. According to Wang, UVic faces additional costs for recruiting and retaining international students. UVic has a special term for recruiting and retaining international students, which is “Students Success” (OIA, 2006). This shows UVic’s commitment to not only recruit students into their university, but also ensure students can walk out the door with success. First, Wang mentioned the cost of recruiting. The school students affairs department goes abroad to promote UVic and get more students from different countries in order to make UVic more internationalized. Another cost to UVic is to make their International student enrollment plan. There are further costs to retaining international students. UVic provides as many services as they can to help the international students adapt to their life in UVic quickly. The school has an international students services department, student advisors and life supports such as the Co-op center and immigration help. Wang believes that although in both the short term and the long term there are additional cost for recruiting and retaining the international students, it’s worth it.

Wang further mentioned that the net benefits of having international students are not only the high revenue source of international tuition fees, but that these students also bring different cultures and languages, different perspectives and different research skills. Many of the international students are graduate-students, some of them are completing their master degree and some of them are in PhD studies – there are even some postdoctoral researchers. Letting foreign students complete research in UVic also can improve the quality of UVic’s research as well as their reputations. Moreover, Wang reiterated that the international students also influenced the local economy. Also, the international students are not only represent themselves, but also they represent their countries, their cities and their families, hence every single international student could be an ambassador of their country or spokesperson. Therefore, if the international students can get support and good education in UVic, they can bring this information to their homeland and tell everyone about their success.

In 2006, the Office of International Affairs at the University of Victoria published a strategic plan for furthering internationalization, which stated that “[t]he University has been attracting increasing numbers
of well-qualified international students to its programs in recent years” (OIA, 2006, p. 19). The report showed that between 2002/03 and 2004/05, there was a fifty percent increase in international enrolments. In 2005/06, international students represented approximately 8.1% of the student body. The strategic plan has been working well, as the percentage of international students in UVic this year has doubled. Although international students originate from over 40 countries, approximately 50% of all international students come to us from four countries: P.R. China, Japan, Hong Kong and Taiwan, with another 13% coming from the U.S.A.”(OIA, 2006 p.19).

The University of Victoria had an objective to reach by 2010, to reach and maintain approximately 10% of the student body as a “steady state” for international visa students on campus, with an improved balance of student geographic distribution in the student body. By 2006, they developed a Strategic Enrollment Management (SEM) plan designed to guide a coordinated and integrated approach for achieving these objectives, with a view to articulating the issues, implications, and specific initiatives for phased implementation over a 3-to-4-year period. The SEM is a comprehensive institutional process designed to help the university to achieve and maintain its optimum enrollment and financial profile as defined in its overall academic plan.

Wang also stated the UVic also has a program called internationalize at home for domestic students. The university is moving to ensure that courses include an international component. Case studies should come from foreign countries and professors will talk about more things internationally, taking specific cases that compare the Canadian way with the way other countries would deal with the same problem. UVic has also held more global academic events encouraging UVic students to join and be involved in can they can know and understand better the international environment. UVic has also been improving international infrastructure such as international commerce, the library of the international learning center. Finally, UVic encourages domestic students and international students to study together in buddy programs, mentor programs and a conversation café. Through these programs, domestic students and international students support each other and understand each other’s culture more.

4.2 Camosun College

Camosun College has 815 international students currently enrolled in the January – April 2014 semester. There are 22 staff members in the International Department, which includes student counselors, support assistants, and a homestay coordinator. I spoke with Geoff Wilmshurst from the International department of Camosun.

According to Wilmshurst (2014), international students are a ‘click away’ from choosing schools and are prepared to move to a variety of countries. Thus, it is a big competition to recruiting and retaining the international students. Therefore, the additional costs Camosun College faces in recruiting and retaining international students include traveling to worldwide markets to participate in recruitment events, increasing staff levels to better serve students, and providing entrance scholarships to compete with other post-secondary institutions.

Wilmshurst also noted that communication has changed dramatically within the last 20 years. Increasingly, we work within a global environment, and there must be diverse perspectives within every aspect of life. The College is a teaching and learning environment and international students that provides many different and valuable experiences not only to the classroom but within the College Community.

I also interviewed the staff of Camosun College’s International Department about what the college is doing to internationalize. Internationalization is not just about getting more international students but also creating more of an international environment for domestic students. The Camosun International Department stated that growing and supporting internationalization throughout the College reflects the global environment in which their students will live. Internationalization enhances students’ collective understanding of other cultures. The college holds campus wide events sponsored by International Department to raise awareness of their international student population. Moreover, the courses are offered to staff on interculturalizing the curriculum and promoting Study Abroad opportunities for domestic students through scholarships.

4.3 Victoria School District 61

On February 11th, 2014, I interviewed Jeff Davis who is district Vic President of international programs in the Greater Victoria School District’s Victoria International High School Programs (VIHSP). Great Victoria has seven public high schools, which are coordinated by a central international student liaison.

According to Davis, there were 695 international students enrolled in high schools in Victoria at end of September 2013. The VIHSP, has a staff of twenty, which includes teachers, homestay workers, and office staff. Like the directors at UVic and Camosun, Davis also mentioned that the additional costs the VIHSP face in recruiting and retaining international students include going abroad to promote the school and the district. The reason the department sends people abroad to promote the school in so that the international students’ families know more about the people who are caring for their children. Also VIHSP works with a lot study-abroad agencies.

Davis also talked about the net benefit of having international students. He mentioned that the enhanced fees allow the schools to offer more courses and offer specialty programs. International students also keep the school operating at full capacity. According to Davis, changing demographics means that the number of domestic students attending high school is decreasing. Therefore, international students create more jobs for Canadians and more job opportunities as international students contribute to local economy. Lastly, but certainly not least, Davis feels that domestic students learn from international students’ culture and friendship.

Davis stated the VIHSP’s reasons for internationalization is to create more of an international environment for domestic students. When the international students come to local classrooms, they take six classes with local students, and two English Language Learning (ELL) classes. Also, the VIHSP has many sports clubs, of which a high percentage of international students join. Also, homestay families help international students to join the community clubs. Moreover, the VIHSP have 800 homestay families. Those homestay families have school age children living together with international students.

Meanwhile, the VIHSP also holds some events, such as inviting high school students to go to elementary schools to introduce their different cultural events or festivals, such as the Chinese New Year, to the young kids. Moreover, every year they send six international students to participate in a national conference. The VIHSP also has the peer to tuition program. This program is for credit, and involves domestic student and international students working together. The school district also has exchange programs with Japanese Schools.

5 STUDENT RESPONSE TO THE INTERNATIONAL CLASSROOM

I have been Canada almost three years, during this three years I made several Canadian friends by talking, studying or discussing school with them, I learned a lot from them, such as cooperation, community, and also some writing skills. Moreover, I now work more about their lifestyle and their culture. Since these days there are more international students attending school, I wanted to ask some of my new friends how we affect domestic students, and how their attitudes have changed. I interviewed Morgan Kidd who is a student in second year of Financial Mathematics and Economics (combined) in University of Victoria. I asked him about how does he feels the international culture affects Canada.

According to Kidd (2014) Canada has (intentionally or otherwise) chosen to embrace multiculturalism over being a melting pot like the United States. In doing so, international cultures (especially Chinese and south-Asian) have become very important to the nation’s identity.” (from personal communication).

From Kidd’s personal experience he said the international students do help him to internationalize. A large portion of his friends are international students, and they have introduced him to cultures that he probably would not have encountered otherwise.

According to Kidd’s opinion he thinks having international students in Canada affect the Canadian business schools internationalize, he said, “[o]f course it is important for business schools to be internationally focused. I think almost any high-ranking executive in any company nowadays will recommend international experience (especially in Asia) as being
one of the most important traits to have when beginning a career. The inclusion of international students into business schools is also very important to avoid fostering an “us versus them” mentality when looking at the rest of the world. It is easier to negotiate with another party when you see them as partners instead of aliens.” (from personal communication).

From Kidd’s perspective he thinks of Canada as a large exporter, and feels that internationalization can only positively affect Canadian business. He thinks that with so many trading partners for foreign (especially Asian) countries to choose from, it is crucial to the nation’s interests that Canada has some sort of advantage in generating appeal. This could include Canadian businesspeople properly educated in foreign customs, to help smooth negotiations, or Canadian-educated foreigners who will prefer to trade with familiar Canadians instead of some other country.

I also asked him how he feels his contact with international students will benefit him through a change in attitude, learning style and learning outcomes. Kidd stated that he thought there are a lot of lessons to learn from different cultures. Nowadays, there is very little reason to think that the “Western way” or “American way” is categorically superior to the alternatives. The ability to properly assimilate the valuable components of foreign cultures is a critical advantage in almost every aspect of life.

6. CONCLUSION

Canada derives $8 billion annually from international student expenditures including tuition and living expense. Moreover, the presence of international students has created over 83,000 jobs and generated over 291 million in government revenue. (CBEI, 2014). Yet, it is not simply the direct expenditure that the communities see from international students that benefits Canada. Internationalization programs are devised to interculturalize domestic students, and prepare them for the global market. It is clear that the benefit of international education is being recognized, and that institutions are adopting strategies to ensure that the benefits remain. Also, having international students means that Canada gets further additional benefits such as more immigrants who apply to stay and contribute in Canada, and more cultures becoming involved in making Canada more multicultural. This makes it easier for Canadian businesses to operate in the global environment.

REFERENCES


Importance of Northern Resources from Yakutia to Russia’s Economy, Global Development and Economic Progress

Ms. Anisiia Lazareva
Student, North-Eastern Federal University, Russian Federation

«...The Sakha Republic (Yakutia) is the largest constituent entity of the Russian Federation and one of its richest depositories of resources. Naturally, sustainable and dynamic development of Yakutia is of key importance for both the Far Eastern District and Russia on whole...»

Vladimir Putin,
President of the Russian Federation

«...Nowadays the solution of numerous long-term tasks depends on development of the Russian Far East. And these tasks are of crucial importance for our country»

Dmitry Medvedev,
Chairman of the Russian Federation Government

«Our republic has everything to create a better life – abundant natural resources, long-term strategic action plans, sustainable social development, positive natural increase pattern, high educational level of the population, relatively young and economically proactive labor force...»

Yegor Borisov,
President of the Sakha Republic (Yakutia)

First of all, Sakha Republic is the biggest and the richest region of Russia. That’s why there is a lot of industrial activity connected with natural resources. Large corporations such as Gazprom, Surgutneftegaz, Alrosa and others are developing fields in Yakutia. Such megaprojects as ‘East Siberia – Pacific Ocean’ and ‘Sila Sibiri (Power of Siberia)’ pipelines, which supply Asian countries with gas and oil, got their start with the resources of Yakutia. All that industrial activity, of course, develops the country and brings a lot of profit for the state and private structures but their work keeps a real danger for Russian Arctic.

Secondly, all these will help to prove a real importance of the northern resources that are extracted in Yakutia to Russian and world economies. Moreover, it will show importance for the Arctic itself because it provides new opportunities for development. Any- way, the meaning of the northern resources is increasing day by day due to their prospects and the fact that other (not northern) resources run out.

Norwegian scientists, Gerard Duhaime and Andree Caron wrote in their work about a value of Northern Russia because it alone represents two-thirds of all circumpolar economic activity. This happens due to the fact that 3 of the 4 regions which generate more than 60 per cent of Arctic economic activity belong to the Russian Federation – it is Khanty-Mansi Autonomous Okrug (District), Yamalo-Nenets Autonomous Okrug (District) and the Sakha Republic (Yakutia) – while the Arctic itself is made up of 28 separate regions in 8 different countries. One remaining region is Alaska which alone accounts for 14 per cent of all circumpolar output. All that regions are the same in the fact that large-scale extraction activities are a major feature of their economies.

According to Duhaime and Caron, apart from these Russian regions, all the other Russian regions have a per capita GDP below the circumpolar average. The regional differences in the distribution of economic activity among its Arctic regions make
Russia the country with the most contrasting regional differences. Some regions benefiting from the presence of strategic resources have undergone substantial development. Other previously prosperous, have experienced an absolute decline. But, nowadays, Russian government is trying to improve this situation by changes in tax laws. New tax laws allow big companies to pay taxes on the place of registration of the legal entity. In most cases this place is Moscow. It evenly distributes federal subsidies to the regions, regardless of the economic situation and presence of natural resources in them. On the other hand, it is also unfair to other regions because they also do not get enough profit from extracting of natural resources on their territory to improve quality of life in the Arctic and making its image better than just a vast reservoir of natural resources serving the world market.

And in this case, large and population-rich developing countries have experienced rapid economic growth in recent years, as Duhaime and Caron wrote, and we see the footprint of this development in rising demand for raw materials even in remote areas where reserves are available as in the Arctic. The Arctic is endowed with oil, gas, minerals that increasingly attract the interest and mobilize the purchasing power of the emerging economies. The Arctic is also of interest to many industrialized countries trying to find secure supplies of many natural resources.

According to the Arctic Human Development Report, the circumpolar economy, as measured in 2001, has three distinguishing characteristics.

1. The Arctic is exploited as a vast reservoir of natural resources serving the world market, and this massive extraction largely structures the rest of economic activity.
2. Public services are often supported by major transfer payments from central to regional governments.
3. The customary use of living resources in activities such as family-based fishing, hunting and animal breeding continues to be important in economic terms and is now inextricably linked with the market economy.

Here we are interested in the first characteristic and studying Yakutian situation as an example.

According to Duhaime and Caron, the AHDR analysis also revealed some major characteristics of the geographic distribution of economic activity.

1. While the Arctic exports to southern regions enormous amounts of raw materials for processing, it also imports a massive amount of finished goods and services for final consumption.
2. Economic activity is unequally distributed among the different Arctic regions; the economic prosperity of the wealthiest regions being based on large-scale exploitation of natural resources.

By transporting outside the North extracted resources for processing, Yakutia are supplied from outside with goods and services for consumption which cannot be produced in Yakutia. While precise data are lacking on the circumpolar scale, there is every indication that globally the Arctic acts as an exporter of raw materials and energy and an importer of final goods and services. For example, only 5 per cent of the Federation’s total population lives in its Arctic regions, but the domestic product of those regions accounts for 11 per cent of the country’s overall economic activity. Nowhere else the gap between these indicators is so large.

And this is also true for Yakutia. Nowadays, there is such situation in Yakutia that almost all extracting resources are exported to southern regions (see Picture 1). It happens because even Yakutia is the biggest region of Russia; it still has very small population (estimated population only of 950 thousand people). At the same time, according to the official information, it ranks first in the Russian Federation by total reserves of natural resources. Its raw material potential is estimated at RUR 78.4 trillion (USD 2.8 trillion). Yakutia’s share in the world reserves is as follows: diamonds – 35%; tin – 5%; antimony – 4.5%; uranium – 6%; and iron ore – 2%. Yakutia accounts for 47% of proven coal reserves, 35% of natural gas and oil in Eastern Siberia and the Russian Far East.

Industrial production mostly depends on non-ferrous metallurgy (mining of diamonds, gold, tin, and antimony), as well as fuel and energy complex (coal mining, oil and gas production, electric power engineering). They account for over 70% in the total volume of Yakutia’s own production.

Thereby, just few years ago there started a big development of fields in Yakutia. Nowadays, it has gained enormous scale which we could not have imagined a decade ago (see Table 1 for more information).

‘The Power of Siberia’ will become a common gas transmission system for the Irkutsk and Yakutsk gas production centers and will transport gas through Khabarovsk to Vladivostok. In the first phase will be built gas pipeline “Yakutia - Khabarovsk - Vladivostok”, the second stage is that Irkutsk center will be connected by the gas pipeline with the Yakut center. Itinerary will take place along the route of existing oil pipeline “Eastern Siberia - Pacific Ocean”, which will optimize the cost of infrastructure and energy supply. Track will overcome wetlands, mountains and seismically active areas (see Picture 2).

Information from Investment Guide Book of the Sakha Republic (Yakutia), statistic information from SakhaStat and Ministry of Industrial Development of the Sakha Republic (Yakutia).

<table>
<thead>
<tr>
<th>Industrial branch</th>
<th>Presented by (company)</th>
<th>Estimated resources analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Oil industry</strong></td>
<td>Surgutneftegaz, YaTEK, Gazprom, Tyumaadaa-Neft, Sakhanetfegarsbyt</td>
<td>90% of extracted resources are exported by Surgutneftegaz by “Eastern Siberia – Pacific Ocean” oil transporting pipeline in Asian region (especially in China). Oil production amounted to 6.7 million tons in 2012, which is 21.8% higher than in 2011. Oil refining is not performed.</td>
</tr>
<tr>
<td><strong>Gas industry</strong></td>
<td>Gazprom, YaTEK</td>
<td>In 2012, natural gas production amounted to 1,980 million cubic meters which is 5% higher than in 2011. Gas reserves have increased from 1.2 to 1.4 trillion cubic meters of gas. The annual peak gas capacity is supposed to reach 25 billion cubic meters; this production level will be maintained for 14 years. When production will fall, it is expected to put new fields into production. YaTEK is providing 70% of gas in settlements of Yakutia (only 26% of them is gasified). Gazprom is going to export gas by “The Power of Siberia” gas transporting system to southern regions of Russia and to the Asian regions (China and Japan); it should provide mass flow rate of 32 billion cubic meters per year.</td>
</tr>
</tbody>
</table>
Prodistribution of ferrous and non-ferrous metals

GeoProMining

Almost all the Mendeleev’s table. This is especially true for antimony (4.5%) and tin (5%) in world context.

Gold industry

GeoProMining, Aldanzoloto (part of the ‘Pole of Cold’ holding), Seligdar and other 50 small companies.

Golden fields are one of the biggest in whole Russian Federation. Especially there are a lot of gold in Southern Yakutia (Indigirka, Yana, Aldan). Yakutia has 794 fields of gold. 15% is suitable for surface mining. But gold resources are depleted, it remained only for 67 years.

The coal industry

Mechel (11.5 tons of coal per year).

1/3 of territory of Yakutia is rich by coal – it is Lenskiy, Tungusskiy, Southern-Yakut and Zyryanskiy fields (47% from Siberian and Far Eastern reserves).

Diamonds

Alrosa

35% of world stocks of diamonds

According to preliminary calculations, the total investment in the economy of Yakutia amounts to 941 billion rubles (USD 28.5 billion). Furthermore, a large part of capital investment of 860 billion rubles (USD 26 billion) will be made until 2017.

Hereby, this confirms that the northern region has a really big development potential. Many associate the Arctic with dramatic icy landscapes spotted by glaciers and floating ice caps and filled with polar bears. The World Wildlife Fund describes it as a “keystone ecosystem for the entire planet”. The Arctic acts as a global thermostat, influencing the world’s heat balance, ocean circulation patterns and the carbon cycle. But despite on myriad of environmental challenges, countries and companies are starting to explore the Arctic the oil and natural gas. Canada, Russia, Denmark (Greenland and Faroe Islands), Norway, United States, Sweden, Finland, and Iceland all have territory in the Arctic. Major multinationals are investing in technology to address environmental concerns. Exxon has Extended Reach Drilling technology that is supposed to minimize the environmental impact and has a new dispersant gel. No technology exists to address environmental concerns. Exxon has a plan to drill in the Arctic.

The main differences of Russian Arctic are in the scale of economic activity and large resource sector which is significantly surpassed compared with other polar countries. Also we should not forget about extremely big territory without correct legal regulation until recently. If to think about northerners, they are experiencing a large amount of the deficit and high costs compared to other regions which are situated in the South just because of their geographical location, inaccessible and lack of development. And this new Strategy is designed to improve this situation.

The global prospects of the Strategy are in the growth in demand for natural resources in emerging markets, in national security and in sustainable use of the natural resources and environmental protection. The industrial prospects are in realization of mega projects, in modernization of the Northern Sea Route, in the route of the manufacturing sector of the Arctic, and in the development of scientific and innovation sector.

For example, at the state level here was reconstructed Russian base on the Novosibirskies Islands (Yakutia) for effective and safe control of Russian part of the Arctic. The base was opened by President Vladimir Putin at September, 16. This base was newly opened in order to become a strategic point in studying the Arctic Ocean and as a new stage of development of the Northern Sea route.

On the one hand, if we talk about advantages of the “scheme”, there are a number of social and economic advantages of Arctic development. For example, expansion of “Gazprom” in Yakutia is a strong incentive to increase the level of social and economic development of the region. In particular, the construction of gas transmission facilities will enable the development of gasification in Yakutia. “Yakutia – Khabarovsk – Vladivostok” pipeline will take place through the southern regions of Yakutia. The pipeline route is chosen in a way to gasify the maximum number of settlements. Nowadays, only 25% of whole settlements in Yakutia are gasified.

In addition, the creation of Yakutian gas production center will increase the level of employment of the local population. Emphasis is given to hiring and training local people. During operation of the gas pipeline and production facilities in the territory of the republic, “Gazprom” will need to use about 3,000 professionals. Today, “Gazprom” will organize training and studying processes in the Russian specialized educational centers and universities, stimulates the development of new educational programs.

In common that all means building of social infrastructure (railroads, roads, schools, hospitals etc.), development of research centers and universities, improving quality of life at the North (development of settlements by gasification and connected growth of population), financial support for cultural and traditional projects, globalization.

On the other hand, we should not forget about negative impacts. It is, of course, pollution of the environment, deforestation (in order to get more land for extracting resources from the Arctic shelf itself). But it is good if there will be research centers. Opening of these centers means that here will be investments which will lead to improvement of life’s quality in the Arctic for people. It will reduce the prices of air tickets and goods in shops. Attracting of scientists is a chance to scavengery of tundra. Anyway, we cannot stop globalization and development. We have to learn how to use them correctly for making life better and to use new scientific opportunities to solve old ecological problems, to optimize human intervention in nature. If we will be able to do that, we will make our global future such like we want. We should love and care for our planet and nature because the Arctic is “the keystone ecosystem for the entire planet”, it is the heart of our world.

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INTRODUCTION

Actuality of the theme – “Fundamentals of legal regulation of investment in G-20 countries” – bases on the fact that the creation of conducive environment for foreign investors is determinative factor of successful modernization of any state’s modern economy.

Strategic role of activation of investment communications between countries of G-20 was emphasized by the President of the Russian Federation V.V. Putin during (at) the summit in the Saint-Petersburg. Also he mentioned that “the growing of direct investments’ level, in other words, cross-border investment in infrastructure, isn’t enough, and, undoubtedly, it is necessary to solve the problems, connected to free floating of capital, bank lending’s deficiency, public-private partnership and so on, as a single set”.

The subject of the research is the G-20 countries investment relations: on the one hand, BRICS countries, the fast-growth alliance including Russia, are in the focus of the author’s attention; on the other hand – the most aggregable integration union – the EU, further on – USA with its long-standing experience of attracting investments into the economy.

The point is that at presentG-20 countries could well develop regime of reciprocity, where one of the most upcoming trends could be investment cooperation, which “brings synergic effect, which enables expansion of trade and other economic relations”.

And Russia is not an exception. Active attraction of foreign investments into Russian economy is, undoubtedly, one of the strategic objectives for the state, that can be reached by way of establishment of congenial investment climate as it’s common knowledge that foreign investors during their investment activity run risks of legislative amendments, possible political and economic instability, etc., that could cause infliction of loss. That’s why the most common mechanism of foreign investors’ protection is investment agreement.

Anyway there two types of IA:

1) Bilateral Investment Treaties (further on - BITs) - commonly agreed between net capital-exporting States and net capital-importing States (an example, in our opinion is Australia-China BIT)

2) Multilateral Treaties (further on - IIPPTAs) - commonly known as investment-inclusive preferential trade agreements (an example, in our opinion, is the North American Free Trade Agreement (further on - NAFTA).

Let’s look closer at BITs.

1 BILATERAL INVESTMENT TREATIES (BITs)

To a large extent international legal aspects of the relationship between countries and foreign investors are regulated bilaterally between countries. The idea of conclusion of BITs has evolved from the second half of the 20th century and today these agreements constitute a key component of the contemporary international law on foreign investment. The United Nations Conference on Trade and Development (UNCTAD) defines BITs as “an agreements between two countries for the reciprocal encourage-ment, promotion and protection of investments in each other’s territories by companies based in either country.” While the basic content of BITs has largely remained the same over the years, focusing on investment protection as the core issue, matters reflecting public policy concerns (e.g. health, safety, essential security or environmental protection) have in recent years more frequently been incorporated into BITs.
A typical BIT starts with a preamble that outlines the general intention of the agreement and provisions on its scope of application. This is followed by a definition of key terms, clarifying amongst others the meanings of “investment” and “investor”. BITs then address issues related to the admission and establishment of foreign investments, including standards of treatment enjoyed by foreign investors: minimum standard of treatment, fair and equitable treatment, full protection and security, national treatment and most-favored nation treatment. Thus, free transfer of funds across national borders in connection with a foreign investment is usually also regulated in BITs. Moreover, BITs deal with the issue of expropriation or damage to an investment, determining that – and in what manner compensation is to be paid to the investor in such a situation. BITs also specify the degree of protection and compensation that investors should expect in situations of war or civil unrest. Another core element of BITs relates to the settlement of disputes between an investor and the country in which the investment took place. These provisions, often called investor-state dispute settlement, usually mention the forums to which investors can resort for establishing international arbitral tribunals (e.g., ICSID, UNCITRAL or ICC) and how this relates to proceedings in host countries’ domestic courts. BITs also typically include a clause on State-State dispute settlement. Finally, BITs usually refer to the time frame of the treaty, clarifying how the agreement is extended and terminated, and specifying to what extent investments conducted prior to conclusion and ratification of the treaty are covered. Let’s look at the experience of the USA in this field as the United States has historically managed a very active strategy of negotiating BIT’s with other countries.

1.1 USA

It works on the basis of a “model BIT” that is used systematically as the basis for talks with different governments. US BITs are powerful agreements that not only cement commitments to provide the best treatment to US corporations operating abroad, but introduce substantial domestic policy shifts and political leverage for the US government in developing countries. Thus, the US bilateral investment treaty program helps to protect private investment, to develop market-oriented policies in partner countries, and to promote U.S. exports.

The BIT program’s basic aims are:

- to protect investment abroad in countries where investor rights are not already protected through existing agreements (such as modern treaties of friendship, commerce, and navigation, or free trade agreements),
- to encourage the adoption of market-oriented domestic policies that treat private investment in an open, transparent, and non-discriminatory way, and
- to support the development of international law standards consistent with these objectives.

It’s established that US BITs provide investors with six core benefits:

- U.S. BITs require that investors and their “covered investments” (that is, investments of a national or company of one BIT party in the territory of the other party) be treated as favorably as the host party treats its own investors and their investments or investors and investments from any third country. The BIT generally affords the better of national treatment or most-favored-nation treatment for the full life-cycle of investment -- from establishment or acquisition, through management, operation, and expansion, to disposition.

- BITs establish clear limits on the expropriation of investments and provide for payment of prompt, adequate, and effective compensation when expropriation takes place.

- BITs provide for the transferability of investment-related funds into and out of a host country without delay and using a market rate of exchange.

- BITs restrict the imposition of performance requirements, such as local content targets or export quotas, as a condition for the establishment, acquisition, expansion, management, conduct, or operation of an investment.

- BITs give covered investors the right to engage the top managerial personnel of their choice, regardless of nationality.

- BITs give investors from each party the right to submit an investment dispute with the government of the other party to international arbitration. There is no requirement to use that country’s domestic courts.

Consequently, American united system of BIT’s is one of the most protective system for investment in the world. Further on let’s pass to the experience of the European Union, as it provides us idea of another type of BIT’s regulation – dual system of BIT’s.

1.2 European Union

When the Lisbon Treaty entered into force in December 2009, the European Union (further on - EU) was granted exclusive competence over its member states for dealing with ‘foreign direct investment’. This competence, part of the EU’s common commercial policy, extended to bilateral investment treaties concluded between EU member states and third countries (further on - Extra-EU BITs).


This Regulation clarifies how member states and the EU will enforce existing Extra-EU BITs and negotiate new Extra-EU BITs in light of the preparation by the European Commission (further on - Commission) itself of future bilateral investment treaties that will replace existing bilateral investment treaties entered into by member states. In this perspective the status of existing and future Extra-EU BITs is of interest, in our mind.

As for status of existing Extra-EU BITs, it looks like that:

- The default position is that Extra-EU BIT’s signed prior to December 2009 will remain in force until they are replaced by new treaties between the EU itself and the relevant third countries (the EU BITs).

- Extra-EU BIT’s signed after December 2009 will need to be reviewed by the Commission in order to ensure their compliance with EU law.

- Although the Commission is not directly empowered to require member states to terminate or renegotiate an existing Extra-EU BIT, the Commission and the relevant member state must enter into consultations if one or more provision(s) of the relevant Extra-EU BIT constitutes a ‘serious obstacle’ to the EU’s negotiation of a future treaty with the relevant third country. Such consultations will determine whether the relevant member state needs to renegotiate or terminate the relevant Extra-EU BIT.

- However, the Regulation ignores the survival clauses in most bilateral investment treaties, which usually guarantee protection for existing investments for 10 to 15 years after termination. Any termination of Extra-EU BITs would be subject to these ‘sunset clauses’.

As for status of future Extra-EU BITs it goes like this:

- Where the EU has not concluded a BIT with a third country, member states will still be able to open talks with trading partners. However, such talks will need to be approved and supervised by the Commission, which may also require the member states to include relevant provisions in the treaty under negotiation in order to ensure compliance with EU law.

- In relation to future bilateral investment treaties or free-trade agreements to be negotiated by the EU, there have been suggestions that Canada, India and Singapore will form part of the EU’s first wave of negotiations. Other ASEAN countries, Japan and the Arab Spring countries may be part of a second wave.

- There is, however, currently no model EU BIT and little guidance at EU level as to the investment protections that will be included in any EU BIT. As the negotiations with Canada are showing, it appears likely that the EU will be guided by the content of existing Extra-EU BITs as a starting point.

So the question arises how it will impact on the resolution of disputes. The answers are the following.

- If a dispute arises from existing, amended or newly executed Extra-EU BITs, the Commission will have the right to participate in the proceedings in order to ensure the best defence against any claims.
The Commission furthermore proposes to issue another regulation on establishing a framework for managing financial responsibility linked to investor-state dispute settlement tribunals established by international agreements to which the European Union is party (the Proposed Regulation), which would cover the conduct of claims against EU member states under existing Extra-EU BITs.

The default position under the Proposed Regulation would be that the member state would act as the respondent in any investment claim. However, the Commission would still have the discretion to decide who the proper respondent might be in circumstances where the claim arose from measures taken by EU institutions.

The Proposed Regulation would also empower the EU to override the wishes of a member state and to dictate that claims be settled in cases where “there is an overriding interest of the Union at stake”.

Regardless of the eventual allocation of financial responsibility between the member state and the EU, provision would also be made in the Proposed Regulation for the prompt payment by the EU of any settlement agreed or award rendered in the investor’s favour.

Concerning future development of BIT’s in the EU, European Commission edited “fact sheet”, dated as November, 26, 2013, in which says that it is “working to bring improvements on two fronts”:

First, clarifying and improving investment protection rules, and in this direction it:
- Reaffirms right to regulate to pursue legitimate public policy objectives,
- Gives detailed provisions on what constitutes an indirect expropriation,
- Provides fair and equitable treatment standard will set out precisely what elements are covered and thus prohibited;
- Dealing with conflicts of interests and consistency of arbitral awards
- Binding code of conduct for arbitrators
- Introducing safeguards for parties (allow States to control interpretation).

Concerning question of BIT’s of new members, concluded before accession to the EU, there is clear position of European Court fixed in such cases, as Commission v Republic of Austria, Commission v Kingdom of Sweden, Commission v Republic of Finland.

At these judgments European Court upscale definition of non-conformity of international agreements, concluded by the States-Members before access to the EU, with the law of the EU to any cases of contravention, including potential, nonexistent at the moment of trial, turned from effects-based test to the concept called by many EU law’s scientists “the concept of hypothetic non-conformity”.

1.3 BRICS countries

This article is touches upon certain aspects of legal regime of foreign investment within the framework of BRICS countries.

The BRICS countries – Brazil, Russia, India, China and South Africa – have played an important role in the current pattern of global investment, and are emerging as major recipients of foreign direct investment (FDI) as well as increasingly important outward investors, according to the United Nations Conference on Trade and Development (UNCTAD).

1.3.1 China

As for China we consider that China has already entered into BITs which provide more protection and choices for foreign investors with more than 130 countries.

The main features of Chinese BIT’s are the following:

Chinese government promises in BITs that:
1. Foreign investment can be accepted and protected according to Chinese laws and can receive fair and equitable treatment, most favored nation treatment and/or national treatment. Therefore, when a foreign investor’s request is rejected illegally by Chinese investment authorities (e.g. Ministry of Commerce), or the case involving foreign investment is procedurally unfair or materially unfair in Chinese judicial system (e.g. courts), the foreign investor can claim for compensation under BITs. For example, trial of second instance of Gansu High Court upheld the verdict that the valuation adjustment agreement in private equity investment was invalid, which was apparently contrary to the commitment of the Chinese government in BITs and the investor’s reasonable expectations. Further on if the private equity funds investor is a foreigner, he should consider the BIT between his home country and China to protect his own rights and interests;
2. The expropriation or nationalization of foreign investment for the purpose of public interest should be carried out in accordance with legal procedure and that foreign investors can gain reasonable, prompt and adequate compensation. Therefore, recently in the field of the real estate market rectification and economic structure adjustment, foreign investors whose land being confiscated or project being cancelled, can claim for redress based on BITs. So far, the only international arbitral claim against Chinese government based on BITs (registered in ICSID on May 24, 2011) arose after the expropriation of the foreign investor’s project in Hainan by the government of Hainan province.
3. In addition, the investment and investor definition clause, compensation and exchange restriction clause, host country default clause, right of subrogation, dispute resolution and protection period clause are also particularly important to protect foreign investors. Foreign investors should estimate the treatment, fairness, damage, nationalization and expropriation, exchange restriction, relief method when the host country defaults under BITs at the risk evaluation stage of a new investment in China, instead of paying attention to BITs until rights are infringed. Foreign investors can also establish their investment framework to better prevent abovementioned risks through careful study of BITs.

This overview gives us the idea in June 2007, China had already concluded 120 BITs, making it the second largest contracting party to BITs worldwide. This increase in the sheer number of agreements since the early 1980s reveals Beijing’s growing acceptance of international investment law.

1.3.2. India

As a part of the Economic Reforms Program initiated in 1991, the foreign investment policy of the Government of India was liberalized and negotiations undertaken with a number of countries to enter into Bilateral Investment Promotion and Protection Agreement (further on – BIPAs) in order to promote and protect on reciprocal basis investment of the investors. Government of India have, so far, (as on May 2011) signed BIPAs with 80 countries out of which 70 BIPAs have already come into force and the remaining agreements are in the process of being enforced. In addition, agreements have also been finalized and/or being negotiated with a number of other countries.

The objective of Bilateral Investment Promotion and Protection Agreement is to promote and protect the interests of investors of either country in the territory of other country. Such Agreements increase the comfort level of the investors by assuring a minimum standard of treatment in all matters and provides for justifiability of disputes with the host country.

As per Model Text of BIPA its preamble says that “BIPA desires to create conditions favorable for sustaining greater investment by investors of one State in the territory of the other State; Recognizing that the encouragement and reciprocal protection under International agreement of such investment will be conducive to the stimulation of individual business initiative and will increase prosperity in both States.”

It is clear from its preamble that the intent of the policy is to foster greater foreign investment and stimulate individual business initiative through protecting and protecting interests of the investors of either country in the territory of the other country.

The legal text of BIPA clearly defines the standards of treatment for foreign investment and set mechanism of dispute settlement, etc. It so increases the level of comfort of foreign investors by assuring on fair and equitable treatment in all matters and provides for justifiability of disputes with the host country. The risk associated with the investment such as the risk of policy reversal or dynamic inconsistency of public policy is addressed can be fixed using BIPA by bringing in consistency of policy in longer run. It also guarantees on post establishment rights of the invest-
tor by ensuring protection of their assets created or brought into the country, assuring the right to repatriate profits and the capital, and protection against arbitrary expropriation.

Various clauses in the text of enforced BIPA such as fair and equitable treatment, expropriation, paying compensation in case of losses are now increasingly interpreted in more liberal way than it was expected and therefore inviting financial claims against the state. Some of the concerns recently raised are relating to definition of investment, fair and equitable treatment and non-discriminatory expropriation. The definition of ‘investment’ in BIPAs is open ended, which define investment as ‘every kind of asset’ owned and controlled by an investor. It includes all assets, even if, it has no nexus with the purpose of the investment made. The definition also includes the portfolio investment, which may not make significant contribution to the economy and do not hold economic value to access the benefits under International Investment Agreements (IIAs).

Therefore, it is possible to conclude that India in the BIPA provides very liberal regime for foreign investors, even in the prejudice of India’s economic interest.

1.3.3. Russia

As for Russia over the past few months, Russia’s President Vladimir Putin has been busy campaigning for foreign investment into various industries of the Russian economy. In a nutshell, the thinking behind the new plan for improving the investment climate in Russia is that easing access to strategic industries for foreign investors will do the trick. At the time the Russian Federation is a signatory to 44 BITs, for foreign investors will do the trick. At the time the Russian Federation is a signatory to 44 BITs, Contracting parties seek to extend the application of benefits granted to nationals of third states to nationals of a Contracting partner. MFN clauses traditionally contain the word “treatment” that pertains to the bundle of substantive and arguably other rights and privileges. Controversy exists as to whether an arbitration provision is encompassed within the term “treatment”.

Thus, in view of the foregoing considerations it is possible to conclude that in the field of international investment law bilateral treaties on promotion and protection of investments play considerable role. Its main goal is to provide investors in the conditions of economic crisis with relative stability protecting them by means of legal measures from so called non-commercial risks.

The provided analysis makes us possible to conclude that in spite of differences between American and European models in the past, they have very similar models of BIT’s at the present time. Now EU is at the stage of development of equal system of BIT’s, concluded by EU.

As for BRICS countries that India and China in the BIPA provides very liberal regime for foreign investors too. Moreover, the idea of creation of a business-friendly investment climate in Russia embodies in the bilateral treaties that satisfy the needs of reliable international law protection of foreign investors.

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The Challenges of Applying Gender Equality Principles in the Pacific — the Case of Nauru

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INTRODUCTION

Introducing western institutions to developing states have dominated the imagination and discourses for well over a century as illustrated by the case of Nauru and its ratification of CEDAW. Focusing on the challenges of applying international gender norms in Nauru this paper confronts the multiplicity of such a process that ignores important historical, political and social considerations. This paper explores one key aspect of multiplicity — namely Nauru’s colonial history that is integrally linked to its institutions and their capacity and has ramifications for gender equality. While all Pacific nations share legacies of colonialism, Nauru’s colonial legacy is unusual in its relationship to numerous colluding States with the support of the United Nations having been characterized foremost by the island’s once-rich phosphate resources, and in its innovative litigious response to Imperialism — having filed in the International Court of Justice a suit against its once ‘protector’ Australia, in 1992. This paper focuses particularly on the ongoing relationship between Nauru and Australia since Independence in 1968, to highlight the continued influence of neocolonialism on local governance, and therefore, gender equality. The paper is divided into three main parts: the first assesses the role of international norms in forging gender equality; the second examines the role of Nauru’s colonial history in shaping its institutions; and the third reflects on the manner in which these institutions impact on applying gender equality in Nauru.

1. GENDER EQUALITY THROUGH INTERNATIONAL NORMS

International law’s pivotal role in bringing human rights norms to global citizens is embodied in the International Covenant on Civil and Political Rights\(^1\), and the International Covenant on Economic, Social and Cultural Rights\(^2\). Gender equality is dealt with generally in article 3 of the International Covenant on Civil and Political Rights that protects the right of men and women to equal enjoyment of the civil and political rights listed in the Covenant and article 3 of the International Covenant on Economic, Social and Cultural Rights which protects the right of men and women to equal enjoyment of the economic, social and cultural rights listed. More specifically it is dealt with in the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), which is an affirmation of equality between the sexes in the enjoyment of their human rights and respect for their human dignity and worth\(^3\). It obliges States Parties to pursue a policy of eliminating discrimination against women, which it defines as any distinction, exclusion or restriction made on the basis of sex that has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women of their human rights in the political, economic, social, cultural, civil or any other field\(^4\). The Convention sets out a series of measures to be taken for the purpose of eliminating discrimination in relation to women’s legal, social, political and economic status. Nauru has ratified ICCPR and CEDAW\(^5\). It is also a party to the Millennium Development Goals, where in Goal 3 deals

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\(^1\) International Covenant on Civil and Political Rights (opened for signature 16 December 1966, entered into force 23 March 1976).


\(^3\) See the Preamble to the Convention on the Elimination of All Forms of Discrimination Against Women, opened for signature 1 March 1980, 1249 UNTS 13 (entered into force 3 September 1981).

\(^4\) CEDAW Arts 1, 2.

\(^5\) Nauru ratified ICCPR in 2001 and CEDAW in 2011.
with the promotion of gender equality; the Beijing Platform for Action which recognizes the commitment of governments to ensuring women’s participation in decision-making structures; the Pacific Platform for Action which has agreed that women’s development should become an important priority. The discussion in this paper limits itself to CEDAW as this represents the single most important international instrument regulating global gender norms.

Nauru acceded to CEDAW on 23 June 2011 which obliges the government to take action in both the public and private sectors to eliminate discrimination against women and to introduce measures where required to achieve equality. Three provisions of CEDAW are of particular relevance to the discussion here: Article 2 which obliges States Parties to adopt, modify or abolish legislation that discriminate against women; Article 4 which promotes the adoption of temporary special measures aimed at accelerating de facto equality; and Article 5 requires appropriate measures be taken to modify the social and cultural patterns of conduct of men and women, with a view to achieving the elimination of prejudices and customary and all other practices that are based on the idea of the inferiority or the superiority of either of the sexes or on stereotyped roles for men and women. Further there are a number of reporting requirements for signatories designed to track their progress in the implementation of the measures that they have undertaken to put in place under the Convention. Article 18 requires States Parties to submit for consideration by the UN a report on the legislative, judicial, administrative or other measures that they have adopted and on the progress made within one year after they have ratified the Convention and at least every four years after that.

Activists including NGOs and multilateral institutions see Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) as offering a pathway to obtain direct aid funding to build capacity among national institutions and build the commitment of national governments, thereby improving women’s lives. On the other hand others are more critical arguing that international laws generally ignore the realities of the day, including social norms, customary laws and institutional capacity (Charlesworth (2011); Bertolino (2006)). It is clear, as the case of Nauru demonstrates that histories make nation states and international law, which turns a blind eye to these histories, offers the process to help women. However to succeed there has to be an understanding of the multiplicity of international laws. CEDAW has been an important instrument that has propelled gender equality to the fore since coming into force in 1981. However it ignores the intersection of historical legacies of colonialism with the cultural, customary and religious discriminations by which women are bound and by ignoring these aspects it has given rise to a conflict between equality norms and cultural/customary norms.

2. THE SPECIAL CASE OF NAURU — COLONIALISM

All Pacific nations share legacies of colonialism. Nauru’s colonial legacy is unusual in its relationship to numerous colluding States with the support of the United Nations (and League of Nations) having been characterized foremost by the island’s once-rich phosphate resources, and in its innovative litigious response to Imperialism — having filed in the International Court of Justice a suit against its once ‘protector’ Australia, in 1992. The ongoing relationship between Nauru and Australia is today characterized by a neo-colonial financial and political relationship whereby Nauru is primarily responsible for the processing, detaining and accommodating of individuals claiming to seek asylum and resettle in Australia. The Micronesian coral island of 21 square kilometres was ‘discovered’ and named Pleasant Island by Captain Fearn of the British Ship Hunter in 1798. In 1888 after Britain and Germany had entered into the Anglo-German convention dividing the Pacific (1886), Germany extended its Marshall Islands Protectorate to annex Pleasant Island, changing its name to Nauru (from the Nauruan word Anoaero, meaning ‘I go to the beach’) and establishing tribal Kings as legimate rulers of the 1294 local people (Haynes 2004, 2). The terrain of the island and its encompassing coral reef with no natural harbours, have made agriculture production extremely limited. Fish, coconuts, breadfruit and pineapple were the main natural food sources of Nauru. The country’s modern fate was sealed in 1901 when significant phosphate deposits were discovered and Germany provided a mandate to a German mining company to exploit guano and phosphate resources in the Marshall Islands. In 1906, in exchange for phosphate royalties, land, plantations and trading stations in the Marshall Islands, Germany transferred all exploitation rights in Nauru to the British Mining company that was already plundering the phosphate of Ocean Island — the Pacific Phosphate Company (Charteris 1932–1924, 138). In the early 20th century Germany and Australia were the primary destination markets for Nauruan phosphate.

During the First World War Australia occupied Nauru and controlled its Phosphate industry. At the Paris Peace conference the Australian government lobbied for its full annexation of Nauru to control phosphate supplies, but was opposed by the US and New Zealand. With British support Australia brokered a compromise whereby Nauru (and New Guinea) remained under the control of the League of Nations, but was administered by the ‘laws of the mandatory’ (the UK) to promote the ‘material wealth and physical wellbeing of the people of Nauru’, without granting sovereignty to the UK (Reyes, 1996, 12). Phosphate remained a contentious issue among the colonizers and in 1919 the Nauru Island Agreement was brokered between Australia, Britain and New Zealand to manage extraction and share phosphate, and appoint Australia as initial administrator of the new regime. In 1927 after paying minimal royalties to the Nauruans, the British Phosphate Commission was granted control of the industry and ownership of the phosphate and associated land (Reyes, 1996, 12). During World War II Nauru (which had grown to 2000 residents) was occupied by Japan for use as an airstrip, bombed by the US, and lost a third of its population before being liberated by Australia. The island’s fate then returned to the international community when the United Nations declared it a Trust Territory under the 1947 Trusteeship Agreement for the Territory of Nauru, Australia, New Zealand and the UK accepted the responsibility for ensuring the safety, wellbeing and development of Nauruan society (Reyes, 1996, 13). The British Phosphate Company resumed control of the phosphate mines and Australia assumed primary administration of the nation.

Both Mandate and Trusteeship systems were created ideally to protect dependent peoples from colonial exploitation and prepare nations for independence as sovereign states (Anghie 1993, 444). Nauru provides an exemplar of both systems and, therefore, the ‘new approach’ to the non-European World after the Paris Peace Talks, when international law promised to fulfill its goal of incorporating all territories into international society and governance on equal terms as ‘part of one, universal system’ (Anghie 1993, 448). The Nauru experience clearly illustrates the limitations of the ‘new’ approach to decolonization — most strikingly, its capacity to be stymied and exploit- ed by regional interests. From the 1950s Nauruan dissatisfaction grew with the tripartite administrative regime that excluded indigenous citizens from participation in governance (other than limited local governments) and from all rights associated with the phosphate industry. In 1963 Australian farmers paid a third of the world price for phosphate before Nauru was finally able to negotiate the world price for the resource (Hughes and Gaspar-Nowak 2004, 18). Nauruan campaigns for self-determination culminated in 1967 when the Nauru Local Government Council established the Nauru Phosphate Corporation to purchase the entire phosphate industry, and in 1968 when the 5000 head nation achieved independence. Foreseeing the depletion of phosphate in the late 20th century, Australia lobbied for the resettlement of the Nauruan population to an Australian island, rather than independence (Tabucanon and Opeskin 2011).

Successive Nauruan governments maintained that the tripartite administration was responsible for the rehabilitation of all mines depleted before 1967, which the former administrators denied. In 1989 after seeking reparations via diplomatic channels, the Nauru government commenced proceedings against Australia in the International Court of Justice claiming losses from the failure of Australia (and the other administrators) to rehabilitate the mines depleted prior to 1967 ($72 million), and losses from the nature of the phosphate extraction, industry and sales ($172.6 million) (Anghie 1993, 453). In 1993 Australia reached a Compact of Settlement out of court of $107 million (with New Zealand and the UK contributing (Reyes 1996, 33)): $57 million upfront and $50 million over a period of 20 years (paid in annual installments of $2.5 million indexed at 1993 values, e.g. $3.9 million in 2011–12). The projects to be undertaken with this money are governed by the Rehabilitation and Development Co-operation Agreement (RADCA), (Australian Government 2004). From the time of independence aspects of the Nauru–Australia relationship continued as neo-colonial, with Nauru adopting the Australian dollar
and continuing to export significantly to Australia. Nauruan governments sought long-term investment strategies to offset the looming depletion of the phosphate mines, predicted to expire in the late 1990s. The Nauru Phosphate Royalties Trust was established as sovereign wealth fund to provide a reliable national income once the phosphate was extinguished. But the 1970s sudden peak in phosphate prices quickly provided Nauru the second highest per Capita GDP in the world (after Saudi Arabia), and modest long-term investing of royalties was overshadowed.

The combination of poor investments and financial management with the collapse of the Australian phosphate market in the mid-1980s meant that by the late 1990s the country was in economic crisis. The government turned to off-shore banking and was soon caught up in money laundering and passport sales scandals and was ultimately forced to liquidate the Bank of Nauru. In 2002 the US listed Nauru as the first Rogue State under its 2001 Patriot Act (Hughes 2004).

By 2000 Nauru was virtually bankrupt with numerous large outstanding debts, almost entirely dependent on international aid, and exhibited some of the poorest development and health indicators in the Pacific. The fate of the nation, and its relationship with Australia altered radically again when in 2001 the Australian government amended its Migration Act and brokered 'The Pacific Solution' – an arrangement in place until 2007 by which individuals seeking to enter and claim asylum in Australia were transported to Nauru and Papua New Guinea for detention and 'processing'. Along with providing infrastructure, Australia's financial contribution to Nauru ballooned during this period. Between 1992 and 2001, Australia gave $24.6 million in aid to Nauru. From the establishment of the detention centres in early 2001 until mid-2006, Australia gave over $123 million in aid (Oxfam 2007, 5). In 2004 as the country looked set to descend into constitutional crisis, with a deadlocked parliament, and significant international debts, Australia provided another package of $22.5 million (Hughes 2004, 19).

The exact nature of the relationship between Nauru’s governance and the super profits of its resources is probably impossible to determine definitively. The country has endured volatile governance for decades, and the fate of the small remaining portion of the Trust has been central to recent elections. After independence Nauru’s political system was stable until the late 1980s, but on the realisation of the end of phosphate, governance became increasingly unstable with 23 changes of administration between 1989 and 2011. After the Australian bailout in 2004, politics appeared to stabilise, but in 2010 a ‘state of emergency’ was declared after the parliamentary Opposition blocked supply (UNDP). The structure of the political system lends itself to fluctuations in power. Nauru is governed Nauru by a Westminster-style unicameral parliament. Until 2010 the parliament housed 18 members, frequently resulting in deadlocked votes. It now houses 19 members, elected every three years. Nauru does not recognize formal political parties, although groupings do form. The executive consists of a President who is appointed from amongst the members of the legislature. The President performs the functions of both the Head of State and Head of Government. The President appoints the Cabinet, which can be made up of six ministers (including him/herself) from the elected Members of Parliament. Alliances are fluid and may change suddenly (UNDP).

Perhaps the most significant of Australia’s recent impacts on Nauru were the public sector reforms it demanded as conditions of aid from 2004, when Australia and instated neo-colonial administration in the form of Australian head of the Nauru Finance Department and Police Commissioner (Hughes and Gosarevski 2004, 19) as supported by the Biketawa Declaration of 2000 and administrated by the Pacific Regional Assistance for Nauru (PRAN) initiative until 2009. Australia also demanded that Nauru cease issuing ‘investor passports’ and operating ‘post box’ banks, while meeting ‘all requirements’ of the process for removal from the Financial Action Task Force blacklist (MacLellan 2013). In response Nauru passed legislation including the Proceeds of Crime Act, the Center Terrorism and Transnational Organized Crimes Act and the Mutual Assistance in Criminal Matters Act (2013). Since 2004 state owned enterprises such as telecommunications, water and power (services historically provided by the Nauru Phosphate Corporation) have been reviewed with a view to privatization, and the public sector reviewed with a view to rationalization (MacLellan 2013). Under the PRAN Nauru developed a National Sustainable Development Strategy (NSDS) (2005-2015) by which, ‘for the first time ever, Nauru came together as a nation and created for itself a vision for the future’ all (Government of Nauru 2009). The NSDS is based on the Millennium Development Goals (MDGs) and in 2012 Nauru reported its MDG progress for 1990–2011, highlighting progress made towards achieving universal basic education, reducing maternal mortality, providing universal access to treatment for HIV/AIDS, halting and reversing the spread of tuberculosis, providing access to essential drugs, and making the benefits of new technology more accessible to all (Government of Nauru 2012).

4. GENDER EQUALITY IN NAURU

It has only been since the late 1990s that the centrality of women’s rights to the overall development of Nauru has been recognized. The Department of Women’s Affairs was established 1997, developing a National Plan of Action for Women in 1998. Previously, the Department of Foreign Affairs dealt with issues concerning women, and their only formal source of representation was an NGO, the Nauru National Council of Women. A 2004 review of the National Plan of Action for Women confirmed 16 separate issues of concern for women including Health, education and training, violence, decision making and governance and the economy. A 2005 Situational Report conducted by UNICEF found that issues of concern for women and children mostly reflect the economic situation of the entire populace, the challenges of providing full employment, and a decreased capacity to ‘maintain essential services and reduced household security’. Non-commensurable diseases (especially diabetes), smoking rates, diet/fitness and domestic violence are the primary health issues for women (UNICEF 2005). In 2009 the NSDS was revised to include the development goal of a ‘just society that that recognizes and respects the rights of women and promotes equal opportunities’, with related short, mid and long term milestones identified (Government of Nauru 2009). In 2013 the Government of Nauru contracted the Asian Development Bank to develop the country’s first women’s policy. But gender equality remains a low priority in development strategies. The 2009 Nauru – Australia Partnership for Development aims to assist Nauru in meeting both its NSDS and MDG objectives, but does not prioritise (or refer to) gender, girls or women (DFAT 2009).

One of the most significant recent developments related to women’s equality is the ratification by Nauru of CEDAW on 23 June 2011. Just prior to ratification, the Nauru Office of Parliamentary Counsel undertook a review of domestic legislation to identify its compliance with CEDAW and recommended that at this early stage Nauru should concentrate on basic compliance with the CEDAW. Like the experience of other Pacific states, implementing CEDAW has been challenging in Nauru. An important factor has been the lack of attention paid to informal institutions in the process of pursuing gender equality. For our purposes we adopt the definition of formal and informal institutions proposed by Gretchen Helmeke and Steven Levitsky (2004). Formal institutions are defined as rules and procedures that are created, communicated, and self-enforced through channels widely accepted as official, including domestic laws such as the constitution and international laws such as CEDAW. Informal institutions are defined as ‘socially shared rules, usually unwritten, that are created, communicated and enforced out-
4.1 Domestic Violence laws

It is not only laws that directly discriminate which need scrutiny but also societal norms, customary laws and cultural practices. One fundamental issue in Pacific states is domestic violence that is widespread and has been acknowledged by governments. In Nauru the government introduced specific legislation, a safehouse and associated measures to protect victims. The reporting of violence was high as soon as the law was introduced, but fell sharply soon after. Minister Charmaine Scotty reflected on the reasons for this stating that initially women came forth and reported the assaults, but soon stopped when they realized that this would mean that their partners would be removed from the workforce and the women and their children would then not have necessary money to live. Minister Scotty saw this as a failure of policy makers and called for the engagement of men at the policy formulation stage. While we see legislative change is important in demonstrating government commitment, such moves may meet with resistance from informal institutions. In this case informal institutions have subverted the formal laws and the enforcement bodies.

4.2 Promotion of women to leadership positions

Women's political representation in Nauru remains very low. Minister Scotty, elected in 2013, was only the second woman elected to the parliament. The 2012 Nauru MDG report noted that, among other concerns, 'more focused interventions are needed to promote gender equality in leadership positions. Nauru is 'well behind for this indicator, together with some of its Pacific Island neighbours' (Government of Nauru 2012). The Report continued: 'Despite numerous commitments for the advancement of women in decision making processes in the Pacific, articulated in regional and international guiding documents, women in the region, specifically in the Small Island Developing States (SIDS) remain largely invisible from highest levels of decision making' (Government of Nauru 2012). Temporary Special Measures are being widely advocated in all spheres as a means of increasing women's participation and are specifically referred to in Article 4 of CEDAW as a means of promoting equality. The last referendum held in 2011 attempted to introduce a number of equality principles. However it was defeated and it has been suggested that this was due to the lack of awareness about the content of the proposals in the community. The National Council of Women, which carries considerable weight, opposed the referendum on the basis that it did not sufficiently reward merit. This reflects the manner in which masculinist power, through the rhetoric of individual merit is institutionalized to the extent that it is unable to gain the support of the central institution on equality. Again this can be described as the informal institution subverting the proposal for a formal rule (Waylen, 220, Chappell&Waylen, 602). Accordingly any TSM have to be constructed carefully and be accompanied by training on equality principles as well as the ways in which TSMs would bring about improved and inclusive governance.

5. CONCLUSIONS

Nauru's relationship to Australia continues to be central to its development, governance and political life, with Australia acting as the primary donor. The 2009 Partnership for Development between the two countries outlines key trade and investment strategies. In September 2012 after diverging a significant proportion of its foreign aid budget to the processing of asylum seekers, the Australian government reestablished a Refugee Processing Centre on Nauru. The RPC was then reinvigorated in 2013 after the new conservative Australian government promised to build a 'tent city' for up to 5000 refugees to live on Nauru. However in February 2013 Nauru's Chief Justice, Australian Geoffrey Eames resigned after his visa was withdrawn by the Nauruan Government (Newton Cain 2014). Despite Australia's driving of the Biketawa Declaration outlining the principles of governance by the members of the Pacific Islands Forum, Australia has had little to say about the recent events concerning the rule of law in Nauru. This has led to criticism that given the history of Australia's involvement with Nauru 'it seems disingenuous to seek to adopt a "hands off" approach at this juncture. The interweaving of the bureaucracies of Nauru and Australia, which has involved key positions in the Nauru government machinery being occupied by Australian public servants and contractors, is extensive' (Newton Cain 2014). The obstacles Nauru faces to gender equality, as a Small Island Developing State are intimately connected to its colonial legacies — hence its contemporary governance — as well as informal institutions outlined in this paper. The Australian mission outlined in Biketawa would do well to include leadership and capacity building in the informal as well as formal legal arena.

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INTRODUCTION

"Silence is the language of complicity." (Kimm 2004, p. vii)

Subject to brutal Colonisation, racism and dispossession from their land, Indigenous peoples universally constitute one of the most vulnerable demographics. Historically marginalised, culturally distinct and socio-economically disadvantaged; Aboriginal and Torres Strait Islanders are no exception. Yet asymmetrical power relations are not only racial, but also gendered, with further discrimination and violence directed against Indigenous women by men. This double jeopardy of Indigenous women calls for further assistance from legal and support services to address the unacceptable vulnerability of Indigenous Australian women to domestic violence. As a long history of legal jurists and politicians have observed, we must judge a society and the quality of the system of laws on how it treats its weakest members.

1. DOMESTIC VIOLENCE AND INDIGENOUS AUSTRALIA: THE ISSUE

This essay will focus upon Indigenous women as particularly vulnerable to domestic violence, due to its severity, prevalence and acceptability within Indigenous populations (Partnerships Against Domestic Violence, 2003). Such analysis, must however, first be grounded within the context of wider Indigenous societal, economic and historical disadvantage. Within Aboriginal and Torres Strait Islander communities, unemployment, alcohol abuse and representation within the jail system disproportionately higher than the national average. In 2008, Indigenous Australians constituted 24% of incarcerations, despite being a mere 2.3% of the total population (Australian Human Rights Commission, 2008). Furthermore, 60% of assaults and 67% of domestic violence incidents in the Northern Territory Indigenous population are alcohol related (Australian Human Rights Commission, 2012). The young age structure of the Aboriginal Australian population means that the scale of these issues is set to increase over the coming decade (Dick, 2007).

Despite these issues, "Indigenous peoples are not merely 'disadvantaged citizens' " (Dick, 2007). Their poverty and inequality are a contemporary reflection of their historical treatment as peoples, under colonisation, segregation and the Stolen Generations. As acclaimed Indigenous activist Dr Lowitja O’Donoghue asserts, whatever the wounds of a devastated past, "simply excusing violence on the grounds that the perpetrator is a victim too is not on" (Kimm, 2004, p. 12). Excluding domestic violence against women on these grounds just perpetuates vicious cycles of abuse and complicity.

Domestic violence is prevalent within Aboriginal Australian populations. At present, one in three Australian women will experience physical violence and one in five will experience sexual violence in their lifetime (Human Rights Law Centre, 2013). Yet Indigenous women are 45 times more likely to be subject to domestic abuse than non-Indigenous women (Australian Human Rights Commission, 2012). The severity of domestic violence within Indigenous communities cannot be not dismissed as an ‚Aboriginal issue.’ Aboriginal Australian women are 35 times more likely to be hospitalised for injuries sustained from domestic violence than non-Indigenous
women, whilst Indigenous women in the Northern Territory are 69 times more likely (Australian Human Rights Commission, 2012, Australian Study Tour Report, (Northern Territory Government, 2012). Furthermore, the homicide rates for Aboriginal Australian women is up to 23 times higher than non-Indigenous women (Australian Human Rights Commission, 2012, Australian Study Tour Report, p. 13). Treating domestic violence as a private family or cultural issue condones the practice through non-intervention and perpetuates the injustice that Indigenous women face within the judicial system.

The prevalence and severity of domestic violence reinforces the doubly vulnerable status of Indigenous women, showing that “Private inequality is a source of public disadvantage” (Meyerson, 2013). For Aboriginal historian Jackie Higgins, “We are, in fact, women too and not just Blacks. Black women experience a series of multiple oppressions simultaneously” (Kimm, 2004, p. 14). This subjugation occurs through a culture of non-reporting and domestic violence that is often so severe that for the Wirringa Baiya Aboriginal Women’s Legal Centre, it “…is best described as torture” (Attorney General of Australia, 2009, p. 209).

2. UNDER-REPORTING OF DOMESTIC VIOLENCE: AN ANALYSIS

Support organisations, legal services and government agencies must pay close attention to silences and cultural considerations that have deterred Indigenous women from reporting domestic violence in order to best be of assistance. Up to 90% of cases of domestic violence are not reported according to 2007 studies, for reasons including distrust of the legal system, reluctance to involve police in domestic disputes and inadequate access to legal services in remote areas (Willis, 2011). Under-reporting also occurs because of pressure from family members not to involve the police, fear of reprisals and shame (Northern Territory Government, 2012). All these causal factors and more must be addressed to develop a coherent policy (Human Rights Law Centre, 2013). The criminal justice system has failed to respond to Aboriginal women’s needs where their evidence is given less weight than men’s, when judges believe claims that domestic violence is customary and therefore deliver a less severe sentence to perpetrators and when they are treated harshly or sexually harassed at the hands of police.

Access to culturally appropriate and sensitive legal options for Aboriginal women is limited. The formality of the court room, legalese and questioning techniques can be culturally confronting, so judicial officers must be aware of this and prepare their clients suitably. In R v Kina [1993] QCA 480, cultural differences in communicative style resulted in a life sentence with hard labour. Her lawyers found Kina “extremely difficult to communicate with” (Eades, 2003, p. 1119) as she spoke Aboriginal English, felt uncomfortable discussing her sexual experience of domestic violence and did not immediately offer up facts. Her White lawyers had no experience, training or knowledge about how to communicate with Indigenous clients (Eades, 2003).

The trial was one of the shortest murder trials in Queensland’s history, concluding after less than one day as Kina did not present evidence and no witnesses were called to support her. After the murder conviction was quashed on appeal, the Queensland Attorney General called for the legal system to be knowledgeable on and sensitive to cross-cultural communication (Eades, 2003). Face-to-face communication, taking the time to build a trusting lawyer-client relationship and using limited legalese are best for Indigenous clients (Hensen and Hamey, 2011). Without any training, a lawyer would not know this, nor would they understand that for Aboriginal Australians, a funeral takes precedence over absolutely any event, including Court appearances (Hensen and Hamey, 2011). More Indigenous employees in the legal sector and regular cultural awareness training for non-Indigenous lawyers is paramount for a fair trial.

3. ADDRESSING DOMESTIC VIOLENCE: ON-GOING CHALLENGES

Indigenous communities have a complex context of violence with numerous and interconnected factors (Australian Human Rights Commission, 2012). One factor of particular concern is the normalisation of violence against women, with women becoming resigned to ‘their lot’ (Australian Human Rights Commission, 2012). The violence has also been justified on the grounds that it is ‘customary’ to treat women in this manner. Traditionally, women held a proud and respected place in Indigenous culture, as provider and carer of children, participant in rituals and as Elders (Davis, 2007). Secondly, this violence is not traditional as prior to colonisation, everyone was treated equally under Indigenous law and violence was not condoned (Quayle, 2002). Finally, to excuse or explain violence as being ‘the Aboriginal way’ is a blatantly ‘offensive and racist assumption’ (Lawrence, 2002, p. 216) as it assumes Aboriginal Australians are inherently savage. Violence towards Aboriginal women therefore reflects broader racial, sexual and economic inequality and a breakdown in Aboriginal social order (Blagg, 2000).

Indigenous women also suffer from the dual barriers of racism and sexism within wider Australia and the judicial system (Quayle, 2002). One manifestation of this is the discrimination against Indigenous women by Court officials in taking evidence and delivering judgements. White, male judges have been quick to accept claims of Aboriginal women’s base sexuality, which has reduced the weight of consent that these women must give for sexual encounters (Behrendt, 2005).

In the case of R v Burt Lane, Ronald Hunt and Reggie Smith (Unreported, Supreme Court of Northern Territory, 1980), the defendants were charged with sexual assault of an Aboriginal woman after she approached them and asked for a cigarette, which they claimed meant she might invite sexual relations (Behrendt, 2005). The judge accepted this attack on her sexual reputation and ignored evidence to the contrary: “There is evidence before me, which I accept, that rape is not considered as seriously in Aboriginal communities as it is in the white community...and indeed the chastity of women is not as importantly regarded as in white communities.” (Behrendt, 2005, p. 249)

The prevalence and severity of domestic violence was partially attributable to an omnipresent community silence and denial about reporting domestic violence. Recruiting further Indigenous women to work with victims fulfils Article 22 of the Declaration on the Rights of Indigenous Peoples, which calls for particular attention to the rights and special needs of Indigenous women (Australian Human Rights Commission, 2012). Consequently, Aboriginal Australian women are more likely to report domestic violence with access to these culturally-appropriate services.

Low rates of reporting domestic violence are being perpetuated by distrust and historical divisions between Indigenous and non-Indigenous Australians. In the 2002 Gordon Report, Aboriginal community silence and denial about reporting domestic violence was partially attributable to an omnipresent ‘us’ against ‘them’ mentality. Many Aboriginal women did not report their abuse as they were, “protecting their ‘own’ from wider society” (Kimm, 2004, p. 13). Disproportionate representation of Indigenous people in jail, negative experiences with the judicial system and lack of understanding of the Court system reinforce this stance. For example, abused mothers are worried that their children will be taken away from them, as occurred during the Stolen Generations (Hensen and Hamey, 2011). Despite recent moves towards reconciliation like Rudd’s 2008 Apology, the wounds and distrust run deep.

Given Aboriginal experience of White institutions, authorities and the judiciary, it comes as little surprise that some women may “find a violent spouse less threatening than the agencies from which they might seek relief” (Kimm, 2004, p. 13). Nevertheless, self-preservation may outweigh this fear and ‘cultural loyalty’ of not reporting. This could come at a cost for those living in remote communities; once a woman leaves, she may not be accepted back into that close-knit community and lose a vital network of family and friends. If Indigenous women were empowered through increased representation in decision-making positions, equal pay and equal access to educational opportunities, Indigenous society would tolerate domestic violence less and support the victims more (Human Rights Law Centre, 2013).

Shame is a powerful deterrent for Aboriginal and Torres Strait Islander women in reporting sexual violence. In Indigenous communities, ‘shame’ has a special meaning; it is more than being ashamed or embarrassed, rather humiliated or debased (Kimm, 2004). Following incidents of sexual abuse, these intense emotions further isolate the women from seeking help or reporting the offender. Additionally, it is culturally confronting to discuss these experiences with a stranger, whether it is a policeman or lawyer. Indigenous legal practitioners, such as the Wirringa Baiya Aboriginal Women’s Legal Centre, offer more culturally-sensitive support for victims of domestic violence. Recruiting further Indigenous women to work with victims fulfils Article 22 of the Declaration on the Rights of Indigenous Peoples, which calls for particular attention to the rights and special needs of Indigenous women (Australian Human Rights Commission, 2012). Consequently, Aboriginal Australian women are more likely to report domestic violence with access to these culturally-appropriate services.
For Indigenous women, the law “is by no means the only answer, but it must be one of the options” (Thomas and Selfe, 1992, p. 169). Even without racial and gender barriers, Aboriginal women still struggle to access legal and support services. In the 2006 census, 26% of Aboriginal Australians lived in remote or very remote locations, compared to less than 2% of non-Indigenous Australians (Australian Human Rights Commission, 2008). Lack of transport and long distances without public transport constrain the ability to access these crucial services. Even if Indigenous women can get the necessary transport, it is cost-prohibitive for them to have alternative representation if the lawyer is inappropriate (Hensen and Hamey, 2011).

Times are changing for Indigenous women who are victims of domestic violence, but progress is slow and often faces set-backs. Australia has agreed to implement over 90% of the 145 recommendations from the 2011 review by the UN Human Rights Council. Recommendations included developing a National Plan for Violence to assist vulnerable demographics, running awareness and education programmes within communities and increasing the availability of legal aid advice in remote Indigenous communities (Human Rights Law Centre, 2013). CEDAW Action Plan, an initiative byYWCA Australia and Women’s Legal Services NSW, has set out a framework for State and Territory Australian governments to apply the UN’s recommendations (Human Rights Law Centre, 2013). With the Federal Government’s AUD $13.4 million cuts to Indigenous Legal Aid in the 2013 budget, the ability to carry out these recommendations has been further limited (Boney, 2013). The real cost though is to the Indigenous victims of domestic violence, who already face numerous racial and gender challenges before even trying to seek increasing limited support and legal aid.

CONCLUSION

We must judge the fairness of Australia’s laws and institutions by how it treats its most vulnerable members (Behrendt, 2005). Faced with racism, gendered discrimination and high rates of domestic violence, Indigenous women certainly have the best measure of this ‘fairness’. Indigenous women continuing to be 45 times more likely to be hospitalised than non-Indigenous Australian women indicate that the system is well below-par.

Yet violence is not an ‘Aboriginal problem,’ let alone culturally justifiable. It is a universal human rights problem that all of Australia must recognise and come to terms with. By adopting the principles of the Lima Declaration at the 2013 World Conference of Indigenous Women, “Nothing about us, without us” and “Everything about us, with us” (World Conference of Indigenous Women, 2013) and collaborating with Indigenous women, domestic violence can be addressed. Human rights start in the smallest communities with the most vulnerable demographics, such as with doubly disadvantaged Aboriginal and Torres Strait Islander women. In the words of Eleanor Roosevelt, “Unless these rights have meaning here, they have little meaning anywhere” (Behrendt, 2005, p. 252).

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1. SOCIAL ANALYSIS

Violence against women is a social justice issue because it affects every human being with no regard for age on some level, at some point in their life span. There are no barriers in which women cannot be targeted at some point in a violent manner simply because they are female. No female is immune to this social issue. Unfortunately, on a Global scale for Centuries women have been subjected to violence in many forms.

Culture, Religion, Government, Corporations, Family, Tradition, and Education are all levels contributing to the issue. They are also the answer to solving the problem. There is no one way to analyze or perceive violence against women, and it is a multi-layered Global Social Justice Issue.

1.1 Culture

Culture impacts the way communities and mass groups of populations of human beings adopt ideologies and keep them sustainable for centuries, and worldwide.

1.2 Religion

Religion is a deep-rooted contribution to ideologies and moral conformities. It creates the basis for mass populations to adapt to ways of life without questioning the source. Rules and morals are set in stone so to say. In some extreme cases violations of human rights in accordance with violence against women occur due to the deep-rooted Religious beliefs.

1.3 Government

Governments and Heads of States hold most power. Cycles of colonialism and loopholes in legislation and law contribute to the negative influence governments have concerning the issue of violence against women. The lack of diligence implemented for the violators of such human rights impacts the problem negatively and allows it to continue.

1.4 Corporations

Corporations gain at the cost of those who cannot stand up for themselves. Money is always a factor in every social justice issue. Corporations are powerful simply on the basis that they are gaining in the multi-trillions money wise annually and they can provide more attention to their placement of that money while contributing nationally and within third world countries. Corporations and Governments hold power in developing countries and with education, public and private funding, violence against women can be attended to.

1.5 Family and Tradition

Family and Tradition have as much of an impact as Culture and Religion with many similarities on how deep-rooted the issue and causes are. Family traditions can be present for centuries and in some cases are the cause for vicious crimes against women, with many layers and outcomes. Community based traditions have an impact on the violations of human rights in some extreme cases, and have been occurring for centuries.

Certain levels of hierarchies in families and communities create different forms of control, subjecting women to horrible fates. Rape, mutilations, death, abuse and living lives of fear are what some women endure from the moment they are born.

1.6 Education

Receiving no education, or receiving the incorrect information is a dangerous attribute to the issue of violence against women. If there are no resources available to the people in need then there is no way change can happen. The same amount of enthusiasm needs to be implemented for education nation wide for males and females so that many issues can be attended to. If the possibility of the same efforts going into education as they did war and money we could have many different options to tackle many different social issues worldwide.

Education is the power to abolishing this social justice issue. Obtaining the education to implement sustainable change is powerful.

2. DEBATABLE ISSUES

Influences of culture and family traditions are powerful enough to form deep-rooted social issues concerning violence against women. Colonialism is a form of exploitation that is manifested in social, educational and economic institution patterns adding to the powerful deep-rooted issues.

Violence against women is a multi-layered, nation wide problem that has been occurring for too many years to fully document. The pressing question, regarding all of the laws, legislations, declarations, research, movements, and information to support every human rights violation regarding violence against women is;

Why, and how is this still occurring to this degree even as we read, discuss and analyze this issue this very moment?

How is it that we as human beings do not attend these issues with more concern and diligence?

Our world is growing and changing at an almost unmanageable scale nation wide, why is it that women are the ones being treated so unfairly?

The States are obligated to prevent, protect against and punish human rights violations. A due diligence must be upheld to protect women's individual human rights. This is a universally agreed upon statement, that I have noted many times, and it has been concluded on many articles, journals, dissertations, thesis’, and has been the opinion of many nation wide.

I have not found anywhere in my research, or through out life, that abolishing violence against women and creating equality for the sexes has a negative impact on the human development. I have found many negative aspects of the continuous cycle of violence against women. Centuries of blood shed, oppression, death, sexual torture, and countless violations of human rights negatively impacting countless lives. Specifically female lives are impacted negatively. Various dimensions and layers are involved in the creation and sustainability of these important social justice issues.

2. Proposal

I propose we create strategic and sustainable change and create a positive cycle. If so much focus can be implemented on negativity and violence worldwide on war, the same force can be used for positive change.

Positive ideologies need to be implemented worldwide to both men and women. Only creating change for women can and will create resistance from various outlets. Educating positive ideologies to both male and female populations needs to be presented to various levels of institutions as well.

Collaboration on a nationwide social action proposal focusing on the violations of human rights in regards to violence against women is in order. Treaties need to be made. Declarations are great, but non-enforceable in regards to upholding legal remedies surrounding these issues. States’ must be held responsible in accordance to the Universal Declaration of Human Rights, and the International Violence Against Women Act. Both being what I believe the tools to be able to enforce laws to protect women.

Providing amended positive ideologies within culture, tradition, family and religion is not and will not be easy. It is needed and a powerful layer to the strategic levels of change. All four aspects along with colonialism are deep-rooted contributing factors, both negatively and positively.

Private and Government funding to educate males and females nationwide on the Universal Declaration of Human Rights, the International Violence Against Women Act, what violence against women is defined as nationwide, and implementing positive change for all is very much obtainable if the need and want for it is there. For this specific issue, I believe is classifies as both.

3. GENDER BASED ASYLUM

Gender Based Asylum is in regards to a women’s right to flee persecution. According to the United Nations High Commissioner for Refugees handbook (UNHCR) Article 13, 1951 Convention persecution is; “A threat to life or freedom on account of race, religion, nationality, political opinion or membership of a particular social group.” This could be in regards to female circumcision, rape, morality codes, or physical violence.
3.1 Universal Declaration of Human Rights

In December of 1948 the United Nations passed the Universal Declaration of Human Rights and it set the standard for the entire world to follow.

3.1.1 Article 1 declares, in part, “All human beings are born free and equal in dignity and rights.”

3.1.2 Article 3 declares, “Everyone has the right to life, liberty, and security of person.”

3.1.3 Article 4 declares, “No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all forms.”

3.1.4 Article 5 declares, “No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.”

3.1.5 Article 18 declares, “Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.” (UN.org, 2013)

3.1.6 Article 19 declares, “Everyone has the right to freedom of expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any medium regardless of frontiers.” (UN.org, 2013)

3.1.7 Article 20 declares, “Everyone is entitled to freedom of peaceful assembly and association.” (UN.org, 2013)

3.1.8 Article 21.1 declares, “Everyone has the right to participate in the cultural life of the community, to enjoy the arts and to share in scientific advances and their applications.” (UN.org, 2013)

3.1.9 Article 21.2 declares, “Everyone has the right to freedom of thought, conscience, religion and belief.” (UN.org, 2013)

3.1.10 Article 23 declares, “Everyone is entitled to free, adequate and acceptable medical care and necessary social services.” (UN.org, 2013)

3.1.11 Article 24.1 declares, “The performance of work is the right of everyone, the choice of work is free and the change of work is facilitated.” (UN.org, 2013)

3.1.12 Article 24.2 declares, “Everyone, without any discrimination, has the right to equal pay for equal work.” (UN.org, 2013)

3.1.13 Article 26 declares, “Everyone has the right to education.” (UN.org, 2013)

3.1.14 Article 27 declares, “Everyone has a right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any medium regardless of frontiers.” (UN.org, 2013)

3.1.15 Article 28 declares, “Everyone is entitled to a standard of living adequate for the health and well-being of himself and of his family; and to security in the event of unemployment, sickness, disability, widowhood, old age or in any other case of legitimate need.” (UN.org, 2013)

3.1.16 Article 29 declares, “Everyone has the right to participate freely in the cultural life of the community, to enjoy the arts and to share in scientific advances and their applications.” (UN.org, 2013)

3.1.17 Article 30 declares, “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family; and to security in the event of unemployment, sickness, disability, widowhood, old age or in any other case of legitimate need.” (UN.org, 2013)

3.1.18 Article 31 declares, “Everyone has the right to freedom of thought, conscience, religion and belief.” (UN.org, 2013)

3.2 International Violence Against Women Act

In December of 1993 the United Nations General Assembly passed the Declaration on the Elimination of Violence Against Women. The declaration is a significant addition to the legal definition of the human rights of women. This is only a declaration, and is not a binding force of treaty, but is a tool for educating government on the persecutions of women. (Women and the Law, 1996)

3.2.1 Article 1 of the Declaration defines violence against women as, “any act of gender-based violence that results in, or is likely to result in, physical, sexual, psychological harm or suffering to women, including threats of such acts, coercion or arbitrary deprivation of liberty, whether occurring public or private.

3.2.2 Article 2 of the Declaration states violence against women encompasses:

a) Physical, sexual, and psychological violence occurring in the family, including battering, sexual abuse of female children in the household, dowry-related violence, marital rape, female genital mutilation and other traditional practices harmful to women, non-spousal violence and violence related to exploitation;

b) Physical, sexual, and psychological violence occurring within the general community, including, rape, sexual abuse, sexual harassment and intimidation at work,

in education institutions and elsewhere, trafficking in women and forced prostitution;

c) Physical, sexual, and psychological violence perpetrated or condoned by State, wherever it occurs.

4. DOWRY DEATHS AND ACID BURNING

India — “Boys represent a status symbol. As breadwinners they will look after their parents, perform their last funeral rites and carry on the family name. Many regard girls as a financial drain, because parents face the pressure to provide a dowry to marry her off. Although government banned dowry nearly 50 years ago the law is mostly ignored.” (MediaStorm, 2014)

Dowry is a deeply entrenched tradition and has official status in the Penal Code. In section 100, amendment to the Dowry Act, 1983, it states: “Any person who cautions any woman or by using other means with the intention of causing permanent or partial damage or deformity or burns or maiming or disfigurement or disability or grievous hurt to that person, shall be punished with imprisonment for a term which shall not be less than five years but which may extend to seven years, and shall also be liable to fine.”

4.2 Dowry Deaths

“326 A. Whoever causes permanent damage or deformation or burns or maiming or disfigurement or disability or grievous hurt, shall be punished with imprisonment of either description for a term which shall not be less than ten years but which may extend to imprisonment for life, and with fine:

Provided that such fine shall be just and reasonable to meet the medical expenses of the treatment of the victim:

Provided further that any fine imposed under this section shall be paid to the victim.”

4.2.1 Dowry Deaths

“326 B. Whoever throws or attempts to throw acid on any person or attempts to administer acid to any person, or attempts to use any other means with the intention of causing permanent or partial damage or deformity or burns or maiming or disfigurement or disability or grievous hurt to that person, shall be punished with imprisonment of either description for a term which shall not be less than five years but which may extend to seven years, and shall also be liable to fine.”

4.2.2 Dowry Deaths

“326 C. Whoever throws acid on or by administering acid to the head or face of any woman, or attempts to use any other means with the intention of harming the head or face of any woman, shall be punished with imprisonment of either description for a term which shall not be less than ten years but which may extend to imprisonment for life, and with fine:

Provided that such fine shall be just and reasonable to meet the medical expenses of the treatment of the victim:

Provided further that any fine imposed under this section shall be paid to the victim.”

4.2.3 Dowry Deaths

“326 D. Whoever throws or attempts to throw acid on any person or attempts to administer acid to any person, or attempts to use any other means with the intention of causing permanent or partial damage or deformity or burns or maiming or disfigurement or disability or grievous hurt to that person, shall be punished with imprisonment of either description for a term which shall not be less than five years but which may extend to seven years, and shall also be liable to fine.”

4.2.4 Dowry Deaths

“326 E. Whoever throws or attempts to throw acid on any person or attempts to administer acid to any person, or attempts to use any other means with the intention of causing permanent or partial damage or deformity or burns or maiming or disfigurement or disability or grievous hurt to that person, shall be punished with imprisonment of either description for a term which shall not be less than five years but which may extend to seven years, and shall also be liable to fine.”

5. HONOR KILLINGS

Honor killings differ from other homicides and are often deep-rooted cultural values brought into today’s values. Honor killings are in conflict with the Universal Declaration of Human Rights in every aspect. They are often occurring due to the issue of control within families and communities, and have relevance to the woman’s sexual orientation. Her behavior and morality will have an affect on her fate when faced with honor killings. This is a deep-rooted mental health issue. This affects women on a Global scale. (Meforum.org, 2014)

6. FEMALE GENITAL MUTILATION

“More than 125 million girls and women alive today have been cut in the 29 countries in Africa and the Middle East where female genital mutilation is concentrated.” (UNICEF)

It is a strongly motivated social convention with a social pressure to conform to the local structures of power. Female genital mutilation is a cultural tradition and a religious norm that is being practiced daily.

7. DOMESTIC VIOLENCE

I am a daughter, sister, and a single mother to a female. I was abused when I was a child. I left home at a young age with a certain already ingrained ideology of what I thought was acceptable, and I created my surroundings and environment with what I thought was a societal norm. I found myself continuing the cycle of abuse by surrounding myself with situations that mimicked my early childhood years. Once I was in the situation to become a mother to a female child, I had a very quick realization of the life I had created for myself and what I was about to create for my female child. Being a female in western society, and being in the position I was, was very difficult to break through, so I would not take anything away from what women in developing countries have to endure when facing domestic violence. In the West Bengal case from early 2014 in India, a 20-year old Indian women was gang raped, simply because she fell in love with a man from a neighbouring tribe, and he was of a different religion. The elders from her community ordered the punishment.

Domestic violence can include: physical, sexual, psychological, and financial abuse. There are many factors and outcomes when facing domestic abuse. Unfortunately there are no barriers when abuse is the issue.

8. VIOLATIONS BASED ON GENDER IDENTITY

“In November of 2006, 29 distinguished experts from 25 countries adopted the Yogyakarta Principles on the application of International Human Rights law in relation to sexual orientation and gender identity. Women are being killed, imprisoned, isolated and beat, for being born a sexually different human being. Extra judicial killings, torture and ill treatment, sexual assault, rape, invasions of privacy, arbitrary detention, denial of employment and education, serious discrimination in relation to the enjoyment of other human rights. All humans are universal and all humans are born equal in dignity and rights. The states are obligated to protect these women’s individual human rights, but the support is fragmented and inconsistent.”

Education, enforcement and the adaptation of new policies need to be put into play. (Yogyakarta Principles, 2006)
9. VIOLENCE AGAINST WOMEN IN CUSTODY

Canada — Violence against Indigenous women has sparked inquiry into the independent civilian mechanism to investigate police abuses. “A police officer who has raped has very little to worry about right now because there is no independent civilian body empowered to investigate the crime. The RCMP does not track the number of missing and murdered Indigenous women.” (Sekani Tribal Council, 2014) An 89page report was submitted on this topic to Stephen Harper in hopes Parliament will address this issue.

A 26 year old young woman from Canada named Loretta Saunders who is an Inuk woman her self, was working on her thesis on missing and murdered aboriginal women was found murdered on the side of a highway in New Brunswick in February of 2014 in Canada. She was three months pregnant. It is an ever-growing issue, with what seems to be little attention and focus surrounding it. This is an all too familiar pattern for Indigenous women.

10. CONCLUSION

Providing women with the basic fundamental human rights will allow them to thrive. It is a known fact if a woman thrives she will stop at nothing to provide for her loved ones, which can only create positive change for that communities environment. Once a community adopts a positive ideology and way of life other neighboring populations have the opportunity to be educated on and adapt to their way of life.

There is no peace or freedom for any one until we are all equal and we on this earth are very far from that. Today we live in a world so unequal some would rather die.

Integrated change must start somewhere. It must be strategic and empowered with the purpose of basic fundamental human rights being available to all humans everywhere. Empowerment must be sustainable for all. Motivation must be agreed upon by all for action to take place in regards to violence against women. Structure is necessary for definitive implementation. This is possible if change is implemented and collaboration happens. Violence against women is a pressing nationwide social justice issue. Possible collaboration for the production of a sustainable social action plan could be as follows:

10.1 Collaborations

Dominant powers create legitimizing stories, creating power and truth. The masses may not go into a public forum to talk about it but they would come to listen. There can be balance of traditional and liberal values.

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Children and Youths Engagement in Immoralities in Tanzania: Is It Possible to Stop It and How?

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The Context and Consequences

Currently, the failure of children and youths to adhere to morals has raised a big debate in Tanzania. Many children and youths have been engaging in immoralities and this behaviour has become a big challenge for parents, government leaders, religious leaders and all lovers of morals (Masath, 2013). Many children and youths, regardless they are in pre-primary, primary, or secondary schools, are visionless, lazy, irresponsible, slack, careless, cruel, liars, sex mongers, thieves, beggars, etc. (Bruno, 2013).

Apart from that, the issue of drug abuse especially for youths has been a critical challenge in Tanzania and worldwide. The number of drug addicts who seek treatment at drug rehabilitation centres in the country has increased to 200,000 in 2011 (Tanzania 24 News, 2012). The Drug Control Commission (DCC) Report (2011) states that the actual number of drug addicts in general is estimated to be at between 150,000 and 500,000 nationwide.

Statistics issued by Mirembe Hospital in Dodoma region that were incorporated in the DCC Report shows that the number of young people who use drugs and attend clinics at the hospital increased from 290 in 2000 to 569 in 2005, equal to a 96.2 per cent increase (Ibid).

The consequences of drug addiction are that; the youths suffer from unhealthy, lack of visions and begin acting the opposite to social morals. Since the past three decades, so many youths have been sentenced to jail after being caught engaging in drug. Others are being jailed because abortion is counted as killing up to 400,000 nationwide. In addition to that, many incidents of domestic abuse are caused by drug addiction, as when the family rebels against the authority of the man, he feels humiliated, disrespected and disobeys, and to him, the best way to solve it is to teach them a lesson by physically or verbally abusing them. The children also do see such behaviours and imitate since their elders are their role models.

Moreover, many girls are engaging in abortion of pregnancies and killing of infants contrary to the social laws and morals (Sima et al, 2013). The Tanzanian social morals insist on the youths to control their bodies and feelings so as not to engage in sexuality until they are mature enough to take care of their babies. By violating to those negative acts, it has led to many girls to die in the process of aborting and others are being jailed because abortion is counted as killing before the laws.

Another kind of immorality in which the children and youths are engaging is for youths who are riding motorcycles known as bodabodas to violate the road safety rules. More than 50% of the people who are dying of road accidents in towns now are caused by bodaboda riders (Lyimo, 2014). Lyimo goes on reporting that the road accidents are attributed to reckless and careless motorcycles riders.

Engagement in immoralities also leads to children and youths to fail to concentrate well in studies and as a result many drop out and failures occur at schools. For instance, according to BEST (2010–2012), it shows that a total of 610 primary school girls dropped out of school due to pregnancy and early marriages.

Those are some of the immoralities the children and youths are engaging in and the consequences of children and youth to engage in such immoralities.
Children and Youths as Human Resources for Fostering Peace and Development

Children and youths are undeniably the most important groups of citizens a nation can utilize to ensure peace and development. The children and youths form the bulk of the population for all countries. Because of this, countries are positioned with unique opportunity of being endowed with a large "children and youths capital" which needs to be harnessed to adhere to social morals. Given an opportunity, the youth have proven to be a critical social capital that can contribute significantly to nation’s peace and development. They are potential, resourceful, resilient, and patriotic if they are properly guided (Korongo, 2012).

However, children and youths today are neglected, blamed, not supported, not guided, not supervised and as a result, they engage in immoralities without knowing the consequences of them. For instance, they engage in prostitution, gangs of thieves etc. The political leaders use youths as perpetrators of conflicts or civil disorders, forced and manipulated in the armed forces. (Korongo, 2012).

The Causes that Lead the Children and Youths to Engage in Immoralities

It is impossible for children and youths to fail to adhere to social morals if the parents, guardians, teachers, government leaders and the adults in general are strict and responsible to their children, youths and social morals (Mdim,a 2005). For that case therefore, it is obvious that; the first group of people to violate the social morals is that of parents and other adults. The children and youths are just imitating what the adults do. Bruno (2013) argues that; children and youths do engage in immoralities because they are too free to do whatever they think they can do. That is a result of missing supervision, guidance and close supervision to mould their behaviours from their parents and teachers. The parents, teachers and other adults have failed to be accountable to the children and youths. They are busy for their own matters and have neglected the basic of upbringing the children and youths.

McDaniel (2005) argues that; for not relevantly and adequately educating children and youths and for not supervising them closely to ensure that they practice that education, the nation is endangering its peace and development. The uneducated children and youths either formally or informally do engage in immoralities, which lead to unemployment, diseases, poverty and sustainable ignorance to the coming generations. The more the diseases in the nation, the more the costs it incurs for purchasing medicine and employing more doctors and nurses, hence, a very big budget in the Ministry of Health every year. The more poor people in the nation, the less the taxes they pay to the government, hence, the need for more aids from outside the country. This also lead to welcome the neo-colonialism to the nation.

The more ignorant people in the nation, the more crimes occur, of which raises the budget for the ministries of internal affairs, justice and constitution, and the local governments. This is the situation which is exactly happening in Tanzania. It is the results of the system of education in the country to be not strict for ensuring that all children and youths are hard workers, knowledgeable, skilled, accountable, healthy, and conditioned to adhere to laws and by-laws from childhood to youth hood.

Instead of budgeting on how to invent new machines and advancement in technology according to our environment, Tanzania is budgeting more on solving social problems which are caused by its carelessness and irresponsibility of its people especially children and youths.

Historically, before the introduction of formal education system in Tanzania, the parents, guardians, teachers and all the adults were accountable for their children and youths in their societies and the immoralities or corruption for children and youths were very minimal (Mosha, 2011). The parents’ teachings to their children were more practical with close supervision rather than being more theoretical with lack of supervision like the system of education today. Because the parents’ teachings were more practical with close supervision, they managed to mould and condition their children and youths to become hard workers, skilled, accountable, knowledgeable and they succeeded to rescue them from engaging in immoralities in their lives (Sima et al, 2013).

During the pre-formal education, the issue of professionalism was highly adhered. Masath (2013)

asserts that; the children and youths of hunters were trained to be hunters. Those whose parents were peasants were trained to be peasants. Those of blacksmiths were trained to become blacksmiths. Those of pastoralists were trained to become pastoralists, and those of artists like Makonde children and youths were trained to become artists. There was neither child nor youth who was idle or unemployed. Self-employment was a solution for running their lives.

In pre-formal education, though informally, the children and youths were being educated in accordance with the real situation of their environment. Harding (2001) argues that the pre-colonial education in different African societies developed latent talents of their children and youths in ways that reflected their social morals.

After the establishment of formal education in Tanzania, the teaching and learning system changed. The children and youths became no longer taught by their parents. After all, the parents and other adults in the society did not know the formal education system. That means both parents, children and youths became learners of formal education system. Unfortunately, the formal education system in Tanzania was introduced with irrelevant goals and objectives for Tanzanians, but it gained popularity rapidly. The children and youths who continued to be educated through informal education system were counted as not educated simply because they could not get employment in offices.

The formal education aimed at educating few people who could assist the colonists in their administrative activities. It was not meant to liberate the Tanzanian children and youths educationally, economically, socially, culturally and politically. It was the kind of education which was discriminatory and not interactive to the community activities such as herding of cattle, cultivating food crops, technologi cal activities as well as the artist ones.

That is the system of education, which the Afri can countries inherited after gaining independence including Tanzania. It took several years for African countries to detect that the formal system of education that they inherited from the colonists was irrelevant to their environment. Tanzania took seven years to detect the weaknesses of formal education and that is why it introduced the new education policy “Education for Self-reliance” in 1967 to correct the inherited education system (Nyerere 1967). Education for self-reliance aimed at the students to learn basic knowledge in classrooms and use that knowledge to practice the relevant economic activities in their environment so that after the completion of that level of education, they could fit to live independently and self-reliantly in their societies. That was the relevant education for Tanzanian children and youths.

The secondary school girls learning practically how to cultivate and grow maize and millet after the agriculture lesson in the classroom

The Conclusion

To cut the story short, the situation of the children and youths to engage in immoralities is rampant and major cause of the children and youths to engage in immoralities is the failure of parents and education system to be strict to ensure that all children and youths are brought up according to environment and social morals. Psychologists argue that; the children are born clean. It is the responsibilities of the adults to impart the children and youths with their social morals and not otherwise (Piaget, 1967).

Despite that, there are scholars who argue that the main cause of children and youths to engage in immoralities is globalization; but this is not true at all. There are examples of parents and teachers in some countries and societies who are strict and have been not providing any loop hole for their children to be affected negatively by globalization and are successful. In Tanzania for instance, the Maasai parents have maintained social morals for their children and youths for a very time without being affected by globalization. Another example are the Chinese people who
have been very strict to the children and youths who dare to engage in immoralities and have maintained their social morals for centuries and centuries. Those parents and teachers do educate their children and youths the consequences of imitating every fashion that occur in the world. They are also guiding what to imitate and what are not supposed to be imitated.

Strategies for Stopping the Children and Youths Engagement in Immoralities

To stop the children and youths to engage in immoralities, parents and education system must be strict by being close to the children and youths all the time to ensure that they scaffold, teach, guide, and counsel them not to engage in immoralities. Moreover, they must teach the consequences of engaging in immoral behaviours.

The education system should stop the tendency of developing curricular which are too bookish. The curricula must balance the cognitive, psychomotor and affective domains. All the three domains must be treated and practiced equally to ensure that the knowledge is imparted to children and youths’ brains and skills are trained so as to make children and youths hard workers and accountable for any violation of the social morals.

The issue of professionalism must start since childhood provided all children and youths are given the basic knowledge and skills that will enable one to practice other professions if he or she shows any interest. I suggest the education system through the government to use the system of triple eight (8:8:8) system of educating children and youths by dividing the 24 hours into three parts so as to give the children and youths enough time to practice all the three domains. That means, 8 hours should be used for learning and practicing cognitive domain, 8 hours for practicing psychomotor and affective domain and 8 hours for all children and youths to get total rest. This system should be done with very close supervision of parents and teachers to ensure that the children and youths are conditioned to study and work hard throughout their life.

The constitution of the country must stipulate apparently on the responsibility of the parents and teachers on how to bring up the children and youths who are upright morally. Severe punishment should be given to the parents whose children and youths are engaging in immoralities. The government through its education system must stop the bad behavior of laissez-faire and punish the parents and teachers who are not responsible to their children and youths so that they can change and become strict to them. It is the government’s responsibility to deal with parents whose children and youths are engaging in immoralities.

The Government and the Ministry of Education in particular must be strict to ensure that everything that is stipulated in the relevant curriculum and syllabuses are implemented. The system of learner-centred teaching and learning approach is good, but it should be carefully used so that it cannot give too much freedom to children and youths to change professionalism here and there.

The system of teaching and learning by following constructivist theory is good, but the government in collaboration with parents should ensure that they meet the resources required for implementing that theory at schools and at homes.

Lastly, the government, parents and teachers should remember that it is their responsibility to frequently sit together to evaluate the process of educating their children and youths instead of leaving the whole assessment work to the National Examination Council alone. Education must prepare the children and youths for both developing with higher education as well as for employment in various Ministries or NGOs or self-employment. This is to suggest that; there should be local amendments of the curricular activities to suit the environment especially for urban dwellers and rural dwellers.

The government must realize that the children and youths engagement in immoralities is the greatest enemy in the country and its source is ignorance. Hence, it should set the biggest budget to the Ministry of Education and Vocational Training, supervise the implementation of the curricula effectively and that will automatically cut off the expenses in other ministries whose problems are caused by children and youths as well as other people who are engaging in immoralities.

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Civil Society Responses to Forced Migration: Advocating for Human Rights

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1. INTRODUCTION

In January of 2014, the death of folk singer legend Pete Seeger evoked memory and reflection. I recall the 1960s when in my youth I took my place at the Melbourne Town Hall in Australia and listened for hours while one man with a banjo sang of peace and justice. At the age of 94, Seeger died without having his hopes for the world realised. But I suspect he was not totally disappointed as during his lifetime there were monumental changes such as the fall of the Berlin Wall, the overturn of apartheid South Africa and the end of the Vietnam War. He believed if enough people would sing, choirs could tear down walls, overthrow tyrants, break the chains of serfdom, little by little. (McFadyen, 2014, p. 19). His vision crossed borders.

I cannot sing. But as an academic I have freedom to join with others in a different form of choir — to speak out and oppose cruelty, racism and human rights violations, drawing on my research endeavours. My two fields of advocacy research — the quest for Indigenous rights and asylum seeker rights — are far from realised. With Indigenous rights there have been breakthroughs and in the Western world there is some goodwill, although still often misplaced. Asylum seekers are another story, with nation state responses showing little goodwill, and it is on this group that I focus. I first provide an overview of the global sphere. I then turn to the clash of paradigms that stops movement forward and discuss how this clash is manifest in society. The next section of the paper will discuss civil society responses, particularly drawing on my own research. I finish by briefly outlining risks for civil society actors. I primarily refer to the Australian context as this country, my country, has one of the harshest responses to asylum seekers, even though the asylum seeker flow is not significant in numerical or percentage terms. Government, media and community hyperbole in Australia focuses on asylum seeker boat arrivals who enter what is seen as the sacrosanct border. There exists an unfortunate dichotomy in public and political discourse between ‘good’ refugees, those who wait for many years, often indefinitely, in camps abroad and ‘bad’ asylum seekers who arrive directly to Australian territory and then lodge a refugee protection claim.

2. GLOBAL SITUATION

According to the Refugee Convention, a refugee is a person who is outside his or her own country and is unable to return due to a well-founded fear of persecution on the following grounds: race, religion, nationality, membership of a particular social group or political opinion (UNHCR, 1951). The UNHCR (2012) estimates that some 45.2 million people worldwide are forcibly displaced because of persecution, conflict, generalised violence and human right violations. Estimates for 2012 are that 10.5 million are refugees and more than 900,000 are asylum seekers. By the end of 2012, developing countries hosted 81% of the global refugee population. Among host countries with high numbers of refugees are Pakistan, Iran, Germany and Kenya. Afghan refugees account for 25% of the global refugee population under UNHCR responsibility. Resettlement opportunities are extremely limited. In 2009, a mere one percent of the world’s refugees were resettled and it would take 188 years for all the world’s refugees to find a home (RCOA, nd). Formal protection spaces are shrinking and many people are in protracted refugee situations. A protracted refugee situation is defined as one in which refugees have been in exile for more than five years and for whom solutions are not evident in the foreseeable future (Loescher & Milner, 2009).

As signatories to the Refugee Convention harden their entry stance, restrictions imposed have the effect of encouraging asylum seekers and other irregular migrants to engage travel facilitators (usually known as people smugglers). Journeys can be risky.
Between 1993 and 2010, nearly 14,000 people are known to have died trying to enter Europe, while in immigration detention or during forcible deportations (Weber & Pickering, 2011). The causes of deaths vary according to context, but include drowning during boat journeys, suffocation in lorries or containers, vehicle accidents, suicides and environmental exposure in deserts (Weber & Pickering, 2011). Many have drowned on the way to Australia and the government has used the rhetoric of saving lives as a rationale for its tough policies, something that is not borne out by evidence, with the vast majority of ‘boat people’, as they have become known, arriving safely.

3. CLASH BETWEEN BORDER SECURITY AND HUMAN SECURITY

The term ‘invader’ denotes how asylum seekers are seen as a national threat. The pervasiveness of border security means that asylum seekers are excluded from legal and social citizenship and subject to criminalisation, deportation and securitisation (Briskman, 2012). The conflation of asylum seeking with terrorism after the attacks in the United States on 11th September 2001 has enabled brutal nation state responses. This can be conceptualised in three ways. First, by enacting border security through sites of exclusion such as remote detention facilities; through the exclusion of those depicted as ‘unauthorised non-citizens’ from rights afforded to others; and by erosion of identity, which operates through racist constructs. Fear that has taken hold has enabled these harsh responses to be enacted.

Fear about boat arriving asylum seekers in Australia conjures up societal anxiety about Islam, terror and undermining of the dominant way of life (Briskman, 2012). Governments manipulate fear of terrorism for political aims (Aly, 2011). Grewcock (2009) speaks of a manufactured crisis that has made border protection a defining concept, invoking fears of foreign invasion, with an emphasis on how refugee entry is seen to threaten both the integrity of the state’s refugee program and the risks to national security. Nation states take advantage of the sense of crisis arising from the smuggling of asylum seekers, through increasingly restrictive measures (Mountz, 2010, p. xv). A criminalisation discourse readily takes hold even though the action of seeking asylum is lawful under international law. Once people become criminalised for a legal activity then the way is paved for severe treatment (Grewcock, 2009). Casting aside human rights norms paves the way for the introduction of measures that constitute a state of exception in Agambenian terms (Agamben, 2005), whereby people are subject to measures that defy normative state responses.

The privileging of border security minimises the paradigm of human security. Lester (2010) advocates for the people-centred approach of human security, which locates the human being, rather than the state, at the centre of its concern. She states that the traditional national or international security debate fails to take into account the threats to the protection and security of the individual human being. This is the core principle underpinning social movements, discussed later.

4. MANIFESTATIONS OF THE CLASH OF PARADIGMS

Globally, strategies are designed to deter asylum seekers from entering nation states including immigration detention, interdiction and pushing of sovereign enforcement away from territorial boundaries to other countries (Coddington, Catania, Loyd, Mitchell-Eaton & Mountz, 2012). Each are discussed below as they are to the forefront of advocacy movements that have followed.

4.1 Immigration Detention

Throughout the world ‘rejected foreigners’ are held in prison-like facilities for extended periods, with minimal legal controls and accountability (Wilscher, 2012, p. ix). In the European Union, Hungary, which is a transit country for migrants attempting to reach Europe, is among the first of EU countries to establish a separate detention regime for asylum seekers (Global Detention Project, 2014).

In Australia, mandatory immigration detention of asylum seekers was legislated for in 1992 and applies to men, women and children who arrive without documentation. Detention is indefinite until the positive determination of a refugee claim or removal from Australia. Many detention centres are in remote locations including Christmas Island, 2,600 kilometres from the Australian mainland, or in countries offshore. The detention of children is particularly cruel and more than 1,000 children are in closed detention centres (AHRC, 2014) and others are sent by Australia to offshore detention sites. In response, the Australian Human Rights Commission has convened an Inquiry into the detention of children, the second in a ten-year period.

Health professionals and psychiatrists have documented the harms created by protracted and indefinite detention. Poor mental health outcomes have been the most major of concerns. Furthermore, the literature reveals that that detention of children, an increasing global trend, has negative physical, psychological and emotional impacts (IDC, 2012).

4.2 Interdiction and deterrence

Interdiction or disruption of asylum seeker boats is one means by which nation states try to prevent asylum seekers from arriving at their shores. In Australia a new policy has taken hold since the election of a conservative coalition government in September 2013. Operation Sovereign Borders is a military strategy, which pushes back asylum seeker boats to Indonesia, an approach that is not popular with the Indonesian authorities. One method is the provision of bright orange life rafts for this purpose. The ‘on water’ activities, as they have become known, are classified information and the Australian public is not told of the extent of the operation. As Hage notes (2003, p. 32): “When aggressive, non-democratic border politics need to be practised among us, we prefer it to be done as a ‘secret service’ that keeps its actions as invisible as possible. We are told that the number of asylum seeker boat arrivals to Australia has diminished, thus indicating ‘success’ of government policy.

The government does not rely only on pushbacks at sea but also uses messaging to deter, through campaigns conducted in countries of origin. In a booklet produced by the Australian government, pictorial depictions for would-be asylum seekers from Afghanistan show such scenes as interception by the Australian navy and palpable misery at incarceration on a tropical island (Fletcher, 2013). Another means is denying permanent visas to people who have been processed on the Australian mainland in order to send a ‘signal’ to prospective arrivals that they are not welcome.

4.3 Pushing sovereign borders to islands and other nations

Immigration detention frequently takes place on islands. The islands of Guam, Saipan, Lampedusa and Guantanamo Bay are cases in point. These islands are linguistically, culturally, economically, geographically and jurisdictionally different from one another. In each region, however, these islands feature in struggles over migration and each island has a history of crisis surrounding marine arrivals (Coddington et al., 2012). On the Australian territory of Christmas Island Territory, asylum seekers are detained, including in a super-max facility.

Australia has diverted a substantial amount of its foreign aid budget into coercing both Nauru and Papua New Guinea to set up asylum seeker detention centres, the latter on Manus Island. Capacity is being increased on both sites. Of deep concern to civil society activists is that around 160 children are believed to be currently held in Nauru (Chilout, 2014) and this number is likely to increase. Some are with their families and there are a number of pregnant women living in dire situations. In February 2014, unaccompanied children were sent from Christmas Island to Nauru, leading an academic colleague and myself (Briskman & Goddard, 2014) to accuse Australia of trafficking children over national borders. Given increasing tensions on offshore sites resulting in riots and fires on Nauru in 2013 and riots on Manus Island, a site for men only, in February 2014, in which an Iranian asylum seeker was brutally slain, it is impossible to protect people from extreme harm. Children without parents are particularly vulnerable. The situation on both offshore sites is increasingly tense as asylum seekers sent there, now known as ‘transferees’, have been told that resettlement in Australia is not an option for them.

5. CIVIL SOCIETY HUMAN RIGHTS ACTORS

It is apparent from the examples provided above that we cannot rely on government to do what is right. It is in dark times that activist voices and deeds emerge. I am inspired by the small, elegant book by
Stephane Hessel titled Time for Outrage. He wrote this little gem in 2010 when he was 93 years old, ‘on the last leg of my journey’ as he put it. He used the time before he died to reflect on events that laid the foundation for his lifelong commitment to politics, which was the Resistance Movement. His life ended in 2013.

Hessel speaks of the unbearable things around us and implores us to open our eyes so we will see. The worst attitude he says is indifference. He speaks of the duty of all to ensure that our society remains one of which we are proud, not a society that is among other things wary of immigrants and intent on their expulsion. Taking liberty with Hessel’s words I argue that indifference can unwittingly turn into complicity, where we can be inactive bystanders or even active participants in human rights violations by not questioning what we see as around us. History will not only judge state actors but those in society who failed to stand up for what is moral, ethical, just and human.

Advocacy for refugees and asylum seekers has taken hold globally and aligned with the broader human rights movement (Tazreiter, 2010). Among the groups that have coalesced for the rights of asylum seekers, refugees and undocumented migrants are those on the US-Mexico border, and sanctuary movements based around church organisations to provide protection for people facing deportation (Gosden, 2012). Although there is a significant asylum seeker movement in Australia it is not as large or as robust as one would imagine, given the human rights violations that occur. In fact surveys consistently reinforce our support for tough policies. Commentator John Menadue posed an interesting question (Menadue, 2013) after thousands of people turned up on beaches in Western Australia to protest against the culling of sharks in 2012. Although there is a significant asylum seeker movement in Australia it is not as large or as robust as one would imagine, given the human rights violations that occur. In fact surveys consistently reinforce our support for tough policies. Commentator John Menadue posed an interesting question (Menadue, 2013) after thousands of people turned up on beaches in Western Australia to protest against the culling of sharks in 2012.

What is it that creates the leap from outrage to action and the formation of a social movement? In Australia it was the increased use of immigration detention. From late 1999 onward, Australians encountered media reports about detention centres, which revealed a violation of core human rights, including the loss of liberty. Social movement activity arose from specialisms of law, health, mental health and social work, as well as faith groups, Indigenous groups and asylum seeker advocacy collectives.

5.1 Propelling people to act

There are a number of reasons that propel people to act. For example faith groups may be influenced by religious texts on compassion. Lawyers may be concerned about unjust laws or lack of compliance with international human rights conventions. I will provide two examples from many of how social action arises. These are: (i) professional ethics, often derived from practice ethnography and (ii) shared oppression. These examples are drawn from collaborative research with which I have been involved.

5.1.1 Professional ethics

The first example is from my own profession of social work. From 2005–2008 I was involved in what became known as the People’s Inquiry into Detention. The Australian Council of Heads of Schools of Social Workers, representing social work academics Australia-wide, convened this Inquiry out of concern for what was happening to asylum seekers in immigration detention, believing it necessary to challenge malvolent policies and politics. Without any formal authority, we held public hearings throughout Australia and received written submissions, hearing of atrocities and pain that were making many Australians ashamed. The Inquiry extended beyond social work and many advocates, activists, lawyers, health professionals and other civil society groups joined to assist in the process and/or to provide testimony. People who had previously been held in detention centres provided harrowing accounts. The overall impression was one of lessened cruelty and of callous regard for human rights (Briskman & Goddard, 2007).

We were motivated by principles enshrined in social work ethics, national and international, that called on social workers to affirm human rights and to challenge unjust principles. The Australian Association of Social Workers Code of Ethics (1999) declared that social workers would work to eliminate human rights violations and promote policies practices and social conditions that uphold human rights. Beyond formal codes we the were cognisant of an ethics of responsibility proposed by Levinas, which is a way of locating ourselves in relation to others, including strangers, an ethics of alterity (Stratton & McCann, 2002). Social work knowledge and practice wisdom about the suffering of vulnerable people was to the forefront, and we were particularly alarmed by state sanctioned abuses.

Other professional groups have taken action. A research project on asylum seeker health, bioethics and human rights that ran from 2007–2009, led by Deborah Zion from Monash University, heard from health professionals who had worked in closed detention environments in Australia. Many had tussled with what is known as dual loyalty — obligation to employers and the state or duty to the ‘client’ group. It was apparent from our research analysis that there were four main ways in which medical professionals dealt with the dual loyalty question: Complicity, subversion, retreat or advocacy.

We found that complicity occurred in a number of ways, sometimes insidious rather than overt, equating to ‘moral disengagement’ (Greedy, 2007). This included ignoring complaints of ill-treatment, failing to document such complaints and not using knowledge and ethical considerations to inform authorities about harmful practices. Subversion took place by dispensing acts of kindness that may not be valued or even prohibited by the employing or subcontracting authority. Such acts invoked a politics of compassion and an ethic of care but did not necessarily align to concepts of justice. Retreat occurred when staff perceived detention settings as conflictual with their value base and resigned. Although this represented an ethical stance of non-collusion, it failed to leverage political engagement unless combined with speaking out. Advocacy was a means for people to take action arising from their witnessing. The overarching imperative with this approach is to comply with human rights which at their very essence are the rights that one has simply because one is human (Donnelly, 2007). Most of our interview participants took this path and speaking to researchers was a form of advocacy for them. Others turned to media outlets to advocate from a more public position.

What was evident, was that although different health professionals, such as nursing, psychiatry, psychology and general medical practice each had ethical standards by which they were expected to comply, there were individual variations. In creating a climate where people who were answerable to their professional codes were able to take up employment, there is a question of how such environments became normalised. (Briskman, Zion & Loff, 2010). Although health professionals witnessed human rights abuses they believed they were unable to bring about change; others believed that speaking out was not a professional concern.

More recently there has been an increase in public advocacy by professional groups. One of the most noteworthy is Salvation Army staff. Although a ‘humanitarian’ organisation, this organisation took up a government contract in offshore detention sites and employed welfare staff, a practice that received criticism from some advocates. The Salvation Army has not had its contract renewed, but the fallout remains. Welfare staff working with the organisation have spoken out in a variety of forums and using a variety of means, unimpeded by confidentiality clauses they signed and possible consequences for breaching them. In effect they became a voice for the voiceless. The following statement from Salvation Army staff employed in Nauru is illustrative:

We have worked alongside these asylum seekers since the opening of the NRPC when the men were first housed in tents. Brought them pedestal fans when the temperature within their tents soared to over 50 degrees. Used buckets to empty rivers of rainwater when the same temporary accommodation flooded during the wet season. We comforted men who were brought to Nauru in handcuffs by the Australian government under false pretences. We watched their numerous peaceful protests against the uncertainty of their future. We saw the scars of self-harm, and suicide attempts.

We tried to motivate the hundreds of men on hunger strike to eat again. The asylum seekers have been given

1This project was funded by the Australian Research Council.
no idea of when their applications will be processed or when they can leave Nauru. If they are found to be refugees, they do not know if they will be resettled in Australia or on the other side of the world. Meanwhile their families are left struggling in their home countries.

5.1.2 Shared oppression

The second area to which I refer is how experiences of oppression and racism can result in civil society responses. Some descendants of Holocaust survivors criticise the demonisation of people smugglers, telling of how their own families were saved by such actions. Indigenous Australians have spoken about the scourge of racism and rights-exclusion, with some overtly welcoming asylum seekers to land that was originally the province of Indigenous peoples alone. The specific example I provide is based on my research (together with Michelle Dimasi) on Christmas Islander views pertaining to asylum seekers.

Christmas Island is located at the Australian border. It is a remote tropical island and although an Australian territory is a mere 300 kilometres from Indonesia. It is has been continuously used as an arrival destination for asylum seekers. Unlike mainland Australians, Christmas Islanders have directly witnessed the arrival of asylum seeker boats and have generally been less hostile than other Australians. In interviews we conducted, Islanders, mainly the Malay and Chinese majority, spoke of their own experiences of being coerced from their own countries into taking up underpaid and exploitative mining employment on Christmas Island after phosphate reserves were discovered. They spoke of their own rights-exclusion, with one Islander proclaiming: ‘We are all refugees’.

Their activism became most evident after what is known as the ‘Tampa affair of 2001, when the Australian government refused to let a Norwegian rescue vessel, MV Tampa, land on Christmas Island. The vessel had rescued 438 asylum seekers, mainly Afghan Hazaras, from a sinking vessel between Indonesia and Australia. A standoff occurred and Australia deployed military forces to prevent the landing, a scenario that one interview participant said was like waking up to a Vietnam War movie.

During the standoff, Christmas Islanders were sympathetic toward asylum seekers. They had not only experienced asylum seeker arrivals on their doorstep but had previously lent a hand. A driving force was that they understood what it was like to be marginalised and treated as the racialised ‘other’ (Dimasi & Briskman, 2010). One interview participant said of the Tampa asylum seekers: ‘I had sympathy for them. When I came here…the treatment was awful. We were not allowed to go to a lot of places, restricted because we are Asian’. Christmas Islanders were also no strangers to protest, having fought for their rights in the 1970s and forming a Union.

During the time of Tampa, Christmas Islanders were affronted by the imposition of military troops on their peaceful island and restrictions on their movement. They opposed the actions of the federal government, expressing solidarity for those who had sought safe haven. The protest took a number of forms including demonstrating on the beach with placards and wearing t-shirts scrawled with ‘Let them Land’. In contrast to popular representation of asylum seekers as pirates, hijackers and potential terrorists, the captain of the Tampa, Arnie Rinnan, and Christmas Islanders perceived the people on the vessel as guests (Perera, 2002).

5.2 Risks to civil society actors

In an ideal world, civil society activism would be welcomed. Regrettably, there are ways of silencing advocates. Governments have power and resources and can quickly discredit such movements. The Immigration Department has for example 66 ‘spin doctors’ employed, and civil society responses can readily be challenged and discounted. For professional practitioners who bear witness to atrocities and provide information in the public interest they can face harsh penalties for breach of contractual privacy agreements. A former immigration health advisory committee has been abolished, believed to have resulted from its critical stance by reporting on harms created by immigration detention.

Even academics with their relative freedom of speech can be intimidated and some do not see it as their role to be advocates. Australian scholar Brian Martin calls upon fellow academics to speak out. He warns against fear of imagined risk saying:

‘You think that if you offend someone powerful, this may jeopardize your tenure or promotion application. Your grants might be blocked. You might be sued for defamation…You could even be hauled in by ASIO and interrogated’ (Martin, 2006). And then globally there is publicity about what befalls whistle-blowers, particularly when national security interests appear to be at stake.

A bigger risk is nonetheless silent collusion and a failure to respond to Hessel’s call to duty to ensure that societies remain ones of which we are proud.

6. CONCLUSION

I finish as I began with Pete Seeger who engaged in what he called ‘defiant optimism’. He believed that from little things big things grow. Not everyone wants to be an overt activist, but as members of the human community we can each in our own way contribute to incremental change. Surely then the hopes of that famous song of the civil rights movement can be achieved: ‘We shall overcome’.

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Migration, Movement and Family: 
The Decline of Family in Canadian Immigration*

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1. INTRODUCTION

Canada is in the midst of an “Action Plan for Faster Family Reunification” initiated in 2011 to address a significant backlog and lengthy wait times for parent and grandparent sponsorship (CIC, 2011a; CIC, 2013a; CIC, 2013b). The plan promises to “help reunite more families” by bringing admissions to the “highest level in 20 years” and offering a “Super Visa,” — a ten-year, multiple-entry visa permitting parents and grandparents regular visits to Canada (CIC, 2013b). While it may seem by these moves that Canada’s focus on family is central to its immigration scheme, beneath the surface rhetoric of these broad gestures is a definite retreat from family reunification in Canadian immigration policy. This paper will canvas the changes to argue that the decline of family in Canadian immigration is a reflection of the changing norms and weakening humanitarian values that guide Canadian law.

Canadian immigration divides into three broad streams — economic, humanitarian and family. From the state perspective, economic admissions are overtly strategic and self-serving, humanitarian admissions are conversely premised on international responsibility sharing and vague notions of generosity and welcome, while family reunification is intended to meet the personal interests of Canadian citizens (Dauvergne, 2005). And yet the reality is that these divisive intents blur into each other in terms of admission decision-making regarding who is welcome and who is not. Beyond parent and grandparent sponsorship, in each of Canada’s immigration streams recent changes that focus on a particular type of educated economic migrant; lower the age of dependency; move significant refugee resettlement from known refugees to visa-officer referred asylum seekers. Retrieved February 27, 2014, from http://www.unhcr.org/s2a7225549.html.


2. DECLINING FAMILY FOCUS

2.1 Parents and Grandparents

The concept of family reunification has been present in Canadian immigration policy for more than a century, the first specific mention occurring in 1908 (Deshaw, 2006). Family reunification as a stated objective of Canada’s immigration policy was first articulated in the 1976 Immigration Act and can now be found at the outset of Canada’s Immigration and Refugee Protection Act (IRPA, 2001). Canadian citizens and permanent residents may sponsor their spouse or partner, dependent child, parent or grandparent (IRPA, 2001, s. 12(1); IRPA Regulations, 2002, s. 117(1)). In 2005, the Canadian Bar Association (CBA) outlined a 75% reduction in quotas for parent and grandparent admissions as well as the lowest priority ranking for overseas processing of these applications. The CBA concluded “it appears that the government is deliberately trying to kill the longstanding program for sponsorship of parents and grandparents” (CBA, 2005, p. 4). Instead, in 2011 when the backlog sat at over 165,000 applicants and processing wait times were close to 8 years, the Canadian government imposed a 2-year moratorium on new applications to sponsor parents and grandparents (CIC, 2011a). At the same time, the government promised a 60% increase in admissions over the next year, from 15,324 in 2010 to 25,000 in 2012 (CIC, 2011a). In 2011, parent and grandparent admissions dropped to 14,078 (CIC, 2013a) and the increase in 2012 amounted to 21,815 (CIC, 2013b). During the moratorium, a parent and grandparent ten-year “super-visa” was introduced, permitting multiple-entry visa permitting parents and grandparents regular visits to Canada (CIC, 2013b). While it may seem by these moves that Canada’s focus on family is central to its immigration scheme, beneath the surface rhetoric of these broad gestures is a definite retreat from family reunification in Canadian immigration policy. This paper will canvas the changes to argue that the decline of family in Canadian immigration is a reflection of the changing norms and weakening humanitarian values that guide Canadian law.

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2.2 Educated Economic Migrants

In the fall of 2011, the Canadian government also announced a new dedicated PhD stream of the skilled worker program that will accept 1,000 applicants for processing each year (CIC, 2011b). A total of 57,213 Federal Skilled Workers were admitted to Canada in 2013 (CIC, 2013c) so the PhD numbers are minimal, but they do amount to 1/6 of the skilled workers annually admitted without an offer of arranged employment (Canada Gazette, 2013). The program is new and current statistics do not break down the skilled worker class between PhD stream and other skilled workers. It is thus a question for future research and access to information requests to determine whether the ratio between principal applicants and their spousals and dependants differs between the PhD stream and regular skilled worker stream. Overall, in 2012 there were 68,266 principal applicants and 36,308 dependants under the Economic Class of which the skilled worker sub-class comprises the majority, accompanied by an additional 92,553 spouses and dependants (CIC, 2013c). One can hypothesize that the PhD stream will bring in lower numbers of spouses and dependants than traditional admissions under the skilled worker class. A number of studies and articles illustrate the correlation between a parent’s level of education and smaller family size (Berrington & Pattaro, 2014; Brand & Davis, 2011). Studies also document the fact that level of education, and increased educational opportunities, are significant factors in delaying the birth of a first child, which may mean that fewer children are born overall (Mills, Rindfuss, McDonald, & te Velde, 2011; Popper, 2012).

2.3 Age of Dependency

As illustrated above, even in Canada’s economic stream, higher numbers enter as the family of workers than the workers themselves by over 30%. Dependent children alone represent 30% of the overall immigrants admitted annually to Canada (Canada Gazette, 2013). In May 2013, the Canadian government proposed regulatory amendments to reduce the age of dependency from 21 to 18 and further eliminate an exception for older children who are full-time students on the basis that “the current definition of a dependent child for immigration purposes is out of step with the Government of Canada’s objective of selecting migrants who contribute best to Canada’s economic growth and sustainability” (Canada Gazette, 2013). The announced amendment goes further to note, “This proposal would respond to Government priorities of having an immigration system focused on Canada’s economic and labour force needs” (Canada Gazette, 2013). Once in force, this change will affect all immigration applications — economic, humanitarian, and family. While initially announced to occur in January 2014, the age reduction has yet to take place and may be under reconsideration.

2.4 Visa — officer Referred Resettlement

Canada, alongside the United States and Australia, is a leading country in refugee resettlement as a voluntary complement to its asylum program (United Nations High Commissioner for Refugees, 2012). Canada is, however, unique in the world for not only operating a government resettlement program but in addition, offering its citizens the opportunity to resettle refugees privately. The legislative scheme permits groups of individuals, five or more, and private organizations (religious, ethnic, community) to sponsor refugees for resettlement and provide settlement support for up to one year (IRPA Regulations, 2002, ss. 138–140). Over 200,000 refugees have been privately sponsored into Canada (CIC, 2011c). Canadian private citizens have resettled more refugees than most governments, ranking fourth behind the American, Canadian and Australian governments. Refugees in the private sponsorship scheme may be either “visa office-referred” or “sponsor-referred” (CIC, 2003, para 2.9). Visa office-referred refugees have already been approved by the Canadian government for sponsorship and completed the application process. Sponsor-referred refugees are chosen by the sponsoring group and must still be reviewed to determine resettlement eligibility and protection need before the application can be accepted.

The overwhelming majority of private sponsorships is of sponsor-referred refugees. In data from 2002 to 2005, visa office-referred cases accounted for less than 2% of private sponsorship (CIC, 2007, para 3.2.4). The opportunity for sponsor-based referrals means that the program is conceptually global and flexible. Sponsors may draw their referrals from anywhere in the world. In reality, social capital tends to guide sponsor selections. Ethnic and religious groups already settled in Canada understandably focus on sponsoring others from their families, communities and countries. By 2003 some estimates put nominations of family or close friends at between 95-99% of sponsorship referrals (Denton, 2003). Thomas Denton (2003) describes this as “relational migration” to differentiate this sponsorship from the defined family class sponsorship permitted as an immigrant class. In this manner, however, the private sponsorship program serves to better complement and expand the narrowly structured family reunification in the immigration stream, than the objective of refugee protection.

Government efforts over the past few years have focused on shifting sponsorship attention to stranger-based attention. In 2011 and 2012 administrative efforts were put out to sponsor refugees from both globally and targeting specific missions (Nairobi, Pretoria, Islamabad and Cairo) thereby limiting sponsor ability to respond to specific refugees (Canada Gazette, 2012). Regulatory changes in 2012 further limit certain sponsoring groups to only sponsoring individuals already recognized as refugees by the United Nations High Commissioner for Refugees or a State (Canada Gazette, 2012). Faced with these restrictions, sponsors were presented with a new opportunity in 2013 with the launch of the “Blended Visa Office-Referred Program.” The program matches private sponsors with refugees referred for resettlement by the United Nations (CIC, 2013e). The enticement for sponsors to give up on naming their own refugees is that it is a cost-sharing model where the government splits financial support with sponsors, each covering six months. As well, the referred refugees are “travel-ready,” so rather than waiting years for processing, refugees arrive in Canada within one to four months (Mennonite Central Committee, 2014). By 2015, the government goal is to match up to 1,000 refugees with sponsors each year through this program to replace an equivalent number of government assisted refugees (CIC, 2012b), although the opportunity has been greeted with much skepticism in the sponsor-community.

2.5 Temporary Foreign Workers

A consideration of Canada’s immigration program, even a cursory one such as this, is not complete without acknowledging the reliance on temporary foreign workers, a reliance that works in...
opposition to family unity, as families are left behind. Between 1988 and 2004, temporary foreign worker numbers in Canada varied between a low of 141,787 (1995) and a high of 198,642 (2004) (CIC, 2012c). Since that time, temporary foreign worker numbers have skyrocketed. In 2012, the number of temporary foreign workers in Canada reached 491,547 (CIC, 2012c). Compare this to a total of 257,887 new permanent residents admitted to Canada in 2012 (CIC, 2012c). Temporary foreign workers have been exceeding the number of permanent admissions to Canada since 2008 (CIC, 2012c). The Canadian Council for Refugees has argued this program “leads increasingly to a two-tier society, with a significant population, admitted only for their labour, who are separated from their families and have much fewer rights than others” (Canadian Council for Refugees, 2009). Separation, as opposed to reunification, is at the core of the program.

3. CONCLUSION

Taken collectively, the above changes are troubling. The Canadian government justifies decisions affecting family class and humanitarian admissions on economic grounds even while these immigration streams are premised on non-economic selection. Increased focus is shifting to economic immigration and temporary entrance — visitor visas for parents and grandparents who are otherwise separated from their families and temporary workers who are being drawn away from their families. Canada is failing to live up to its own legislative objective of facilitating family reunification. As a country that boasts the “most generous family reunification program in the developed world” (CIC, 2014), this decline serves as a marker of changing norms of acceptability in immigration programs.

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The Taste of Failure: a Case Study of UNHCR’s Recommendation to Invoke the Cessation Clause on Rwandan Refugees

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“...it’s a matter of time, whoever betrayed the nation cannot escape the consequences.” Paul Kagame, Rwandan President, 1st January, 2014

1. RWANDA AND HUMAN RIGHTS

Such frightening declaration was made by the Rwandan President Paul Kagame on 1 January 2014, when Colonel Patrick Karegeya, former General Director of External Intelligence in the Rwandan Defence force, was found strangled in his hotel room in South Africa (The Guardian, 2014). When interviewed on the assassination, Rwandan Foreign Affairs Minister Louise Mushikiwabo insisted on the fact that Karegeya deserved to be killed because “he betrayed the country that created him” (The Rwandan, 2014). Such declarations certainly sent a clear message to Rwandans in exile, thus confirming that President Kagame is now officially at war with his dissidents.

Karegeya’s assassination is not without recalling the case of human rights activist and journalist, Charles Ingabire, who was shot dead in Kampala allegedly by Rwandan intelligence operatives (The BBC, 2011). Such events are not without recalling the case of General Kayumba, former Rwandan ambassador in India and Rwandan government key player. In 2011, Kayumba survived a third assassination attempt since he sought asylum in South Africa. Moreover, in January 2014, the pressure increased again on dissidents living in exile as former Rwandan security detail Joel Mutabazi was expelled from Uganda where he had previously sought asylum. Mutabazi was reported abducted over night, then surrendered to Uganda police and finally expelled on bases that remain unclear. On this very particular extradition, UNHCR expressed deep concerns and described such decision as a potential violation of international law (Global Post, 2014).

If dissidents abroad are being targeted, the human rights situation within Rwanda has now become unbearable. NGO reports, such as that of Amnesty International’s, raise important concerns with regards to the political stability of Rwanda and the protection of fundamental human rights under Kagame’s administration, especially considering the violation of freedom of expression and the vague charges under the genocide ideology law. (Amnesty International, 2011; Amnesty International, 2012. There are also numerous concerns regarding Kagame’s government claims of free and fair elections and substantive democratic reform (Amnesty International, 2010; Human Rights Watch, 2012). The 2012 sentencing of Ingabire Victoire, Chairperson of the United Democratic Forces of Rwanda (UDF), and the arrest of her American lawyer Peter Erlinder in 2010 demonstrate only two of multiple examples of the political oppression subsisting within the country (Daily Nation, 2012; The Guardian, 2012; Human Rights Watch, 2012).

2. DEBATING UNHCR’S DECISION

Meanwhile, as the Kagame’s repression continues to be condemned, the United Nations High Commissioner for Refugees (UNHCR) is recommending its Member States to invoke the Cessation Clause of the 1951 Convention Relating to the Status of Refugees (1951 Convention) on the Rwandan refugees remaining in exile. The Cessation Clause (sub-Article 1C (5) of the Convention) expresses that states can cease one’s refugee status when he can no longer refuse to avail himself of the protection of the country of his nationality because the circumstances in connexion with which he has been recognized as a refugee have ceased to exist. This disposition directly strips the targeted individual of his refugee status and therefore forces him back into its country of origin. In response to UNHCR’s decision, Non-Governmental Organizations (NGOs) and concerned individuals drafted a petition arguing that the time was not right for such an invocation (Fahamu Refugee Legal Aid Programme, 2011). The strategy succeeded in postponing the recommendation, but has not achieved its withdrawal as UNHCR finally recommended that states ‘commence to progressively implement throughout 2012 all aspects of cessation of refugee status (including the exemption procedures) for Rwandan refugees who had fled Rwanda as of and including 1998, so as to enable their status definitively to cease, latest by 30 June 2013’ (UNHCR, 2011).

UNHCR’s Handbook on Procedures and Criteria for Determining Refugee Status in the 1951 Convention and the 1967 Protocol Relating to the Refugee Status mentions that the Cessation Clause is “based on the consideration that international protection is no longer justified on account of changes in the country where persecution was feared’ (UNHCR, 1992). Such condition implies the respect of many criteria relatively defined in UNHCR’s Note on the Cessation Clause such as “the right to life and liberty and to non-discrimination, the independence of the judiciary and fair and open trials which presume innocence, the upholding of various basic rights and fundamental freedoms such as the right to freedom of expression, association, peaceful assembly, movement and access to courts” (UNHCR, 2003). The state invoking cessation must prove that “effective protection is in fact available from the state of origin” and scholars suggest that it is UNHCR’s role to assess that the criteria are respected (Fitzpatrick, 2001).

The Implementation of the Comprehensive Strategy for the Rwandan Refugee Situation mentions that Rwanda has undergone rapid, fundamental and crucially positive changes’ since 1994 and that the country now ‘enjoys an essential level of peace and security’ (UNHCR, 2011). However, considering the events stated previously (i.e. assassinations and gross violation of human rights), such assessment of fundamental and durable changes is strongly debatable as it would rather be accurate to defend that Rwanda is everything but close from being safe, especially for those remaining in exile. Such position is strongly supported by states such as South Africa and the Democratic Republic of Congo (Fahamu Refugee Legal Aid Programme, 2013). In April 2013, the South African Minister of Home Affairs, Ms. GN Pandor stated that “the position of UNHCR in relation to Rwanda has created anguish and uncertainty among the refugee community in South Africa” and declared that his country is yet to be convinced of Rwanda’s fundamental changes (IRIN News, 2013). As for the DRC, it continues to resist the recommendation describing it as a “mechanical and ineffective cessation” (Cacharani and Cliche-Rivard, 2013). For the country, such forceful and incompromising repatriation is going to create more harm than good in the region. A similar position was supported by Europe as Policy Officer at UNHCR’s European Bureau in Brussels and focal point for Rwandan Cessation Clause in Europe, Michele Cavinato, stressed that European States are unlikely to follow UNHCR’s recommendation to invoke the Cessation Clause for Rwandan refugees (Cavinato, 2012). Mr Cavinato asserted that Europe would normally not consider Rwanda as a safe country of origin, and hopes that the recommendation will not affect the new refugees who are seeking asylum from persecution occurring after 1998.

Moreover, on 18 February 2010, Mr. George Kuchio, Senior Protection Officer of UNHCR declared that “UNHCR Geneva has thoroughly examined the situation in Rwanda and found conclusive evidences that it is premature to invoke the ‘Ceased Circumstances Cessation Clause’ to the refugee status of Rwandan Refugees’. If such statement was meant to be an explanation to UNCHR’s decision to push back cessation’s invocation to 2013, it rather confirms the position that Rwanda is nothing but safe for return. He also affirmed that the “country is experiencing on-going persecutions on the grounds of ethnic discrimination against Hutus, of political oppression and of complete absence of freedom of expression”. He raised concerns about “tarnyatical laws, lack of rights to life, oppressive security services and non-independent judiciary system”. He finally mentioned that “UNHCR would never invoke the Cessation Clause, unless the RPF (Rwanda’s Patriotic Front) Regime puts an end to such kind of persecutions”; it however seems that his words were forgotten (Mutuyimana, 2012a). This statement was presented to UNHCR
Uganda and to the Office of the Prime Minister during a meeting held with urban refugees on the 26 June 2012 (Mutuyimana, 2012b). The answer to the comment came directly from Kuchio’s successor, Esther Kiragu (UNHCR Senior Protection Officer in Uganda), who revealed that she had never visited Rwanda and thus was unable to defend empirically the ‘ceased circumstances’ cessation.

Such evasive answer, given directly to Rwandan refugees and their representatives, represents a concrete misunderstanding of the fear they face. The fact the UNHCR’s highest authority in Uganda cannot provide information on the situation in Rwanda raises questions on the existence of any report of UNHCR’s assessment. If the report were available and accessible, Esther Kiragu could have directly referred to it in order to justify UNHCR’s decision to invoke cessation. Moreover, the fact that she was not considered to be part of such assessment creates important concerns as Uganda hosts a significant number of Rwandan refugees. The input of UNHCR’s highest authority in Uganda, considering the proximity between Kigali and Kampala and considering the political complexity of the Great Lakes Region, would have been essential to any assessment on Rwanda’s situation. During this research, many requests to access this report were made to UNHCR’s local and international offices, but such permission was always denied. Thus, to date, it becomes very difficult to determine if such assessment of the situation in Rwanda was ever really conducted. Considering serious NGO critiques on the political and civilian rights situation in Rwanda, it seems unclear whether such assessment was ever conducted.

3. THE TASTE OF FAILURE

After more than four years of imbroglio and confusion, the build-up to the UNHCR recommended deadline for stripping Rwandans of their refugee status and forcing them to return to their country came to a dramatic standstill on 30 June 2013. On March 2014, the civil society has no indication that a single refugee has been forced back to Rwanda. To date, almost a year after cessation’s recommendation kicked in, more than 100,000 Rwandan refugees in Africa are remaining in exile. Only Cameroon is starting to implement the clause and yet such decision is not within raising questions. In the country, every single step towards the implementation of the cessation clause have been conducted by UNHCR itself while international law and state sovereignty suggest it is states’ responsibility to provide or withdraw refugee status. Therefore, it is questionable as to if Cameroon really had the intention to implement cessation or if the government was simply facing a situation it could not fight. If no state genuinely respected UNHCR’s recommendation and considering that some of them even fought such decision, why is UNHCR pushing, alone, a recommendation that no one wants?

International refugee law experts have raised concerns with regard to UNHCR’s recommendation to invoke cessation and have questioned the agency’s work by raising important legal concerns. It has been argued that UNHCR concentrates on finding solutions to refugeehood rather than offering solutions to refugees (Hathaway, 2012). Such a drastic consequence as refugee status cessation should not be regulated by standards and guidelines, but should rather constitute an independent, state-motivated decision, which UNHCR should supervise but certainly not lead. UNHCRs should normally have the sole role supervising cessation operations (UNHCR, 1992). According to Alice Edwards, Senior Protection Officer at UNHCR-Geneva, the refugee agency bases its authority to make such decision on the High Commissioner’s mandate (Edwards, 2012). However, how the High Commissioner’s mandate can be interpreted as to include recommending the invocation of cessation clauses is unclear. According to international refugee law, governments wishing to invoke cessation on the Rwandan population should have conducted their own assessments of the situation in Rwanda and presented their findings to UNHCR (Cwik, 2011). Had this been done, UNHCR could counter-check it on the basis of NGO reports, for example. Such a procedure would have respected and reaffirmed the organisation’s supervisory role (Abbott and Snidal, 2000).

Such leading role in the invocation of the cessation clause also raises legal concerns as the decision to invoke and its exemption process were made with violations of international legal standards. In Came- roon, UNHCR itself has issued decisions to Rwandan refugees’ exemption cases. Such exemptions were to be granted, in respect to international law, to refugees who could prove holding serious ongoing fear of persecution in Rwanda and to refugees able to prove holding compelling reasons not to return. These decisions, unsigned and undated, were issued by UNHCR’s office. They did not expose any of the reason as to why the exemptions were not granted. On the documents, only two check boxes were available, one stating that the exemption for ongoing persecution was denied and the second that the exemption for compelling reason was denied as well. In all cases transferred to the Fahamu Refugee Legal Aid Programme, the two check boxes were marked with an ‘X’, therefore suggesting that the form was initially only designed to provide rejection decisions. The decisions explained that the individuals and their family members were to lose their refugee status 30 days after the notification of such document (again, the document was undated).

Finally, the document stated that refugees could appeal from this decision within 30 days, but since no reasons of rejection were offered, it was simply impossible for refugees to understand on what ground they should appeal. The decision also pointed out that refugees needed to file their appeal between 8.30 and 12.00 on Fridays, but failed to mention where the case should be registered. In all the cases we know, the rejection decisions were maintained after appeal, but this time the decisions were dated and signed by Catherine Hamon Sharpe, UNHCR’s representative in Cameroon (Fahamu Refugee Legal Aid Programme, 2014) and the signature of a Cameroon government representative appears nowhere.

To date, if Cameroon is the only country where cessation has been invoked, some states remains in the very early stage of implementation, but again the governments were not involved in the process, or if they were, their participation was very timid. In Ken- ya, UNHCR has started interviews in order to profile the Rwandan refugee population living within the country and requested for these individuals to declare if they would rather face repatriation, local integration or the exemption procedure in the light of the upcoming cessation. However, to date, no formal declaration has been made by the Kenyan government on whether it intends or not to invoke the cessation clause. UNHCR’s action in Kenya is thus premature and creates unnecessary uncertainty in a state which has not yet taken a decision on the matter. After more than ten years of meeting with Rwanda and more than four years of intensive meetings with UNHCR, it rather seems legitimate to ask if any decision will ever be made (UNHCR, 2013).

In Uganda, the government has delayed the cessation clause in order to comply with UNHCR’s comprehensive strategy phases — a plan that UNHCR has forgotten itself. When the organization published its strategy for the Rwandan cessation clause in 2011, it had developed three choices for refugees: repatriation, exemption and local integration in the asylum state. If by repatriation, the organization meant forceful repatriation, the idea of a choice suddenly makes no sense. Moreover, to date, the exemption process has not yet started in Uganda, but the government already knows, prior of seeing any application, that the vast majority of them will be rejected. During interviews with refugee leaders in Nakivale, it was alleged that the camp authorities under UNHCR’s authority declared it would be “easier for a camel to go through a needle’s eye than for them to qualify for an exemption” (Refugee Leaders, 2012). Such a statement, if its sentiments were to be acted upon, represents an important violation of the fundamental concept of due process (UN General Assembly, 1966).

Considering that the authorities have not even had the opportunity to acquaint themselves with these refugees’ claims, how could they have determined that they will likely be rejected? Finally, considering local integration, the government of Uganda made no offers to refugees. According to Ugandan law, individuals can acquire citizenship by birth, registration or naturalisation. Each path requires applicants to satisfy different qualifications. Firstly, refugees are directly barred from acquiring citizenship by birth according to Chapter 3 — Article 10 of the Constitution (Government of Uganda, 1995). Thus, the very and only “choice” that refugee faces is forced repatriation. However, Uganda seems to have ignored UNHCR’s timeframe and has rather decided to respect the components of strategy by pushing back the invocation to the moment it will be ready to offer alternatives. To date, almost a year after cessation should have kicked in backed as well by years of meetings and pressure, it thus appears that the political will is simply absent.

No other state in the world has decided to follow UNHCR’s recommendation. It seems fair to say that Uganda and Kenya are not going to invoke cessation
shortly, if they are ever going to invoke it. In Came-
eroon, almost a year after invoking, no refugee has
been forced back to Rwanda. UNHCR’s assessment,
leadership and credibility are now contested regard-
ing this taste of failure.

CONCLUSION

What is UNHCR’s aim in recommending the ter-
mination of refugee statuses? Isn’t its role to defend
and fight for refugees’ rights rather than advocating
for the withdrawal of their international protection?
Is it the organization role to promote Rwanda’s agen-
da to bring back, judge and trial Rwandans living in
exile or should it rather defend the right to asylum?
Should the Refugee agency rather be strongly advo-
cating against such decision?

What drives UNHCR’s decision to recommend
the invocation of the cessation clause remains an un-
answered question. Forcing individuals unwilling to
return to their country is not going to terminate any
refugee situation, but will rather create situations fur-
ther endangering their lives. The forceful repatriation
of Rwandan refugees residing in Tanzania in Decem-
ber 1996 perfectly demonstrates such risk (Whitak-
er, 2002; Frushone, 2003). At that time, hundreds of
Rwandan refugees in Tanzania sought asylum in
Uganda in order to escape forced repatriation to
Rwanda. Reports demonstrate that many refugees
died trying to reach Uganda at that time (Amnesty
Moreover, a significant number of the refugees who
were forcefully repatriated to Rwanda in 1996 faced
persecution upon return and fled Rwanda again (Jesuit
Refugee Service, 2004). Once expelled from
Cameroon, per example, these refugees will proba-
bly act the same way and could seek refuge in unsafe
countries such as DRC, thus creating a new series of
problems and certainly not resolving these refugees’
situation. UNHCR needs to review its decision.

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1. INTRODUCTION: LAW AND HUMAN RIGHTS’ PARADOX

Praising Mexico, and the Mexican institutions, for a recent and very impressive list of economical, political, and social achievements, which comprises constitutional amendments, legislative developments and reforms, as well as adjudicative rulings, including the seize and capture of public enemy number one, i.e. Joaquín “el Chapo” Guzmán Loera, seems to be a constant nowadays. But, there is still paradoxically a lot of room for improvement regarding democracy and its relationship to respect for both human rights and the rule of law, called it the “law and human rights’ paradox”.

Bear in mind: on the one hand, that the Mexican President Enrique Peña Nieto and his administration were heralded under the heading “Saving Mexico” of the February 24, 2014 printed issue of Time Magazine (available on-line since February 13th), for the reforms that his administration pushed — and even pulled — with the support of the constitutional and legal majorities in both chambers of Congress, by sponsoring a coalition between his party, i.e. PRI, with the two main opposing political parties, i.e. PAN (right-wing) and PRD (left-wing). However, the subheading “How Enrique Peña Nieto’s sweeping reforms have changed the narrative in his narco-stained nation” is far more revealing. Although it acknowledges to him the credit of changing the narrative from the negative drug-trafficking war and security concerns only (inherited from the previous administration) to the positive increasing competitiveness and productivity within the region through commerce and education, among others, which earned Mexico’s government bonds an A-rating for the first time in history when Moody’s revised its assessment of the country’s prospects, it still recognizes the ugly truth: the stains, including more than 120,000 deaths, 30,000 disappeared, and endless human rights violations (most of them during the previous administration), are still there and even the sweeping reforms have not been able to remove them — or at least not yet.

And, on the other hand, that the Mexican Supreme Court of Justice was rewarded on December 10, 2013, with the prestigious 2013 United Nations Human Rights Award, because it “has accomplished very considerable progress in promoting human rights through its interpretations and enforcement of Mexico’s constitution and its obligations under international law” and “has set important human rights standards for Mexico and the Latin-American region”. Moreover, only three months before receiving this award, the Mexican Supreme Court in September 3, 2013, approved a very controversial — and even contradictory — set of human rights criteria holding not only that human rights contained in international treaties signed by Mexico have the same status as the
constitution, i.e. constitutional recognition of international treaties on human rights, but also that if the constitution contains explicit restrictions regarding human rights, such restrictions ought to prevail over the international treaties, i.e. constitutional restriction trumps international treaties on human rights. By the by, the prize is awarded every five years to commemorate the proclamation of the Universal Declaration of Human Rights by the United Nations, in this case the 65th Anniversary, and past recipients include individuals, such as Martin Luther King Jr. and Nelson Mandela, and international organizations and their members, such as Amnesty International and Human Rights Watch. Curiously, both international organizations did condemn the double standard adopted by the Mexican Supreme Court.

My aim in this report is to point out both the law and human rights’ paradox in Mexico and the way of solving it, i.e. not merely dissolve but truly resolving it, by advancing a partnership conception of democracy. In that sense, despite the recent and very impressive constitutional and legal developments, the quality of the democracy is still and must be questioned. The cry is not for more or less but for a much better democracy, beyond majoritarian elections and political processes, in order to guarantee effectively the respect for human rights and the rule of law.

For that purpose, I intend: to reconsider in section 2 the concept of democracy and its relationship to human rights and the rule of law; to revisit in sections 3 some of the winds of change and the recent hurricane of reforms in Mexico, especially on human rights and the rule of law; and, finally, to reproduce in section 4 our conclusion that for resolving the law and human rights’ paradox it is necessary to adopt a partnership conception of democracy, which not only implies the substantive respect for both human rights and the rule of law, but also requires that all be treated as equal partners in the associative process of self-government.

2. DEMOCRACY
The rule of law.

2.1 Democracy

According to its etymology — demos (people) and kratos (government, power or rule) — “democracy” means “government, power or rule of the people”. It is prima facie a form of government in contraposition to other forms of government. The classical typology includes not only three “pure” forms: 1) “autocracy” (better known as “monarchy”) as the government of one — i.e. the monarch; 2) “aristocracy” as the government of few — i.e. the better ones; and 3) democracy as the government of all — i.e. the people. But also there are three “impure” forms: 1) “tyranny” as the government of one — i.e. the tyrant; 2) “oligarchy” as the government of few — i.e. the rich; and 3) “demagogy” as the government of many (on behalf of all) — i.e. the poor (or the mob).

It is worth mentioning that Aristotle considered “democracy” pejoratively, an equivalent to the term “demagogy”, as one vicious extreme in contraposition to “oligarchy” as the other vicious extreme, whereas his politia was the virtuous middle term by comprising the government of both the poor and the rich (Arístotele 1880, 97–8). Unlike Aristotle, I will reserve “demagogy” for the “impure” form and “democracy” for the “pure” one. But like him, I will assume that the latter is the government of all the people: not only of both the poor and the rich but also of both the many and the few, or alternatively of both the majority and the minority.

The problem is that for some authors “democracy” seems to be reduced to the government of the many of the minority in detriment of the few or of the minority, a so-called majoritarian or populist democracy. On the contrary, a true “democracy” and democratic government must be neither of poor or rich, nor of many or few, nor of majority or minority, but of all: both of poor and rich, both of many and few, both of majority and minority.

So far the notion of “democracy” as a form of government and the typology has served to emphasize the ownership (or partnership “of” the political or sovereign power, depending on whether it corresponds to one, few, many, or all. Nevertheless, the exercise of this political or sovereign power not only must be done directly and indirectly “by” its owners (or partners) and their — legitimate — representatives, but also must be done “for” them and their benefit, not to their detriment. The three ideas already sketched can be put together into an integral definition, such as the one embodied in Abraham Lincoln’s maxim and in the “Preamble” of the Fifth French Republic’s motto: “government of the people, by the people, for the people” (Lincoln 1863/1990, 308; the emphasis is mine).

In that sense, a true “democracy” must be the government of, by and for all the people: poor and rich, many and few, majority and minority...women and men, heterosexuals and homosexuals, believers and non-believers...and so on. Hence, I will consider “democracy” as the “government of all the people, by all the people — directly on their own (“direct democracy”) or indirectly through their representatives (“representative democracy”) — and for all the people” (Flores 2010, 76–8; 2013, 95–7; 2014, 105).

As stated above, the problem is that there are two competing and conflicting conceptions of democracy. As far as I know the distinction can be traced all the way back to John Stuart Mill, who, in his Considerations on Representative Government, under the epigraph Of True and False Democracy: Representation of All, and Representation of the Majority Only, indicated (Mill 1861/1958, 102):

Two very different ideas are usually confounded under the name democracy. The pure idea of democracy, according to its definition, is the government of the whole people by the whole people, equally represented. Democracy as commonly conceived and hitherto practiced is the government of the whole people by a mere majority of the people, exclusively represented.

In Mill’s opinion, the former is synonymous with the equality of all citizens, whereas the latter with the privilege of the numerical majority over the minority (Mill 1861/1958, 102). In Dworkin’s perspective, these two competing conceptions of democracy not only coexist but also are still in conflict, nowadays. On one side, according to the majoritarian view: “[D]emocracy is government by majority will, that is, in accordance with the will of the greatest number of people, expressed in elections with universal or near universal suffrage” (Dworkin 2006, 131). On the other, according to the partnership view (Dworkin 2006, 131):

[D]emocracy means that the people govern themselves each as a full partner in a collective political enterprise so that a majority’s decisions are democratic only when certain further conditions are met that protect the status and interests of each citizen as a full partner in that enterprise.

On the partnership view, a community that steadily ignores the interests of some minority or other group is just for that reason not democratic even though it elects officials impeccably majoritarian means.

2.2 Human Rights and the Rule of Law

Let me announce that the ideal embedded in the concept of the “rule of law” cannot be logically derived from merely combining the content of the concept “rule” with the content of the concept “law”. The “rule of law” has content that transcends both the atomic concepts of “rule” and “law” of which the more complex concept is constructed, as well as the formal assertion that “law rules”, regardless of its relationship to certain substantive principles, such as the respect for human rights and the rule of law itself (Waldron 2008, 1; Flores 2013b, 79–82). Additionally, I will like to demonstrate the tendency to reduce “democracy” and the “democratic principle” (aka “democratic rule”) to the “majority principle” (aka “majority rule”), i.e. to whatever pleases the majority, since this reduction is contrary to the respect for both human rights and the rule of law (Flores 2013b, 93–5).

To reinforce the importance within a democracy of respect for both human rights and the rule of law, we will assess critically the problem of majority rule. Certainly, since the “unanimity” is virtually impossible, the majority rule has been adopted as a device that enables the government to rule by facilitating, on one side, the election of our rulers, including our representatives, and the (national) representation as such, and, on the other, the decision-making process, and the governance. However, the majority principle does not imply that any election or decision is justified per se. As we have already pointed out, it is not enough to comply with adjective-formal procedures but to abide by substantive-material principles. All in all, the problem is that the majority rule is not necessarily identical to the democratic rule. In a democracy it does not suffice to
be concerned with the legitimate interests of the majorities since the minorities must also be respected in order for the legislative decisions to represent the common general interest and be truly general in both their creation and application.

Even though it is true that the majority is legitimated to rule it is also true that it represents — and must represent — the minorities, by respecting their legitimate interests. The problem is that the majority principle tends to degenerate into majority rule by creating winners that take it all without sharing the corresponding part with the losers that end up with nothing at all. In a nutshell, the majority rule, in which the winner takes it all, makes politics a zero sum game of win-lose (them or us), instead of a win-win situation for all (them and us).

The justification of the majority principle relies on the notion of “virtual representation”, i.e. the winners represent all, both those who voted for and against them, and two principles of reciprocity: 1) the majorities are fluid and not fixed beforehand; and 2) the minorities are capable of becoming part of the governing coalition or majority in the future. Moreover, when the majority consistently and constantly excludes the minorities and/or systematically and thoroughly rejects its demands, to the extent not only of ignoring their legitimate interests but also of destroying the virtual representation and the principles of reciprocity, by transforming the legitimate majority principle into antithesis a majority rule — also known as the “tyranny of the majority” (Guinier, 1994, 102-5).

Actually, it was John Stuart Mill, who in 1859 alerted (1859/1899, 8): “in political speculations the tyranny of the majority is now generally included among the evils against which society requires to be in guard. " And, a couple of years later, in his Considerations on Representative Government, cautioned (1861/1958, 104):

The injustice and violation of principle are not less flagrant because those who suffer by them are a minority; for there is not equal suffrage where every single individual does not count for as much as any other single individual in the community. But it is not only a minority who suffer. Democracy, thus constituted, does not even attain its ostensible object, that of giving the powers of government in all cases to the numerical majority. It does something very different: it gives them to a majority of the majority, who may be, and often are, but a minority of the whole.

The problem is that, despite the virtual representation and the principles of reciprocity, the majority neither recognizes nor represents the interests of the minority, as Alexis de Tocqueville emphasized (1835-1840/1969, 253–4):

The majority, being in absolute command both of lawmakers and of the execution of the laws, and equally controlling both rulers and rules, regards public functions as its passive agents and is glad to leave them the trouble of carrying out its plans.

Notwithstanding, when the majority possesses all the power and exercises it beyond any proportion it may lose all its legitimacy, as Madison pointed out one of the objectives of establishing a government is to avoid the dominance of any group with particular interests by recognizing (1788/1961, 323): “It is of great importance in a republic not only to guard the society against the oppression of its rulers but to guard one part of the society against the injustice of the other part.” And, reiterating (1788/1961, 324):

In a society under the forms of which the stronger faction can readily unite and oppress the weaker, anarchy may as truly be said to reign as in the state of nature, where the weaker individual is not secured against the violence of the stronger...

Actually, Tocqueville insisted that the will of the majority is the essence of the democratic rule (1835-1840/1969, 247):

The moral authority of the majority is partly based on the notion that there is more enlightenment and wisdom in a numerous assembly than in a single man, and the number of the legislators is more important than how they are chosen...

The moral authority of the majority is also founded on the principle that the interest of the greater number should be preferred to that of those who are the fewer.

However, he warns that the germ of the tyranny is found precisely in the “omnipotence of the majority”. On this regard, he affirms (1835-1840/1969, 251): “I will never grant to several that power to do everything which I refuse to a single man.” The majority will must be moderated to control the possibilities of becoming a tyranny. Moreover, the use of power is not necessarily good (1835-1840/1969, 256): “This irresistible power is a continuous fact and its good use only an accident.”

In a democracy, the majority rule is justified prima facie as long as the majority does not exercise all the power and oppresses the minority, by not protecting their interests and rights. It is incontestable that the majority is entitled to a majority of seats but not all since some of them belong to the minority and much less to be unconstrained. The legislative body ought to be a micro-cosmos of the constituency, where both majorities and minorities are represented according to their true representativeness without either adulterations or dilutions of any type. The majority principle means that it is not sufficient to represent the majority but all the people, including the minority.

Likewise, Hamilton advised (1885, 101): “Give all the power to the many, they will oppress the few. Give all the power to the few they will oppress the many. Both therefore ought to have power, that each may defend itself against the other.” In other words, democracy is more than the government of the majority. In a pure or true democracy the power is neither in the majority nor in the minority but in all the people.

3. FROM WINDS OF CHANGE TO THE HURRICANE OF REFORMS

The Mexican constitution was promulgated on February 5, 1917 and went into force May 1st of that same year, and is the result of an integral revision of the 1857 constitution (Flores 2007, 286). In any event, it is considered among the oldest constitutions still in effect, since it is only predated by the constitutions of the United States of America (1787–1791), Norway (1814), Netherlands (1815), Belgium (1831), Denmark (1849) Argentina (1853), and depending on whether it is considered as an integral revision (1857) or a new constitution (1917) it precedes or is preceded by the Constitution of Argentina (1901) (Blaustein and Flanz 2008).

Additionally, the Mexican constitution is among the longest and more amended or reformed (Fix-Fierro 2014). On one side, the original text of 1917 had around 20,000 words and now it is three times bigger, i.e. around 60,000 words. On the other, it includes 216 decrees of constitutional amendments or reforms in 97 years, a ratio of 2.22 per year (counting the published in February, 10, 2014 as the most recent). (By the way, the amendments are added to the text and do substitute its previous version.)

It is worth pointing out that 117 amendments were realized in 72 years, a ratio of 1.62 per year, and the remaining 99 in the last 25 years, a ratio of 3.96 per year, i.e. more than double. Actually, in the first 15 months of the current administration, 13 constitutional reforms have been published, a ratio of 0.86 per month, i.e. almost one per month. This hurricane of constitutional amendments is very impressive not only in terms of its number, but also in terms of the importance of the topics reformed, which include: education; energy, gas and oil; financial and fiscal; political and electoral; religious freedoms; security; telecommunications; transparency and information; and so on.

Certainly in the past twenty-five years, Mexico has transformed itself from a predominantly rural to a predominantly urban society, from a closed to an open economy, and from a more or less autocratic tradition to a more democratic one (Flores 2005, 699). By now, although we have majoritarian elections and political process, due to both weak institutions, as well as poor civic engagement and participation, which reduces democracy not merely to an elective process but even worse to a “delegative” process (“O’Donnell 1993a and 1993b), it is still necessary to adopt a more substantive conception of democracy, such as Dworin’s partnership view. This conception implies the effective respect of both human rights and the rule of law and requires the respect of all as equal partners in the associative process (Dworin 1998, 453-8; 2006, 127-59; and 2011, 379-99; Flores 2010b, 76-90; 2013b, 95-7; and 2104, 104-6).

Regarding law and human rights, besides the progressive recognition not only of civil and political rights, such as universal or near to universal suffrage both to vote and to be voted into office, but also of economic, social and cultural rights, such as right to education, food and health (Flores 2010a, 747–54), there are several constitutional developments worth...
3.1 Constitutional legislation (via amendments)

Among the most important pieces of constitutional legislation (via amendments), in the last 25 years, let me mention:

On human rights: 1) creation of the “Comisión Nacional de los Derechos Humanos” (CNDH), i.e. National Commission on Human Rights, and local commissions in the States (January 28, 1992); 2) creation of a local commission in Mexico City and a more thorough regulation to guarantee the autonomy of all the commissions both at the national and local levels (September 13, 1999); and 3) recognition — and even re-inforcement — of the human rights’ discourse in the Constitution (June 10, 2011).

It is worth mentioning that after almost twenty years of the creation of the CNDH, which enabled it to process the complaints (i.e. “quejas”) against actions and omissions of certain but not all public officials that violated human rights and to elaborate non-mandatory public recommendations (i.e. “recomendaciones”) to such officials, the 2011 constitutional amendment required them to comply at length with the recommendations or to communicate in writing the reasons for not doing so.

Furthermore, the 2011 constitutional reform can be characterized, by 1) the enjoyment of human rights and their respective constitutional guarantees for all human beings (Flores, 2009, 457-93); 2) the establishment of criteria for its interpretation according to the Constitution and to the pro homine or pro persona principles as a golden rule (Flores 2013c, 115-22); and 3) the enforcement of a constitutional obligation in part of all public officials to promote, respect, and guarantee the human rights (Flores 2004, 152-4), which was complemented by several legislative developments, including their respective reforms: 1) “Ley Federal para Prevenir y Eliminar la Discriminación” (published June 11, 2003 and reformed March 20, 2014); 2) “Ley General para Prevenir, Sancionar y Erradicar los Delitos en Materia de Trata de Personas y para la Protección y Asistencia a las Víctimas de estos Delitos” (published June 14, 2012 and reformed March 19, 2014); and 3) “Ley para la Protección de Personas Defensoras de Derechos Humanos y Periodistas” (published June 25, 2012); and 4) “Ley General de Víctimas” (published January 9, 2013 and reformed March 5, 2013).

In the meantime, Mexico had already accepted the competence not only of both the Inter-American Commission on Human Rights and the Inter-American Court of Human Rights but also of the United Nations Human Rights Committee (Flores 2005, 702-3).

Recently, in March 20, 2014, Mexico responded to 176 recommendations of the United Nations in the context of the Universal Periodic Review report and accepted almost all of them, i.e. 166, and provided additional clarification on 2 of them.

Among the very few rejected ones, Mexico rightfully (at least in my opinion) did not support the recommendations of the Vatican State regarding the recognition of human life since conception, and the prohibition of gay marriages, in order to comply with sexual and reproductive rights, including the non-discrimination principle (Flores 2006, 269-74; 2012, 88-105; 2013a, 110-2). Also, the Mexican delegation was at pains on explaining that due to the extraordinary circumstances of fighting the drug-carts, Mexico is in the process of complying with the rest of the recommendations by reducing the use of controversial figures such as “arraigo”, i.e. apreventive form of securing someone, for up to 80 days that has been reduced to 30 days, in order to investigate and avoid them from fleeing away, and nevertheless is fully committed in protecting and promoting human rights. Currently, the Mexican Senate is analyzing the merits of a legislative initiative “Ley Federal para Prevenir, Sancionar y Erradicar la Desaparición Forzada de Personas”, which was presented February 11, 2014.

On the rule of law: 1) reconstitution of the Supreme Court as a constitutional tribunal, including the creation of the “Consejo de la Judicatura”, i.e. Council of the Judiciary, in charge of the administration of the judicial branch of government (December 31, 1994); 2) implementation of a criminal accusatory system and oral trails system (June 18, 2008); and 3) reformation of the rules applicable to the different forms of judicial review, including the “amparo” lawsuit, i.e. a form of habeas corpus for the protection of human rights (June 6, 2011).

It is worth noting that after almost twenty years of granting the Supreme Court with the faculties to resolve constitutional controversies between the different branches of government and different forms of judicial review of the constitutionality of general norms and actions of the public officials, the 2011 constitutional amendment explicitly included not only the omissions of the public officials, but also the actions and omissions of private entities while exercising public functions. Although the implementation of the criminal accusatory system and oral trails system is uneven, both at the national and the local levels, there are some great exceptions, such as the state of Yucatán (Flores 2011, 369-78; Fis-Fiero 2013, 904 and 915), and some recent legislative developments, including the publication of a “new” “Ley de amparo. Reglamentaria de los artículos 103 y 107 of the Constitution” (April 2, 2013) (Corzo Sosa 2013, 9-45); and “Código Nacional de Procedimientos Penales” (March 5, 2014).

3.2 Constitutional Adjudication (via Interpretation)

Among the adjudicative rulings of the Mexican Supreme Court worth discussing for their enormous constitutional impact, I will like to point out two resolutions: 1) Expediente varios 912/2010, also known as Rosendo Radilla Pacheco’s Case (2011); and, 2) Contradicción de Tesis 293/2013 (2013). 3.2.1 Expediente Varios 912/2010 or Rosendo Radilla Pacheco’s Case (2011)

In 1974 Rosendo Radilla Pacheco was taken away by militaries and has been presumed victim of an enforced disappearance for the past 40 years. After Mexico accepted the competence of the Inter-American Commission and the jurisdiction of the Inter-American Court and unfruitful attempts to bring justice to his family in Mexico, non-governmental organizations succeeded in taking the case against the Mexican state to the Inter-American Commission in November 15, 2001. Following the denial of the Mexican government to comply with their recommendations, the Commission took the case to the Inter-American Court in March 15, 2008. Finally, the Court in the case 12.511 sentenced the Mexican State in November 23, 2009 and notified the Mexican government in December 15 of the same year. As a result of the publication of an extract in the Official Gazette in February 9, 2010, the then Chief Justice of the Mexican Supreme Court consulted his colleagues about the impact of the sentence in the Mexican legal system.

Among the rulings in this case, which was analyzed and discussed, during two weeks, in the sessions of July 4, 5, 7, 11, 12 and 14, the Supreme Court held (Musa-lem Oliver 2011):

- By a majority vote of 8/11 justices that the decisions of the Inter-American Court are not reviewable by them;
- By an unanimous vote of 11/11 justices that the decisions of the Inter-American Court against the Mexican state are binding to the Mexican authorities, including the judicial branch;
- By a majority vote of 6/11 justices that the precedents of the Inter-American Court are not mandatory but merely serve as a guidance;
- By a majority vote of 7/11 justices that the Mexican Federal Judiciary is entitled to check or review the conventionality, i.e. compliance of the Mexican norms with the American Convention on Human Rights;
- By a majority of 7/11 justices that all Mexican Courts and Tribunals, both Federal and Local, including the Federal Electoral Tribunal, are entitled to check or review the conventionality;
- By a majority of 7/11 justices that the check or review of conventionality, implies the inapplicability of the norms in question (or diffuse control)by all Mexican Courts and Tribunals, both Federal and Local, including the Federal Electoral Tribunal, and not necessarily a declaration of being contrary to the Constitution (or concentrated control), which is reserved to the Mexican Federal Judiciary;
- By an unanimous vote of 10/10 justices (since one was on leave) that the check or review of conventionality, includes the limits on the Military jurisdiction;
- By an unanimous vote of 10/10 justices (since one was on leave) that all Mexican Courts and Tribunals, both Federal and Local, would have to enforce the limits on the Military jurisdiction;
• By an unanimous vote of 10/10 justices (since one was on leave) that the Mexican Supreme Court will resolve the conflicts of competence and contradictions between precedents regarding the limits on the Military jurisdiction;
• By a majority of 8/10 justices (since one was on leave) that the Supreme Court will teach courses and programs to create awareness on the importance of resolving the cases of enforced disappearance and the guidelines on how to deal with them;
• By a majority of 7/10 justices (since one was on leave) that the Mexican Supreme Court will guarantee that in order to comply with the sentence of the Inter-American Court the revision of the case remains in the civil jurisdiction;
• By a majority of 7/10 justices (since one was on leave) that all Mexican Courts and Tribunals, both Federal and Local, can decide the inapplicability of general norms in question for being contrary to the human rights recognized by the General Constitution and by conventions and treaties on human rights, and accordingly that the Mexican Supreme Court has to modify the jurisprudential criteria P/J 74/1999, which held previously that all Mexican Courts and Tribunals — in a spurious but constant interpretation of article 133 of the Mexican Constitution — cannot decide the inapplicability of general norms (or diffuse control);
• By a majority of 7/10 justices (since one was on leave) that the Mexican Federal Judiciary has to take into account the guidance of the precedents of the Inter-American Court to adjust their own constitutional and legal precedents to the terms of the international standards on human rights;
• By a majority of 7/10 justices (since one was on leave) that the Mexican Supreme Court will guarantee the access to the files of the case and copies to the victims;
• By an unanimous vote of 10/10 justices (since one was on leave) that the Mexican Supreme Court will reassume its original competence to resolve the cases of enforced disappearance and the guidelines on how to deal with them;
• By a majority of 7/10 justices (since one was on leave) that the rulings are thoroughly re-examined and are analyzed in every case;

On one side, the Mexican Supreme Court in the session of September 3, 2013, by a vote of 10/11 approved that the criteria of the Inter-American Court has a binding and not merely a guiding nature.

4. CONCLUSION

To finalize let me conclude that despite the recent and very impressive constitutional and legal achievements and developments the quality of democracy in Mexico is still questioned, especially regarding its respect for both human rights and the rule of law, due mainly to the fact that the implementation of those reforms is still a work in progress and the existing tensions need to be worked out. The cry is not for more or less but for a much better democracy, beyond majority elections and political processes, which guarantees an effective respect for both human rights and the rule of law. In sum, to resolve the law and human rights’ paradox in Mexico — and elsewhere — it is necessary to adopt a partnership conception of democracy, which not only implies the substantive respect for both human rights and the rule of law, but also requires that all be treated as equal partners in the associative process of self-government.*

3.2.2 Contradicción de Tesis 293/2011 (2013)

In June 24, 2011 a lawyer on behalf of a client denounced a possible contradiction between the criteria of two Federal Tribunals and the Chief Justice of the Supreme Court ordered the creation of the Contradicción de Tesis 293/2011. Actually, there were two issues at stake: 1) the position — either at the same level or below — of the International Treaties on Human Rights in relation to the Mexican Constitution; and 2) the binding or non-binding, i.e. merely guiding, nature of the criteria of the Inter-American Court.

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You Have (No) Rights: Bills of Rights and the Australian Exception

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BILL OF RIGHTS MODELS

Discussion of Bills of Rights commonly centres on a constitutionally entrenched model. This means that the Bill of Rights is in some way attached or associated to the constitution and therefore acts as a higher law than a general statute. This also means that the Bill can be changed only by a special procedure. For example the United States Bill of Rights takes the form of Amendments to the Constitution, which were created by a two-thirds majority of both houses of Congress. In comparison the Bill of Rights in Germany takes the form of the first 19 articles of the Basic Law for the Federal Republic of Germany, the ‘essence’ of which cannot be changed.

An alternative model is an ordinary statute. This means that the Bill of Rights does not have primacy over other statutes and is vulnerable to being repealed or amended in the same way as any other law. However this would likely be done with great political cost. Examples include the Human Rights Act 1998 in the UK and the Canadian Bill of Rights 1960. Canada later transitioned to an entrenched model with the Canadian Charter of Rights and Freedoms 1982. In federal nations, such as Australia, this model would be as effective as an entrenched Bill of Rights against the sub-national states (Gibbs 1995). This is because the states will be unable to legislate past or inconsistently with a federal law.

General statute Bills of Rights can also take the form of a statutory dialogue model where by the courts are granted the ability to advise parliament where breaches of the Bill of Rights occur, rather than render the offending law invalid. Thus the decision on what action to take with regard to the offending law is left to parliament. Some parts of Australia have adopted this model and it will be discussed in detail below.

ARGUMENTS FOR AND AGAINST A BILL OF RIGHTS

During drafting of the Australian Constitution there was some movement towards a Bill of Rights; however it was rejected due to concerns that it would ‘undermine some of the discriminatory provisions of the law at the time, including those laws and practices that disadvantaged Aboriginal people and the Chinese in Australia’ (Kirby 1995: 276). Since then Australia’s lack of a Bill of Rights has been a subject of much debate. Prominent politicians such as former New South Wales Premier Bob Carr (2010) have insisted that ‘there will be no charter of rights because there’s no crisis of rights in Australia’. Former Prime Minister John Howard has expressed similar sentiments, arguing that the rights of Australian’s are well protected without a Bill of Rights (Shanahan 2009). Indeed, the movements towards statutory dialogue Bills of Rights at a sub-national level have been criticised, particularly in the Australian Capital Territory (ACT), as a waste of time and money due to the lack of any substantial rights violations that occur (Cater 2012). It is true that for most Australians the rights protection in Australia is sufficient. However rights protection does not exist to serve the majority; rather the purpose is to protect the minority from the majority. There are a number of blemishes in Australia’s record that will be discussed below that serve to highlight the vulnerability of minorities without adequate rights protection.

More substantive arguments against a Bill of Rights exist beyond that they are not needed. These arguments are not exhaustive but serve to frame the rest of the discussion. These include concerns that entrenched models can undermine parliamentary sovereignty, grant too much power to the judiciary and politicise the courts (Allan and Cullen 1997). Arguments are also raised that by defining human rights you inherently limit them, and that ‘ill-considered’ rights can be harmful to those who they were...
designated to protect (Wilcox 1993: 12). Some rights protected within a bill of rights must be ‘necessarily defined in fairly general terms’, which could lead to unpredictable and undesirable restrictions on Parliament (Gibbs 1995). Furthermore, rights we value today may not resonate in the future, with fingers often pointed at the second and third Amendments to the Constitution of the United States. A bill of rights may include ‘provisions which give effect to opinions which are fashionable today but in the future may be regarded as mistaken’ (Gibbs 1995).

These criticisms appear to be directed just at entrenched models, as ordinary statute or statutory diagnostic models grant Parliament flexibility to legislate past these issues. Furthermore, so long as Parliament retains its primacy the courts are less likely to be further politised or granted too much power. However, even these forms of rights protection would further centralise power to the Australian Commonwealth. This is because the states are unable to legislate laws that are inconsistent with Commonwealth due to section 109 of the Constitution. It could be argued that any loss of state power could be balanced by the nationally consistent rights protection that such a model may offer.

Proponents of an Australian Bill of Rights offer a range of arguments. Firstly that there are defects in the democratic system and in practical reality democracy in Australia is the election of ‘a majority autocracy for the period of the Parliament’ (Kirby 1995: 280). Thus it is necessary for the protection of minorities that some matters are beyond the power of the ‘transient majority’. To this end a Bill of Rights acts to empower the disadvantaged in society. Indeed a Bill of Rights is a reminder to officials ... that there are limits beyond which it is not safe to go’ (Douglas 1963: 211).

Another argument for a Bill of Rights is that there is often legislative inaction regarding difficult problems. These problems are left to the courts, and a Bill of Rights would provide the courts with a tool by which to advance rights. For example in the United States it was left to the judiciary to solve problems such as racial discrimination, abortion and privacy (Kirby 1995: 280). Finally the courts are inherently limited to the cases before them, thus common laws can only develop in a haphazard way.

**RIGHTS IN AUSTRALIA**

Despite the lack of a federal Bill of Rights it would be incorrect to say that rights are entirely unprotected in Australia. There are a number of different ways that some rights are protected; but they are not without their limitations. Firstly there are rights expressly recognised within the Australian Constitution, however Williams (2000: 14) argues that due to ‘narrow drafting and High Court interpretation that most ... have a very limited effect.’

Section 41 grants the right to vote in federal elections to adults who have acquired the right to vote at a state level. This section was interpreted strictly in Pearson (1983) by the High Court to only apply to people who acquired the right to vote in state elections before the enactment of the Commonwealth Franchise Act 1902. Therefore this provision has no effect today and a 1988 referendum that included a new right to vote was defeated with only 37.60% of voters in favour (AEC 2012).

Section 80 grants the right to a trial by jury for indictable offences, however it has been interpreted in such a way that allows the Commonwealth to choose whether or not a jury trial will be granted, giving it no effect in practice. Section 116 grants protection from discrimination. However this too has been interpreted narrowly (Williams 2000: 14-15). The 1988 referendum also sought to extend the protections of freedom of religion and the right to a trial by jury. These provisions were defeated with only 30.79% of voters in favour (AEC 2012).

The remaining rights in the Constitution have been interpreted more broadly today. This includes section 51 (xxxi), requiring any property acquired by the Commonwealth from the states or individuals to be on just terms. As well as section 117 and section 92, which prevents discrimination based on state residence and freedom of interstate trade respectively (Williams 2000: 15–16).

There have also been a right found to be implicit in the Constitution: the implied right to political communication. This restrictive form of freedom of speech was recognised in Australian Capital Television v Commonwealth (1992). In this case the High Court used the requirement that both houses of parliament be ‘directly chosen by the people’, as enshrined by section 7 and 24 of the Constitution, to reason that such a choice must be genuine and informed.

Williams and Burton (2013: 61) highlight the importance of the common law in protecting rights in Australia. This is done firstly through the principle of legality, which requires the courts to interpret legislation to be consistent with common law rights unless there is a clear intention from Parliament to do otherwise. Secondly, the courts consistently require that legislation be interpreted consistently with international human rights norms. Furthermore, the principle of responsibility and representative governments draws attention to unjust laws. However Churchies (2013: 69) argues that recent decisions have shown the ‘judiciary takes no stand for the common law rights, even to the extent of the principle of legality’. Judicial trends aside, the common law presumptions and rights can be defeated by the express and unambiguous intent of Parliament.

There are also a number of statutory tools in Australia to protect selected rights. At a national level, The Racial Discrimination Act 1975, Sex Discrimination Act 1984, Disability Discrimination Act 1992 and Age Discrimination Act 2004 all operate to protect rights through prohibiting discrimination in areas such as employment, education, housing, services and public places (Australian Human Rights Commission 2006). The Australian Human Rights Commission conciliates breaches of these statutes, however the High Court found in Brandy v Human Rights and Equal Opportunity Commission (1995) that the decision of the Commission were unenforceable, as an administrative body is unable to wield judicial power. The consequences of this being that in the event of one party ignoring the findings of the Commission, a new action in the Federal Court must be commenced if the decision is to be enforced.

Finally, rights may be incorporated within Australia through international treaties. For example Australia has signed and ratified the International Covenant on Civil and Political Rights and the Convention on the Rights of the Child. However as ratification of treaties is a function of the executive and creating law is a function of the legislature, due to the doctrine of separation of powers a treaty does not confer legal responsibility until it is incorporated through domestic legislation (Australian Human Rights Commission 2004). Neither the International Covenant on Civil and Political Rights or the Convention on the Rights of the Child have been incorporated in their entirety.

**RECENT DEVELOPMENTS**

A federal inquiry commenced in 2008 into rights protection in Australia. Over 35,000 submissions to the consultation were made and the report, handed down in 2009, recommended that Australia develop a Human Rights Act similar to the UK Human Rights Act 1998 (Attorney-General’s Department).

The recommendation was rejected and instead the Commonwealth passed the Human Rights (Parliamentary Scrutiny) Act 2011.

This act introduced an exclusively parliamentary model of rights protection to Australia, with no role for the courts (Williams et al. 2013: 59). It required parliament to self-regulate by including statements of compatibility with international human rights conventions into future bills. A Parliamentary Joint Committee was established to investigate human rights issues. This system addresses one of the criticisms of entrenched bills of rights, that they grant too much power to the courts. However Williams et al. (2013: 62) argue that due to the high volume of bills before parliament, the lack of expertise amongst members of parliament on human rights issues and the definition of rights by reference to international conventions may operate together in preventing a rights culture developing within Parliament. It is also important to note that under section 8(5) of the Human Rights (Parliamentary Scrutiny) Act the absence of a statement of compatibility does not effect the ‘validity, operation or enforcement’ of any act. Furthermore section 8(4) expressly states that statements of compatibility are ‘not binding on any court or tribunal’. Therefore a statement of compatibility, while procedurally required, has a minimal legal effect (Williams et al. 2013: 77).

More comprehensive forms of rights protection exist in one state and one territory of Australia. In 2004 the Australian Capital Territory passed the Human Rights Act and in 2006 the state of Victoria passed the Charter of Human Rights and Responsibilities Act.
Both of these acts fit under the statutory dialogue model of Bills of Rights. The ACT statute borrows elements from the Canadian and UK models (Vinoli 2005: 37). The act takes its rights from various international conventions such as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. Section 28 borrows from the Canadian Charter of Rights and Freedoms in stating that the rights set out are subject to only reasonable limits in law that can be demonstrably justified. Thus the rights protected are not absolute. Section 30 requires the courts to interpret Territory justified'. Thus the rights protected are not absolute.

There are a number of examples that highlight the inadequacies of Australia's model of rights protections. It is important to note that a Bill of Rights may not necessarily have prevented these controversies from arising, nor do they necessarily show that Australia's record is significantly better or worse than other countries that use a model with a Bill or Rights. They do serve to highlight that Australia's model could be significantly more comprehensive.

While in these civil cases liberties were protected with no reliance placed on rights, there are many examples where the lack of adequate rights protection in Australia is cause for concern. In Karteringi v Commonwealth (1998) the High Court left open the issue as to whether or not the power to make special laws regarding a particular race, under section 51(xxvi) of the Constitution, could be used to pass laws to the detriment of a given race. Williams (2001) argues that this case shows how in Australia fundamental rights are at the mercy of the wisdom and good sense of our legislators. He continues to point out that this can easily be taken for granted. For example one of the first pieces of legislation passed by Commonwealth Parliament, the Immigration Restriction Act 1901, was used to implement the White Australia Policy and allow only selected races to immigrate to Australia. Furthermore, in Kruger v Commonwealth (1997) the High Court found that the practice of the Commonwealth forcibly removing indigenous children from their families, known as the stolen generation, was not in breach of the Constitution.

There are a host of further examples. Albert Langer, a political activist was detained for 10 weeks for encouraging voters to put candidates for both major parties equal last in the upcoming 1996 election. At the time this method of voting was not considered an informal vote. Langer challenged the validity of section 329A of the amended Commonwealth Electoral Act 1918. The provision made it an offence to encourage voters to mark the ballot in this way. The High Court in Langer v Commonwealth (1996) upheld the act by majority. Justice Dawson, in dissent, argued that the provision operated to restrict voters from making an informed decision by keeping them from an alternative form of formal vote.

The fragility of rights protection through statutory measures can be seen in the Northern Territory Intervention. In 2007 a suite of legislation that involved changes to aboriginal land ownership, mandatory health checks for aboriginal children, bans on the supply of alcohol and pornography ... and limitations on the payment of welfare benefits' was introduced (Williams and Burton 2013: 64). In order to achieve this, protections under the Racial Discrimination Act 1975 were suspended. The purpose of the legislation was purportedly to respond to sexual abuse of children, however as of 2012 there have been no reported prosecutions (Pazzano 2012).

A final example can be seen in the volume and scope of anti-terror laws introduced in Australia after September 11. The legislative output of Australia has been greater than nations that have faced a higher risk of terrorism, including the UK and United States (Williams 2011: 1145–1146). Furthermore the Australian laws ‘undermine democratic freedom to a greater extent than the laws of other comparable nations’, including the US and Canada (Williams 2011: 1171). There are a number of laws that raise concern, however two are worth particular note.

The first are preventative detention orders, set out under division 105 of the Commonwealth Criminal Code Act 1995. Here an individual ‘suspected of some degree of involvement with terrorism’ can be detained for up to 48 hours where there is enough evidence to satisfy a formal charge (Fairall and Lacey 2007: 1076). Various state laws allow for extension to up to 14 days, as section 11(3)(a) of the NSW Terrorism (Police Powers) Act 2002. Also of concern is that children over the age of 16 can be detained, which violates Australia’s international obligations under the Convention on the Rights of the Child (Fairall et al. 2007: 1077).

In Roach v Electoral Commissioner (2007) the High Court held that the 2006 amendments to the Commonwealth Electoral Act (1918) that provided a blanket disqualification on prisoners voting was invalid. The majority did so on the basis of the principle of representative government. The court found that, as voting is a necessary element of a representative system, if disenfranchisement is to occur it must be for a substantial reason. The amendments did not take into account culpability of the prisoner and was therefore too broad. Amendments disqualifying prisoners sentenced to more than three years were held to be valid.

Further examples include Kable v Director of Public Prosecutions (1996) and Croome v Tasmania (1997). In Kable the High Court found that legislation explicitly naming an individual and granting the Supreme Court of NSW the power to preventively detain him was invalid. The basis was that the legislation granted non-judicial power to the courts. In Croome the High Court rendered invalid a provision in the Tasmanian Criminal Code that made consenting adults committing homosexual acts in private a crime. The United Nations Human Rights Committee in Toonen v Australia found this provision to breach article 17 of the International Covenant on Civil and Political Rights. In response the Commonwealth then passed the Human Rights (Sexual Conduct) Act 1994, which rendered the Tasmanian provision invalid for inconsistency with Commonwealth law.

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The second is the control order regime, which allows suspects to be subject to ‘drastic restrictions on movement, association and communication’ for periods of up to 12 months (Fairall et al. 2007: 1079). It was based on the UK regime introduced in the wake of the London bombings (Williams et al. 2013: 68). The UK control order regime has since been repealed based on a 2011 review that found they were disproportionate and unnecessary (Williams 2011: 1170–1171). This leaves Australia in the unusual position of having two systems — a federal system and the state system — which allow for indefinite detention and have no judicial oversight. Nevertheless in Australia there have been a number of violations in the civil liberties of minorities that suggest a need for a broader and more effective system of rights protection.

CONCLUSION

Despite the ubiquitous nature of Bills of Rights around the world Australia has continued to resist implementing one at a federal level. As it currently stands there does not appear to be much public interest in introducing a Bill of Rights. While most citizens of Australia are not in any danger of having their rights abused, the lack of safeguards for fundamental rights combined with low levels of protection for the rights of the Australian minorities vulnerable to the whims of Parliament.

It would be naive to assume that any one model could ensure that rights were comprehensively protected within a given country. Indeed, as mentioned above, a Bill of Rights would not necessarily have stopped any of the controversies discussed.

However, a Bill of Rights ‘reminds people of [their] values, informs civil and political debate in fundamental ways’, and ‘provide a point to reassess … laws years after they are enacted’ (Williams 2013). Thus a Bill of Rights is also valuable as tool to inform people of their rights and serves as a list of values for society. Nevertheless in Australia there have been a number of violations in the civil liberties of minorities that suggest a need for a broader and more effective system of rights protection.

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Japanese Law and the Underprivileged

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1. Introduction

Japan is undeniably one of one of the most peaceful, law abiding and a dynamic countries in the world; in which many people believe that equality, equity and rule of law and or justice is held at a lofty position. It therefore comes as a surprise to many people to read, hear and sometimes see in the media such cases as: human rights abuse, gender discrimination, discrimination based on race, nationality and social status. The emphasis of this paper is to describe the situation of the group termed “underprivileged”. I want to emphasize that, underprivileged as used here does not refer to demographic group without specific privileges such as wealth or social class but rather the section that has low levels or no form of protection from the law with regards to their human rights or whose fundamental rights are abused. These are mostly women and foreigners. Although cases of injustice against women in Japan will be briefly mentioned, major part of the discussion will be focused on foreigners especially those termed “illegal residents” or “illegal foreigners” this is because, underprivileged women in Japan have received much publicity from the academic community, the media and human rights activists for over three decades and the situation is improving steadily, however, since the term underprivileged as defined in this paper includes the “woman group”, it will only be appropriate to bring it to the spotlight.

Regarding migrants, we will discuss specifically from first-hand information about the conditions of these unfortunate illegal stayers held in detention camps because little or nothing is known about them especially among the Japanese populace although they are more underprivileged than other groups. The final part will bring forth some questions for pondering in order to open the topic for objective analysis and further future research.

The Japanese society is no different from other societies with regards to law. Like any other society, the Japanese society also has many regulations that seek to bring harmonious living in the community. Although many scholars think that, the Japanese society had no laws of its own but rather, a compilation from European and American law, I strongly believe that such an assertion is based on simplicity and subjective thinking. There is no society that had no laws. Although the modern Japanese formed a legal system with many borrowings from the west, they also have rules that are indigenous to their society. That is why there are many differences between the Japanese laws and that of Europe and America. Also, in Japan, the laws were a subsidiary of the moral values and the norms that bonded the society together. This is due to the fact that, the Japanese society evolved around families and communities hence the sense of groupism formed the basis of the Japanese society and culture, thus, such values were imported to form the legal framework. Societal Laws were made to protect group interests and not individual interests. This indicates that, Japan has a sense of harmony, peace and stability. Japan as a country has a long history for low level of courts suits. Some scholars attribute this phenomenon to authoritarian political system and the disrespect for human rights in such political systems which make the people find no trust in the legal system; claiming that irrespective of how genuine one’s case, he or she may lose a court suit provided it does not conform to the whims and caprices of the elites and politicians. Many other scholars believe that the legal system is non-reliable because it does not protect the individual but and that is the main factor affecting legal suits in Japan, (Alan Macfarlane).

Japan has a structured court system which suggests that the individual has the freedom to approach the court at any time to seek justice and redress. There are five types of courts in Japan: the Supreme Court, High Courts, District Courts, Family Courts and Summary Courts. This court system is similar to the court system in many countries around the world. This means that the low patronage of the courts in Japan is not as a result of oppression or dictatorship, but rather it may suggest that, Japanese are not litigants in nature. The Japanese prefers to live at peace with his neighbors and hence will try to avoid any conflict at all cost. In an instance where, there is a legal action against a neighbor in a community, the plaintiff is not spared of criticisms. The Japanese believe that misunderstandings can be resolved through mutual negotiation and not the court. But, this does not suggest that Japanese are perfect people in living in perfect society without conflicts. In situations where there are gross misunderstandings, the appropriate court measures are most times taken to resolve them. It is very conspicuous to note that the Japanese society believes in other forms of conflict resolution rather than the court system alone.

Irrespective of the characteristics of Japanese societies a vital part of the legal framework, there are many irregularities in the legal system that affects the dispensation of justice in Japan. One of which is the discrimination against the underprivileged in Japan — the main theme of this paper. In order to have a solid basis for the further discussions, we need to analyse the contents of the legal system in Japan.

2. Law and Japanese Society

2.1 Law and Japanese Society

The Japanese constitution as well as all the legal codes of the land has imbedded in them specific laws or codes of protection for all persons without any form of discrimination and this include women, men children and foreigners. Nevertheless, in reality, the scenario is different when it comes to matters of human rights and protection. Although women and children are the most protected in every society, (Dussich 2013) Japan’s case is quite the opposite. Women as victims of sexual violence are on the rise and children are the most protected in every society, the scenario is different when it comes to matters of sexual violence regarding the underprivileged in Japan — Women.

The Japanese constitution concerning the fundamental human rights say concerning the fundamental human rights is far from the written document. In the subsequent paragraphs, we will like to discuss the state of women as underprivileged in one of the developed countries of the 21st century.

2.2 Contents of the Japanese law and the facts regarding underprivileged — Women

The Japanese constitution as well as all the legal codes of the land has imbedded in them specific laws or codes of protection for all persons without any form of discrimination and this include women, men children and foreigners. Nevertheless, in reality, the scenario is different when it comes to matters of human rights and protection. Although women and children are the most protected in every society, (Dussich 2013) Japan’s case is quite the opposite. Women as victims of sexual violence are on the rise in Japan and in situations where their cases reach the courts; nothing is done for them as victims. The attention is now drawn to the criminal and victimizer and the game ignores the victim. The best they can receive is emotional relief that at least their cases have gotten attention and most times at worst, they are greeted by being blamed as having caused their own victimization. Without criticizing the Japanese legal system, it can be said with all confidence that it is a dilemma for Japanese legal professionals especially lawyers and prosecutors to decide whether to focus their professionalism in protecting human rights to the full or to stick to the norms of society in the daily dispensation of their duties. In the following paragraphs, the discussion will include specific examples; the real situation of underprivileged women as a contrast with the proclamation made in the constitution of Japan.

2.3 What is enshrined in the constitution of Japan?

Article 13: All of the people shall be respected as individuals. Their right to life, liberty, and the pursuit of happiness shall, to the extent that it does not interfere with the public welfare, be the supreme consideration in legislation and in other governmental affairs.

Article 14: All of the people are equal under the law and there shall be no discrimination in political, economic or social relations because of race, creed, sex, social status or family origin.

The italics above show what the constitution of Japan says concerning the fundamental human rights of all people; it stipulates equality and non-discrimination in any form. Nevertheless, the real situation is far from the written document. In the subsequent paragraphs, we will like to discuss the state of women as underprivileged in one of the developed countries of the 21st century.

When the issue of discrimination is mentioned in Japan, mostly, all our attention is drawn to women; discrimination against them at work places regarding positions, job qualifications, rape, violence, unequal political participation, just to mention a few. In this paper, the preference is to be detailed, thus; I want to limit the scope to one of the most alarming cases — sexual violence. Sexual violence in Japan has been a long-term problem for the Japanese society having it roots in the male- dominated political and social system. In addressing sexual abuse against women, Catherine Burns, (Burns, 2005) made specific arguments that got the support of all feminist groups and international human rights activists. Burns picked on specific court cases and their rulings; most of which were simply biased against women making it appear as if women were chattels of sexual pleasure for men.
Burns main focus was on the examination of judicial decision-making in Japan; however, her work gives a vivid insight into how sexual violence is overlooked in Japan as at 2005. There has been a positive change in policy and implementation for the betterment of the situation since almost a decade ago after her work. There are still many cases of sexual violence against women in Japan, according to National Police Agency Report of 2009, (See Table 1.1) the rape rate is now on the decrease. It is very vital to note here that the statistics of the National Police Agency (NPA) cannot be assumed to be accurate due to the fact that rate is calculated in relation to a section of the population and as such, the decrease in that section of the population means a decrease in the rape cases. Also, the entire population of Japan is decreasing and the age demographic is constantly changing; increasing aged decreasing youth, hence decreasing crimes makes no logic sense when the NPA makes such a report without stating the changes in demographics. There are many cases of sexual violations in Japan which are not reported to the police therefore the issue of sexual abuse of women in general cannot be said to have decreased based on only the reported cases received by the police.

According to Burns (2005), “the first stage in the legal procedure is reporting” (p. 48) and for vivid grounds, it is very difficult to say what proportion of actual rapes is reported. Such evidence as available, however, shows that it is not an marginal proportion: a 1997 study realised that 13.9% of sexual assault victims and 9.5% of rape victims report their attacks to the police (Burns, 2005: 48). Because sexual assault represents crimes which can only be prosecuted if there is a formal complaint from the victim, low levels of reporting have devastating effects on prosecution rates. The low reportage of the sexual violence against women makes it rather alarming and much problematic since most perpetrators continue to take advantage of the phenomenon and abuse women the more.

Although recent statistics and report by the national police suggests an improvement of the condition, much is expected of the political, security and legal systems since there are concrete evidences of many cases of sexual abuse that go unreported and the committers of such crimes go untiried and to continue the abuse of other citizens. Only continuous pressure from activists, academics and the media can help improve the situation as has been witnessed from the last three decades.

Having discussed extensively the plight of women as underprivileged, the main emphasis at this juncture will be diverted towards immigrants in Japan. Theremain part of the paper will address the injustice and discrimination faced by some foreigners in Japan due to unfavorable immigration laws.

2.4 Illegal foreigners as underprivileged in Japan

The world is becoming more and more integrated. As a result, almost every nation in the world has come to a point where populations in their cities, towns and villages are made up of people from all parts of the globe. People migrate due to many related and unrelated reasons including but not limited to education, economics, health, disasters, wars, and tourism. Japan has not been an exception to this rule in this era of globalization. Unfortunately, unlike in other countries, there are many foreigners in Japan whose human rights are being abused due to the fact that their status in Japan is not legally acceptable by the government. Many of these illegal foreigners have been going through extreme harsh conditions in order to survive the social, political, and economic intimidations placed on them. Many others suffer simply because of their racial background. There are many foreigners in Japan who have legal status of residence, yet suffer a part of the prejudice and stereotype of foreigners as “criminals” as coined by politicians to make devils out of foreigners in general. There are many popular examples of prominent Japanese politicians, Public officers and even police officers describing foreigners as criminals. The popular word that got attention in Japan in the early 1990s was the term, “daisangokujin” meaning “third-country nationals” (Shipper 2005) especially referring to Chinese and Koreans. In his argument, Shipper described the negative attitude of the Japanese to foreigners as not biological or a mere geographical phenomenon but rather a social construct; the work of the ruling elite, which adopts moral grooming and regulation of Japanese commoners as one of its major public responsibilities. And the history of these philosophies can be found in prewar Japan, post-war Japan and modern Japan. The effects of these false accusations, discrimination and disrespect for human dignity of foreigners in Japan are what have led to the detention of illegal foreigners that will be described in the subsequent paragraphs.

2.5 Illegal foreigners as detainees

Japan has an immigration policy which allows mandatory detention and deportation of foreigners. These are contained in the Immigration Control and Refugee Recognition Act, Act No. 319 of 1951 (ICRRA). The Act further clarifies situations under which someone can be detained and deported. The following are the criteria for detention and deportation; (1) entered irregularly or overstayed their visas; (2) committed certain crimes; (3) forged documents; (4) been involved in unauthorized income-generating activities; (5) been in involved in migrant trafficking; or (6) been suspected of terrorist activities. By the application of the Act, as reported in 2013, the data provided by the immigration bureau and published on the website of Global Detention Project, many people have and some are still victims of the Act.

As of November 2012, there were 1,104 immigration detentionees in Japan (not including those detained in airport facilities). Of these, 236 had been in detention for between 6-12 months, 75 between 12-18 months, and 24 for 18-24 months (Immigration Bureau 2012).

<table>
<thead>
<tr>
<th>Index serious offenses</th>
<th>2009</th>
<th>2008</th>
<th>Net change</th>
<th>Net percentage change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reports to police</td>
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<td>15,847</td>
<td>-689</td>
<td>-4.3</td>
</tr>
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<td>9,925</td>
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<td>-1.5</td>
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<td>7,982</td>
<td>-98</td>
<td>-1.2</td>
</tr>
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<td>1,237</td>
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<tr>
<td>Arrests</td>
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<td>1,211</td>
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<tr>
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<tr>
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<tr>
<td>Arrests</td>
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<tr>
<td>Reports to police</td>
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<td>2,219</td>
<td>-90</td>
<td>-4.1</td>
</tr>
</tbody>
</table>

Table 1.1 Clearances and Reports to Police of Index Serious Offenses.
“The Japanese government has been criticized for not adopting a limit on the length of immigration detention. In a majority of cases, detention is less than six months; however, there are also cases exceeding one year. In 2007, the total number of detainees was 1,653, of whom 1,535 were detained for less than six months, 91 were detained for 6-12 months, 23 were detained 12-18 months, and four were detained for 18-24 months.

Immigration authorities estimate that in 2011 there were between 90,000 and 100,000 undocumented migrants in Japan, including 78,488 overstayers. The number of overstayers has halved in last five years. Most of them come from Asian countries: South Korea (19,271), China (10,337), Philippines (9,329), Taiwan (4,774), and Thailand (4,264) (Moj, 2011, p. 34).

Japan’s refugee recognition rate tends to be very low. In 2010, out of 1,202 applications, only 39 were given refugee status while and additional 363 were given permission to stay for humanitarian reasons — (Moj 2011, p. 52-53).

The above information is part of the description made by the global detention project. Beginning of this year as part of gathering information for a seminar and graduation research, a decision was made to join a club called “Clover” from the University of Tsukuba to the East Japan Detention Centre (Higashi-Nihon detention centre). Although there was no information given by the immigration officers, and we are relying solely on the information gathered from literature and websites of related organisations as the following extract;

“Immigration detention facilities are reputedly prisons-like, including the widespread use of cells to confine detainees. Human rights groups have reported numerous abuses at detention facilities over the years, including physical, verbal, and sexual abuse; substandard detention conditions, overcrowding and poor sanitation; denial of access to medical services and insufficient opportunity to undertake physical exercise; and excessive restrictions on detainee’s ability to communicate with family members and legal representation (Amnesty International 2002; Human Rights Watch 2000; Dean 2006; CAT Network Japan 2007; Japan Federation of Bar Associations 2007) — globaldetentionproject.org/.

The author had the opportunity to speak to some detainees; three Ghanaians and a Nigerian in order to gain first-hand understanding of the situation of detainees. After hearing from these people, I realised that, certain group of people are not captured in official reports. These are the migrants who have lived in Japan for so many years some even married with Japanese nationals and have children. In the event of a situation in which these people overstay their visas due to other reasons such as serving a prison sentence, sickness, accidents, and negligence, these people are treated without any considerations. The Nigerian mentioned earlier, has been in detention since 2009 and his reason for overstaying his visa after he had lived in Japan for more than a decade was serving a seven year prison sentence. According to him, after his sentence, he was picked up by immigration officers immediately after his release and has since been in detention.

Concerning extreme cases, one example is a Ghanaian who died in the hands of immigration officers but whose death received no attention as covered by the Japan Times, Nov 1, 2011.

Immigration policy on trial: Abubakar Awudu Saraj died after being restrained by immigration officers with hand and ankle cuffs, a rope, four plastic restraints and a towel gag before a flight to Cairo from Narita airport. Abubakar Awudu Saraj had been in Japan for over two decades when immigration authorities detained him in May 2009. The Ghanaian was told in Yokohama of his deportation to Ghana at 9:15 a.m. on March 22 last year. Six hours later he was dead, allegedly after being excessively restrained by guards.

These are few of the examples of what is actually happening in the detention centres. Sometimes people granted temporary release are detained shortly afterwards without any explanation. Although NGOs and international organisations try to gather information concerning the conditions of living from these centres, the answers given are from the government perceptive, depicting the detainees as criminals, violators of the law, and nothing is taken from the perspective of the detainee; the government’s is portrayed with generosity in dealing with them through legal structures but, the reports never account for the human rights abuses that occur in these centres. The media does not give coverage of the issues concerning the detainees as they do concerning the accusations hurled at them from the government, and if they do, the information is from the government scope. Another astonishing, point is that, few of the Japanese people know of such systems of detention and their knowledge is acquired from the media. Many detainees have suffered emotionally, psychologically and physically and some have died. Some reports say that many are released when the immigration officers realise that their health condition is deteriorating. In most cases, detainees are not provided the needed downtime on them. These are some of the many difficult situations faced by the detainees in Japan and much is required to address these issues.

3. Conclusion

To bring the paper into conclusion, let us ask common questions that many scholars and activists might have asked before. Is this the best way to control immigration? Who pays for the cost of detention such as feeding, medical care and maintenance of the facilities? How far can Japan go with such policies as the entire population is gradually becoming aged and man power needs are ever rising? What is likely to be the attitude of the media with the recentpassing of the secrecy bill on issues concerning detainees and the abuse of their rights? From the beginning of the discussion, the argument has been that the Japanese legal system has the unique role to protect societal conformity and peaceful coexistence by promoting harmony. Due to this, it becomes difficult for the legal professionals to decide between the protection of individual rights and the interest of societal norms and traditions. It was also mentioned that there have been many changes in the legal system as Japan seeks to be a formidable part of the wave of globalisation. However, the law has little protection for a very vital portion of the population; women and foreigners. The political elite neglected the protection of these groups through their control of the political, social and legal systems. This has made it difficult for illegal foreigners especially to be treated with dignity. Japan is constantly becoming aged; multi-ethnic marriages are on the rise hence, mixed race children are growing in numbers. The trend of events will change the social, political and legal systems and thus the government needs to respond with other policies. As this paper has outlined the current state of affairs from the perspective of the detainees and their activists, much research should be encouraged especially from the government’s perspective in order to find a lasting compromise where human rights abuses will be in the far past.

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have we found the best way to protect human rights in nations? or is there a need for a new mechanism of protection to be developed?

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1. introduction

Human rights are not things, notions, privileges, freedoms or ideals that we want to protect. They are ideals we must protect. This is not news. However, through the centuries, humanity has tried to protect rights through the use of many different mechanisms. The key question is “Have we succeeded in finding a mechanism that effectively protects these rights?”

Australia is home to very little rights protection. The protections that exist can be called inadequate due to their narrow scope and inability to achieve justice for those who have their rights infringed. The constitutionally entrenched rights are few in number and have been read down since their inception. The constitutionally entrenched Bills of Rights that can be seen in the Australian Constitution. However, the extent of protection they provide is very limited. Two states of Australia have adopted a Charter of Human Rights, but those Charters act more like a guideline than a definitive mechanism of protection.

Australia is therefore left with minimal effective rights protections. None come close to the strength of entrenched Bills of Rights that can be seen in nations such as South Africa, The United States of America and India. The mechanism of entrenching a Bill of Rights provides the highest level of protection but at the same time is often controversial. What must be asked is what is the most successful mechanism of rights protection? Has it been found yet? Or does it lie somewhere in between these mechanisms?

2. the charter of human rights

Two states in Australia have enacted a Charter of Human Rights. Both pieces of legislation are very similar in nature and aim to protect and promote human rights. This essay will focus on the Charter of Human Rights and Responsibilities of Victoria (Charter), which was passed in 2006. The rights that the Charter protects are primarily drawn from the International Covenant on Civil and Political Rights (Castan & Yarrow 2006). What is important to understand is that the Charter does not provide a legal foundation to enforce its rights. Therefore, it does not provide a right to remedy. The Charter acts as a guiding hand to the judiciary and the legislator. For example, you would not have the right to claim remedy if you’re right to privacy was breached even though it is set out in Section 13 of the Charter.

The Charter has three real effects. Firstly, it acts as a guideline to interpretation of legislation by the courts. Secondly, it requires the generation of a Statement Incompatibility to the legislative process. Finally, it adds a special duty to public authorities not to act incompatible with human rights.

2.1. A guideline to interpretation — not a cause of action

The Charter sets out, that the judiciary should interpret legislation in a way that is conducive to furthering and betterment of human rights. The courts, in considering the Charter’s effects on interpretation of other legislation, have determined no special rule of interpretation is created. Rather it forms part of the pre existing interpretive rules and framework. This means the Charter only adds an additional guide encouraging judges to interpret the law in line with human rights.

However if there is any direct inconsistency, the blunt teeth of the Charter are shown. When a statute cannot be interpreted in a way, which makes it compatible with human rights, the Supreme Court can only make a Declaration of Inconsistent Interpretation. This does not mean the statute is invalid.

Once such a declaration is made a three-step process takes place. The minister administering the statute that has offended the Charter must:

- Write a response to the declaration,
- Lay a copy of the declaration and the response before both Houses of Parliament and
- Have the declaration and the response published in the Victorian government Gazette

Once this process has been completed, there is no obligation that Parliament must make changes to the offending inconsistent statute. In Momcilovic, the Court determined that the reversed onus that applied to drug provisions was in breach of the Charter. An Inconsistent Declaration was made however the Victorian legislator has yet to change the relevant statute to make it consistent.

2.2. A consideration but not a roadblock

The second most prominent effect in which the Charter has on Australia’s legal system is that all new bills introduced into Parliament must have a Statement of Compatibility (Evans, S 2005). The Charter requires this statement note whether the Bill is compatible with the Charter or is incompatible.

If a new Bill is incompatibility, the Statement does not effect whether the bill can be enacted, rather all that must be made is an overriding declaration. Where such a declaration is made the Charter has no application over the content that is stipulated in the aforementioned declaration (Williams 2006). Once the declaration is made it will expire in five years, however the declaration can be re-enacted.

2.3. A new duty in the right direction but with small scope and effect

The final effect of the Charter is that it bestows upon public authorities a special duty that in the exercise of their function they must not breach the Charter. However, the obligations do not, on their own, provide a cause of action. Rather if an action would lead to breach through another cause of action, the Charter does prevent or hinder a plaintive receiving remedies that would be open to them if a plaintive were successful in proving their chosen cause of action (Williams 2006).

2.4. The Charter’s strengths and its criticisms

As discussed above, the Charter protects rights in a different way (in comparison to more stringent approaches of protection) and acts more like a guiding hand to lawmakers in Australia. With this different approach, comes different strengths and weaknesses. However does the sum of the strengths and weaknesses of this approach equal effective protection of rights?

- The key strength of the Charter is found within its flexibility, it does not impede parliaments supremacy. Any new act of Parliament has the power to override its provisions; therefore it can never prevent the democratic process from achieving the wants of the majority.
- It is a strong step that ensures the judiciary within Victoria and ACT, will, in context, always make decisions and pass judgments that are in-line with human rights.
- It is a strong first step for Australia in rights recognition. As it outlines numerous rights that previously had very little formal recognition within Australia before the Charter. This, in turn, helps to promote awareness and increase education of the general populace about human rights (Victorian Equal Opportunity and Human Rights Commission 2008).

The weakness of the Charter is found within its lack of teeth.

- The rights that are protected by the charter are not enforceable in the remedial sense. So even though they are recognised by Parliament, they give them no protection or strength that would enable people to use them as a form of protection (Dixon 2009). At best, if someone alleges that their rights have been breached and they raise the Charter, the judiciary can only grant a declaration of incompatibility. This provides no remedy for that citizen and sometimes leads to no change in the offending legislative framework.
- New legislation that is presented to Parliament can be in direct conflict with the Charter. Parliament only needs to partner the Bill with a statement of in-
compatibility, merely noting that the rights exist and the Parliament is deliberately impeding or infringing it.

- Although it has provided recognition of rights, the recognition is empty and it is really providing awareness of what Australians don’t have and that protections do not exist for those who would seek them.

2.5. Human Rights (Parliamentary Scrutiny) Act 2011 (Cth)

The Human Rights Act possesses similar qualities to the Charter as it makes Parliament have to submit statements of incompatibility when passing a new act. The Act does not actually have any enforceable rights that can provide protection to the individual. Its main effect is similar to that of the Charter in aiming to achieve a higher level of promotion and education of rights rather than real protection. The Act also sets up a parliamentary joint committee on human rights that will enable inconsistency in legislation to be flagged. Therefore it may provide some level of protection by reducing the amount of legislation that infringes on human rights.

2.6. Discrimination rights

The Commonwealth and States have taken steps to protect some human rights in the area of discrimination through legislative measures. This is demonstrated at the Commonwealth level the by Racial Discrimination Act 1975 (Cth), Sex Discrimination Act 1984 (Cth) and Disability Discrimination Act 1992 (Cth). ‘These statutes prohibit discrimination on the basis of race, sex and disability’ (Bagaric, Faris and Alexander, 2011, p. 8). The states also have taken steps to protect against discrimination through legislative measures for example; Equal Opportunity Act 1995 (Vic).

3.1. Entrenched rights

Australia differs from many nations, as it does not have an entrenched bill of rights. Instead through the Australian constitution, Australians are provided with five entrenched rights; ss 51(xxxi), 80, 92, 116 and 117 (Clarke et al. 2009, p. 1159). These five rights have not been interpreted broadly and provide limited scopes of protection.

Section 51(xxxi) protects Australians by preventing Parliament from having undisputed power to legislation for compulsory acquisition of property. It does this through preventing the Commonwealth Parliament from making laws that would acquire property in terms that are not just.

Section 80 provides that in a trial of indictable offences a jury must be present. It has been interpreted narrowly. The protections, which it provides, have been read down in the High Court’s decision of Cheatle v R that confirms the protection provided by this section can change due to contemporary standards.

Section 116 states that the federal Government shall not make laws regarding establishing a religion, imposing religious observance, prohibiting free exercise of religion and religious test is required to qualify for an office of the Commonwealth. Section 116 presents itself as a human right. However, the High Court has adopted a narrow approach when interpreting the section by unraveling its words. This narrow approach of interpretation is demonstrated by the fact that no law has been struck down under section 116. Thus undermining the strength of this section’s protection, if any remains at all.

Section 117 protects residents in states from inter-state discrimination. This right operates in a way that does not make the law invalid, but makes it so the legislation doesn’t apply to the people that it offends. The legislation still applies to everyone else that it does not offend. Section 92 also ensures that trade and commerce between states shall be absolutely free.

The entrenched rights can only be removed by a referendum, but judicial activism has rendered many of them ineffective due to the narrow and disappointing interpretation by the court.

3.2. Implied rights

An implied right is a civil or political human rights inferred from the Commonwealth Constitution determined by the High Court (Butt (ed) 2008, p. 211). Through High Court decisions, two notable rights have emerged; the right to freedom of political communication and the right to vote (although both rights have limited scope for protection).

The right to vote right is implied from s 41 of the Constitution. Which establishes that an adult person who has or acquires a right to vote at elections for a State will be able to vote in both Houses of the Parliament of the Commonwealth as long as the right is current in that state. This has been interpreted very narrowly as of R v Pearson; Ex parte Sipka the High Court held that this section does not give Australians a right to vote in federal elections.

Even though this implied freedom of political communication exists, the High Court has given it a narrow scope. The High Court in Levy v Victoria confirmed that the implied freedom of communication was not a personal right, rather, immunity from legislative interference. Therefore limiting the applicability and scope of this right. The implied freedom of political communication precludes the Commonwealth, State and Territory parliaments from passing laws that infringes and undermines political communication necessary for the effective operation of representative and responsible government at the federal level. However, it does not create a private right that is enforceable and would yield remedy.

4. A BILL OF RIGHTS

Rights all over the world are protected through constitutionally entrenched Bills of Rights. Many different countries have adopted this model of protection across the globe from South Africa to the United States. The way in which this protection works is similar to entrenched rights, as the Bill of Rights relies on the strength of the constitution (it is entrenched in) to create lines that lawmakers are not allowed to cross.

Rights entrenched within a Bill of Rights are protected from a straying Parliament. If a Parliament passes legislation that infringes a protected right, the judiciary has the power to declare that legislation invalid. There are degrees of variation in constitutional protections nation to nation. The key to its character is that the rights can only be removed via a referendum as it is within the constitution and it gives the judiciary the power to invalidate the legislation.

4.1. Constitutionally entrenched Bills of rights strengths and its criticisms

This mechanism of protection like all mechanisms of protection has its strengths and its criticisms.

- The most prevalent strength of an entrenched Bill of Rights is it is protected and cannot be eroded by the legislator. This is because the only way to remove or weaken the right is through a referendum. Although these procedures do differ in small ways nation to nation, ultimately it puts the question back to the people.
- An entrenched Bill of Rights gives protection to minority groups that due to their size cannot hold a majority in parliament. It provides that their rights are protected no matter how small they are. This is of great benefit as it also empowers those whose rights could be undermined by zealous legislation.
- A Bill of Rights also ensures that the law is continually developed in a way that further protects rights as the legislator would be inclined to pass and present legislation that does not infringe on rights that are entrenched because that legislation could be struck down as invalid by the judiciary (Williams 2000 p. 36).
- It helps to prevent arbitrary governmental action on people, particularly minorities (Williams 2000 p. 36).
Finally a Bill of Rights helps citizens of the nation learn about their rights and understand the protections that they have (D’Cruz, R 2007). Due to their being so powerful and well protected they become more widely known to the general population, which in turn enables higher levels of equity regarding protection.

The criticisms of this strong mechanism of protection ultimately link back to its ability to relieve Parliament or some of its power and role.

One criticism is that the judiciary is given too much power as they have the ability to strike down legislation (Gibbs 2001). Although this is only when the judiciary interprets the right expansively, it can be said that it completely undermines Parliament’s ability to pass laws and gives too much power to the judiciary. This is frowned upon as they are unelected officials in comparison to parliamentarians. However, it should be noted, as demonstrated with many of the entrenched rights of Australia, that the judiciary has just as much power to read down the right ultimately weakening them (Charlesworth 2006).

There is strong criticism that rights that are entrenched in this way are hard to change and become stagnant over time and even outdated (D’Cruz 2007). Rights that we seek to protect now may not be the rights that need protection in 100 years. The difficulties in changing Bill of Rights make this a legitimate concern, however, the judiciary plays a role by slowly adapting in interpreting the rights so they are conducive with the modern day.

A Bill of Rights creates lines in the sand that the Parliament endeavors to not cross. However, it does undermine Parliament’s sovereignty and ability to function as a representative of the people of the day. This is also relevant as the times change, human rights that once were protections become shackles on the Parliament and the ones named to protect human prosperity and ensure protection slowdown progression and evolution of power (D’Cruz 2007). Although not all rights should have this level of protection due to their changing nature, rights that are considered universal should be enshrined. The benefits of such protection, if enacted without enforcement restrictions, would provide rights to the minority. It would provide the ability to enforce one’s rights when they are breached. It would prevent governmental arbitrary action on people, particularly minorities. It would ensure that all future legislation abide by those enshrined rights.

The negatives of an entrenched Bill of Rights are that it possibly could put policy in the hands of the judiciary. Although this is not really a weakness as many of the rights that are protected had been so through the judiciary. By entrenching them you’re also potentially limiting their extent by defining them. The other key weakness is that over time the rights may no longer be valued this can be seen in the fourth amendments of America’s Bill of Rights. But this negative is fowed, if there is great public demand for a right to be removed, a referendum could remove it.

5. A DIFFERENT IDEA? SELF-ENTRENCHMENT

The above mechanisms all have their strengths and weaknesses. However are the above options the best way for nations and states to protect rights. Ultimately the above methods are too weak to properly protect rights or so strong that they constrict Parliament’s ability to make laws freely.

In place, I offer another mechanism. This mechanism would be a piece of legislation that is self-entrenching. Self-entrenching is when a Bill has a provision that makes amending or repealing the Act or sections of the Act more difficult by requiring an additional procedure to be followed. The entrenching provision can then itself be entrenched so that it is difficult to remove the additional procedure. In Australia, self-entrenching provisions are used in the Victorian Constitution to protect certain provisions.

5.1 The Victorian Constitution’s self-entrenching protection

The self-entrenchment protection in the Victorian Constitution is aided by the Australia Acts (This is legislation passed in 1986 in both the Commonwealth Parliament of Australia and the UK Parliament and each State respectively and severed the remaining ties to England’s legislative system). Section 6 of the Australia Act places a restriction on state legislative power, as it is higher law, and requires that the manner and form must be complied with.

Therefore in order for an Act to be protected by self-entrenchment in Victoria a number of criteria must be met so that the restrictive procedures that are put in place within the legislation are legally effective.

• Firstly the acts content must include a special procedure setting out that in order to remove the act the procedure must be complied with.
• Secondly the laws in Victoria that are subject to this restriction must only be about the Victorian constitution and its powers or procedures of Parliament.
• Finally the restriction must be ‘manner and form’ and not a substantive abrogation of power.

Three examples of different manner and form restrictive procedure are:

• Section 18 (1B) requires a referendum for alteration of the listed section of the Victorian constitution.
• Section 18 (2) requires a special majority that consists of 3/5 of the whole number of Members of the Assembly and the Council of Representatives.
• Section 18 (2A) requires absolute majority that consists of the whole numbers on the members of the assembly and the council.

5.2 The application and self-entrenchment to human rights:

Human rights are not stagnant. The way we express them and which rights we have will change and has over time. Different rights will be recognized and other rights will fall into history. However this does not undermine their importance and I believe self-entrenchment and finding a way for it to be applicable to human rights is the most effective mechanism of protection.

For example, if a controversial right to privacy was to be protected by legislation. When elections come around and a newly elected party could simply remove the right. As discussed above, if it was self entrenched within its legislation a special majority would be necessary (more than 51%; rather for example 60%).

The idea is simple. However the practicality in any country including Australia is difficult. For example adopting self-entrenched rights legislation to Victoria is impossible at present as section 6 of the Australia Acts only protect manner and form provisions therefore legislation even if passed with self entrenching procedures would not get through the second criteria as it is not about powers or procedure of parliament. Through any government body that uses a similar system of the bicameral parliament is almost impossible without further provisions are simply passing the legislation meaning nothing and the next Parliament would have to have the power to change what the last did.

This is the quandary of self-entrenchment however the proposition I propose for countries like Australia is to create protections by having a referendum at the federal constitutional level to create a similar section to Section 6 that applied to rights. Although minority in drafting could be an issue, the aim would be to allow Parliament to pass legislation that is specific to one right and then self-entrenching that legislation using the new section within the constitution to act as protection.

5.3 Difficulties with implementing such self-entrenchment

First and foremost the issue is one of practicality. Implementing provisions such as those discussed above is complex, as it requires a legislative system that has a higher power. Secondly a referendum would need to be passed that put in place a similar section to that of section 6. Thirdly this is a procedure that is judicially debated in Victoria regularly. Therefore even if a similar section to that of section 6 was implemented in the constitution, the judiciary could read it expansively or narrowly changing its effect. Fourthly the legislator would have to pass the protected right with the special restrictive procedures.

6. CONCLUSION

Australia’s level rights protection is dismal, and the judiciary is slowly narrowing the few rights that we have down. And although statutory protections at their most basic level have been put in place, Australia is still very much a country with a dismal level of protection. The difficulty however of entrenching a high level of protection mechanism such as a Bill of Rights is that in many cases of countries that do have such levels of protection is that eventually they become outdated and overprotected of outdated rights.
And although the judiciary has the ability to keep certain rights up-to-date and adapting them to the current legal landscape of the day ultimately it is not the judiciary’s role.

Because of this, it would seem that different mechanisms of protection should be found with a middle ground between a dismal protection and over-restrictive protection. Although adapting that Victorian constitution’s self-entrenching protections may seem difficult and at times impractical, it could also offer a solution that enables a determined parliament to update the law when it becomes a necessity and at the same time adds additional protections as they become needed. Perhaps it is not the solution, however, one should be found as the current climate is not equipped to protect rights that will develop in the future and the old-fashioned approaches need an update and a revolution of their own.

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JOURNAL, NEWSPAPER & NEWSLETTER ARTICLES


Session IV:
Law, Justice and Rights
What Theories of Law Should Explain: A Utilitarian Approach

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1. INTRODUCTION

Lord Denning once famously remarked, “Jurisprudence was too abstract a subject for my liking. All about ideologies, legal norms and basic norms, ‘ought’ and ‘is’, realism and behaviourism: and goodness knows what else... I like to get down to the practical problems which come up for decision” (Denning 1985, p. 240). In this quote the learned Law Lord lamented about the diversity of legal theories, each purporting to offer the best conceptual explanation of law. His statement, however, neglects the rich practical dimension of legal theories, which both describe and prescribe how law functions in reality. This essay will focus on the practical utility of theories of law, specifically with regard to judicial decisions, in keeping with a utilitarian position. The first part of the essay discusses the content legal theories should include, while the second part critically evaluates the Hartian, Dworkinian and economic approaches to legal theory according to the criteria established in the first.

2. WHAT THEORIES OF LAW SHOULD EXPLAIN

In this first part, three tensions concerning the substantive content of legal theories will be discussed — descriptive versus prescriptive, general versus system-specific, and conceptual versus practical.

2.1 Descriptive versus Prescriptive

A descriptive legal theory is one that seeks to answer the question of “What is law?” without seeking to “justify or commend on moral or other grounds the forms and structures which appear” in the theory (Hart 1994, p. 240). In comparison, a prescriptive legal theory advances claims about what law ought to be. While there is no inherent conflict between the two, the substance of a legal theory can incline it towards either approach. Legal positivism, for instance, is characteristically descriptive. John Austin, an important pioneer of legal positivism, explained a fundamental tenet of positivism as such — “The existence of law is one thing; its merit and demerit another. Whether it be or be not is one enquiry; whether it be or be not conformable to an assumed standard, is a different enquiry” (Austin 1832, p. 158). Since positivists understand law independently from its merits, they are more concerned with describing law in terms of what it is (Schauer 2009) rather than evaluating what it ought to be.

Purely descriptive legal theory, however, has been criticised by natural law theorists, and rightly so. To John Finnis, a description of what law is should be made in light of the purpose and value of law in order to be fruitful (Finnis 2000). This view is also shared by Ronald Dworkin, who asserts that law “has no DNA” (Dworkin 2004, p. 22), and is thus not susceptible of description. Dworkin further argues that purely descriptive theories of law are not possible because descriptions inevitably turn on the respective interpretations of law’s value; “people are drawn to definitions that seem most naturally to support their own substantive positions” (Dworkin 2006, p. 148). Therefore, theories that purport to be “descriptive” invariably contain value judgements and cannot be said to be neutral or objective. Support for this position can also be found in the Critical Legal Studies (CLS) movement, which rejects the purported objectivity and neutrality of law on the basis that it marginalises groups of people, such as the black race (Lawrence 1992). CLS focuses instead on the prescriptive approach, proposing what ends law should pursue.

As argued, theories of law should not adopt a purely descriptive approach or make claims to neutrality. That is not to say, however, that the descriptive approach is entirely without merit. Description creates a foundation, a common understanding of law, upon which prescriptive theories can then build (Shapiro 2010). Prescription, too, is desirable because it inspires the law towards a better future. It is therefore accepted that theories of law should explain both what law is, and what law ought to be.

2.2 General versus System-Specific

Some legal theorists explain law in general, as a universal notion (Aquinas 1265-1274). Others theorists reject the value of a general theory of law on the basis that it would be at such a high level of generality that it would not tell us anything interesting (Dworkin 1987). The premise behind the latter argument is that “any theory that purports to characterise a legal system’s content must ensure that, for every system, it specifies all and only those norms that belong to that system” (Shapiro 2009). Dworkin’s theory therefore applies to a single legal system (Dworkin 2006). Similarly, Lon Fuller’s theory applies only to Western societies which share comparable legal systems. This approach, however, is less valuable because it is not widely applicable.

An alternative happy medium, and the preferred approach, is to discuss law in general, but without making claims that necessarily apply to all legal systems (Bix 2012). This prevents high levels of abstraction, and can account for key societal aspects that affect the operation of law. As Frederick Schauer argues, it is often valuable to discover, discuss, and emphasize the widespread and important aspects of law, even if those characteristics are not strictly necessary (Schauer 2011). After all, law is a complex discipline that interacts with many major elements of society like morality and government. While there might not be a necessary relationship between these elements and law, they should nonetheless be discussed within legal theories because they often operate in tandem with the law in practice. As such, the approach of discussing a general theory of law without the requirement that a theory of law must describe the necessary conditions of law has more practical utility.

2.3 Conceptual versus Practical

Legal theories range from purely conceptual to predominantly practical. An example of a purely conceptual theory is Hans Kelsen’s Pure Theory of Law, a neo-Kantian transcendental deduction which focuses on logical analysis (Bix 2012). Unlike other analytical theorists, like Hart, who described actual practices, Kelsen resisted any reduction of normative standards to facts or sociological observations (Paulson 1993). At the other end of the spectrum, legal realism (as its name suggests) is primarily practical. Realists criticise traditionally "formalistic" legal reasoning, in which “the argument was presented as if the conclusion followed simply and inexorably from undeniable premises” (Bix 2012, p.195). Being practically oriented, realists focus instead on the true nature of judicial decisions, which they claim are often based on personal biases and policy rather than legal reasoning. They therefore advocate for the role of public policy and social sciences in judicial decision-making to be studied (Holmes 1894).

The practical approach of realism is favoured because of the functional nature of law; since law serves a practical role in society, theories of law should facilitate that purpose. While the philosophical basis of legal theory is inevitable, the very fact that law exists to organise society and adjudicate makes it inextricably intertwined with the actual society in which it operates. As such, theories of law should not attempt to cleanly delineate law from the practical reality. Theories of law should instead deal with real issues and draw links with other aspects of society that are fundamental to the operation of law in order to achieve the ultimate aim of benefiting society.

3. AN EVALUATION OF THREE THEORIES

In the first part of this essay, it was argued that theories of law should explain what law is and ought to be, as a means of understanding a particular system. It was further asserted that theories of law should be general, and practically useful. Rather than estrange law from society, theories of law should examine the relationships between law and key societal aspects, focusing particularly on judicial decisions, in order to benefit society. This second part will evaluate the Hartian, Dworkinian and economic approaches to legal theory by the aforementioned criteria, and conclude that the Hartian approach is most persuasive because of its practical usefulness.
3.1 Does the theory explain what law is?

In terms of the first criterion that theories of law should explain what law is, Hart’s theory is notably outstanding. This is unsurprising, given that Hart devotes nearly his entire theory to describing the general nature of law. Hart describes law as a system comprised of primary and secondary rules, which respectively impose duties and confer powers (Hart 1994, p. 81). Of the secondary rules, he identifies one, the socially accepted rule of recognition, as conferring legal validity to all other rules (Hart 1994, p. 100). In doing so, Hart’s theory provides a clear explanation of the structure of law, as well as the sources of its validity, which makes laws distinct from other types of habits or obligations.

Dworkin’s theory, on the other hand, does not explain what law is; to him, law is not susceptible of objective definition. He does however assert that law contains not only rules, but also principles, which are “standard[s] . . . to be observed because [they are] requirement[s] of justice or fairness or some other dimension of morality” (Dworkin 1967, p. 23). He also argues that law is an interpretive process. Although the precise interaction between rules and principles is not clearly elucidated, Dworkin’s approach still explains the structure of law, and attributes the sources of its validity to “some dimension of morality”.

Law and economics is the least successful in describing law in general, though it does attempt. According to Richard Posner, “the common law is best explained as if the judges were trying maximise economic welfare” (Posner 1983, p. 4). This approach justifies law as the formalisation of predictions about efficient behaviour (Hayman & Levit 1994), but illuminates little about the structure or source of legal validity.

3.2 Does the theory explain what law ought to be?

Law and economics, however, makes it abundantly clear what law ought to be — efficient (Coleman 1980).With the goal of efficiency in mind, economic theorists go on to focus on what governments (such as courts) should do to mimic the effects of the free market. The strength of law and economics is ultimately the unity of its position — its end goal of efficiency is clear, and any prescribed action always goes towards the furthering that aim.

Dworkin’s theory of law also addresses the question of what law ought to be, primarily by prescribing that judges should apply principles, through the process of interpretation, to come to the one right answer. A limitation of this theory is that the interpretative process requires judges to consider both existing laws and the development of the law, which might produce conflicting results. While Dworkin asserts that there is a right answer which judges can come to by ascribing the appropriate weight to the correct principles, this is only possible for his Herculean judge, and not in reality. Furthermore, Dworkin’s theory is limited because it focuses almost exclusively on the adjudicatory process, neglecting other aspects of law.

As for Hart, who fully intended his theory to be descriptive and free from moral evaluations, the question of what law ought to be is scarcely addressed. While he does touch on the duty of judges, such statements are made in context of what they do, rather than what they should be doing.

3.3 Is the theory practically useful?

Law and economics seems practically useful at first glance, since it focuses primarily on the practical aim of efficiency, guided by economic principles. However, its neglect of certain key characteristics of society is extremely damaging to its practical utility. Economics, as a model, makes many poor assumptions; for instance, it assumes that people are always rational maximisers of their own welfare, which the law and economics theorists then proceed to define in economic terms, like wealth (Posner 1990). This oversimplifies the complex reality, in which morality, interpersonal relationships, politics and the like are all at play. The result is ironic — while purporting to create practical benefits, applying the economic analysis of law; an imprecise model of reality, might instead produce consequences that do not maximise utility, or are even harmful (Leff 1974, p. 476). Economic analysis is therefore not susceptible of real-world application.

Hart’s theory, on the other hand, is surprisingly the most useful. By establishing a clear structure of law, Hart also identifies instances when the law ‘runs out’: He then tries to plug the gap by suggesting that in such cases judges have the discretion to decide, with recourse to principles of morality or policy considerations. While this has been critiqued by Dworkin as giving judges carte blanche to decide as they fancy, judges will experience social pressure to decide in a reasonable and defensible manner, as Hart rightly notes. This inevitably involves deference to some general principle, which will thereby constrain the discretion of judges (Hart 1994).

Dworkin’s approach is extremely similar to Hart’s (Phang 2007), although there are some differences that make it less useful. Dworkin asserts that judges have no discretion — instead, they apply principles to the facts of specific cases that come before them. He then argues that there is a single right answer which judges can find if they ascribe the appropriate weight to the correct principles. While both the Hartian and Dworkinian approaches, and even the economic approach, try to be practically useful by employing the adjudicatory process, Hart’s theory is ultimately the most useful because it most accurately depicts reality. Dworkin himself acknowledges that even if he were correct and a single right answer does in fact exist, it would be impossible in practice to fully consider all the relevant principles as he prescribes. This aspect of his theory, which he industriously defends (Dworkin 1986), would therefore not lend itself to practical application. In contrast, while Hart’s theory lacks the prescriptive element of Dworkin’s, its empirical nature makes it extremely grounded in reality, making it a good foundation upon which other theories can be built, contributing further to its usefulness to the operation of law. This makes it the most persuasive of the three theories discussed.

4. CONCLUSION

The persuasiveness of the Hartian approach lies in its practical usefulness. While the Dworkinian approach is more comprehensive in addressing all the aforementioned aspects of what theories of law should explain, the fact remains that the scope of a theory alone is an inaccurate yardstick to measure its persuasiveness. After all, law is a complex phenomenon, and no theory of law will ever be complete in itself; theories of law therefore have to complement and build upon each other. Since the most significant feature of law is ultimately the essential role it plays in ordering society, the most persuasive theory is the one that best facilitates the operation of law, and is therefore most beneficial to society. Hart’s descriptive and empirical approach, which is grounded in practical observation, is most persuasive because of its propensity to tie in with other legal theories, which can inspire progress in the field of law.

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The Freedom of Speech on Social Networking Sites: Do We Need Protection Against Our Own Expressions?

Mr. Richard Steppe
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GENERAL INTRODUCTION TO THE TOPIC & RESEARCH OUTLINE

1. These days, social networking sites (SNSs) are omnipresent in our Western society. Those who don’t have an account yet on either Facebook, Twitter, YouTube or Google Plus are being frowned upon and depicted as a select minority. After the technological revolution and the dawn of the Internet era, we have now been blown into a new stage: the Web 2.0 revolution. The list of advantages is unlimited and the globalization speed has taken an even faster pace. The entire world is interconnected, making the power of the Web 2.0 user enormous.

2. However, with such great power comes great responsibility. Nonetheless, it does seem that the collectivity of Internet users is not always aware of this obligation, e.g. shown by cyber bullying cases on 4chan and Ask.fm. These cases provoke criticism to blame the providers of SNSs, rather than the users themselves. Seeing as social networking sites remain companies seeking for profit, they take up their responsibility and adjust their policies. They protect their users against their own human nature, and tighten up the rules by forbidding certain writings or actions — causing people from all over the world to be affected.

3. Nevertheless, do we want to be protected against our own nature? The freedom of speech and expression is considered to be one of the greatest and most important human rights, causing every regulation or limit concerning this right to provoke an almost instinctive suspicion. In this essay, we’ll ask ourselves if SNSs need to be regulated in order to protect users from themselves. Has the freedom of speech on the Internet gone too far or has it, on the contrary, not gone far enough yet?

4. This essay does not pretend to be exhaustive when it comes to the dissection of the sensitive subject that is the freedom of speech on the Internet. Due to settled maximum limits (this essay originally counted over 40 pages), this paper is rather a plea to expatiate on why this particular topic is of considerable importance, as well as why it is extremely alive nowadays. Most importantly, I hope the narrative will provide food for thought, as this topic usually soaks off a wide variety of different opinions. By the end of the story, I especially hope to have provided enough substance for you — the reader — to have formed your very own theory.

1. THE CURRENT

1.1. Introductory case analysis — a landscape of different philosophies

1.1.1. Twitter Inc.: a revolutionary platform in an existential crisis

5. ORIGINS AND PURPOSE. — Twitter Inc. is “a social messaging tool that lets people stay connected through brief text message updates up to 140 characters in length. Twitter is based on you answering the question "What are you doing?". You then post thoughts, observations, and goings-on during the day".2 The site now has over 230 million monthly active users, while there are over 2 million monthly active users, while there are 500 million ‘tweets’ sent per day.3

3 “The Web 2.0” is a term invented in 1999 by DARCY DINUCCI and popularized by Internet guru TIM O’REILLY. It is briefly and superficially described, an evolution in which “people [...] take an interactive part in a particular Web site. This means that they can add all kinds of content to it: video, audio, chat rooms, blogging and instant messages. The Web 2.0 has empowered the Internet user to the highest degree ever”. Cf. T. DI STEFANO, “Social Networking: A Web 2.0 Revolution”, E-Commerce Times 2007, http://www.ecommercetimes.com/story/56576.html (consulted: 18 October 2013).


6. TWITTER’S PHILOSOPHY... — Twitter declares its mission to be “[giving] everyone the power to create and share ideas and information instantly, without barriers”. In each case, Twitter is more than just a company: “From Tahrir Square to Gezi Park, Twitter has made itself indispensable to activists everywhere, providing a tool to decry abuse, organize protests, and help overthrow bad leaders.” It has built a reputation as a fierce guardian of the freedom of expression and has shown itself to be the first major communication platform to claim the freedom of speech as one of the greatest principles of its network.

7. ... IN AN EXISTENTIAL CRISIS? — Twitter played a prominent role in the uprisings in the Arab countries, and has even found its service to be censored in Egypt (Tahrir Square), threatened to be shut down (Unified Kingdom), forced to hand over certain user data (France), and blocked altogether (China). Since the introduction of a publicly traded Twitter stock, the danger exists that Twitter won’t be able to fulfill Wall Street’s needs for profits and revenue that way: when Twitter’s servers are not accessible by its users (e.g. due to government censorship), the company loses money, creating a strong inducement for the company to reply to governments’ demands in order to reach a certain concordance. A concrete example, showing that these solicitations are real, consists of Twitter having changed their policy in January 2012, using the following reasoning: “As we continue to grow internationally, we will enter countries that have different ideas about the contours of freedom of expression. […] Until now, the only way we could take account of those countries’ limits was to remove content globally. Starting today, we give ourselves the ability to reactively withhold content from users in a specific country — while keeping it available in the rest of the world” — which it was strongly criticized for. While Twitter has been going through history as a self-declared haven of free speech, it thus seems to be finding itself in a tricky dilemma.

1.1.2. Ask.fm: a misunderstood guardian of free speech?

8. ORIGINS AND PURPOSE. — Ask.fm is a site where users are able to make a public account, to which people can submit questions and comments — anonymously or through another registered account. It was originally a Latvian start-up, initiated in 2010, yet has ever since increasingly gained popularity and now counts over 70 million registered users.

9. CONTROVERSY. — Although not too many people knew about Ask.fm, this certainly changed in the past couple of months, when the site became associated with incidents of cyberbullying. Seeing as the site’s active users consists largely of people under the age of 18, chances are some users are not yet able to deal with certain forms of online misconduct.

This became clear when Ask.fm got linked to the suicide cases of 14 teenagers, who allegedly got harassed by other users of Ask.fm — causing a huge media attention from all around the world.

10. REACTION FROM ASK.FM. — Initially, the owners of Ask.fm were not too impressed with the vast public debate. MARK TEREBIN, one of the founders, stated that “Ask.fm is just a tool which helps prevent cyber bullying.”


E. GROLL, “Can Twitter Go Public and Still Be a Champion of Free Speech?”, Foreign Policy, 13 September 2013.


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1.5. 4chan: an anonymous haven of free speech?

11. ORIGINS AND PURPOSE: THE ODD ONE OUT. — In the list of the previously discussed SNSs, 4chan seems to be the odd one out: it is an image-based bulletin board, where users are able to discuss with each other in the different sections of the forum. The site is notorious for the vast list of online actions its users have initiated, such as not limited to: making North-Korean leader KIM JONG Un’s Time Person of the Year by rigging its online vote5, being the root of the now loosely associated international network of “hacktivists” called Anonymous, creating a rumor stating Apple’s — then still alive — CEO Steve Jobs had passed away (which caused Apple’s stocks to plummet), as well as catching animal abuses and creating Internet memes such as the infamous LOLcats.

12. THE PRINCIPLES BEHIND THE SITE (1): ANONYMITY. — 4chan operates a system of complete anonymity: due to the fact that 4chan lacks the adoption of usernames linked to a profile, all written posts are marked as written anonymously by default. These posts only rarely contain pseudonyms or any other kind of identity characteristics, making regular reputation structures unworkable.

13. THE PRINCIPLES BEHIND THE SITE (1): EPEMERALITY. — On top of the previously mentioned anonymity, 4chan is also known for the transience of its content. Each section of the site can only have a limited amount of topics, causing topics to solely exist for a short amount of time: in a section where only 225 topics are allowed at the time, the 226th topic will be automatically deleted when newer ones are received — which often happens very fast-paced, without any archives of these threads being kept by 4chan itself.

14. A UNIQUE PROJECT? — While perhaps not the bright example of what happens when an unlimited amount of internet users are given an almost unlimited amount of anonymity, 4chan is the most honest example that is able to be provided. To cite a famous, yet relevant quote by Oscar Wil- de: “Man is least himself when he talks in his own person — give him a mask, and he will tell you the truth”, which couldn’t count more for this website. There are many sites that applaud the freedom of speech, yet do not cover its unconditional, non-restrained implementation. Concerning this topic, a user stated: “What emerges is a shocking sort of honesty. Reto- volving, yet oddly beautiful; an ever-shifting, ephemeral monument to every embarrassing thought, guilty pleasure, squelched impulse and repressed desire — in short, an expression of humanity, in basest form.”


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16. ...PROTECTED AS A HUMAN RIGHT? — While a previous ruling had stated that a ‘like’ on Facebook is “not sufficient to trigger first amendment protection,” the 4th U.S. Circuit Court of Appeals decided otherwise. The Court of Appeals stated that “on the most basic level, clicking on the ‘like’ button literally causes to be published the statement that the User likes something, which is itself a substantive statement” and “in this way, it is the Internet equivalent of displaying a political sign in one’s front yard,” ruling that Facebook users, who like a page on Facebook in order to show support for a political candidate, “engage in legally protected speech.” It is thus shown that the First Amendment in the United States is also applicable to online speech (thus getting the same application span as e.g. the ECHR and ICCPR), even when it merely consists out of a ‘like’.

17. DESIRES FOR REGULATION. — While one could easily gain the expectation that — thanks to the World Wide Web and the rise of SNSs — the span of every person’s individual freedom is now almost unlimited, it is also easy to see how the Internet could be abused — making it sometimes easy to forget about the big ‘freedom of speech’ picture.” This is why there have been requests for a stronger regulation of communication through the Internet. Governments have therefore, as they have also done with the rise of the printing press and the dawn of radio and television, been trying to take care of this new flow of information.

18. FEASIBILITY OF EXTENSIVE REGULATION (I): GLOBAL VS. LOCAL. — The peculiar problematic element of regulating content on the Internet in general and on SNSs in particular, lays in the fact that the Internet is a global concept. If no censors are in place (either from the government, the SNS in question or the user’s computer) and no adaption of the site based on IP geolocation is active, an SNS will look exactly the same in the United States as it will in Belgium. However, while the Internet is a universal, decentralized system, values, laws and standards are not. The latter ones are mostly regional and almost never fully internationally accepted: e.g. soft-core pornography may be allowed in Belgium, however isn’t in Saudi-Arabia.

19. FEASIBILITY OF AN EXTENSIVE REGULATION (II): PERSECUTION. — Another element of problematic nature interacts with the principle of persecution. In order for people not to publicly deny the genocide on SNSs, for example, it is prominent that there are certain penalties when the correlating article of the Cybercrime Convention has been breached by a user. However, the actual tracing of that particular user may not prove itself to be as easy as it seems. Proxy servers, VPNs, anonymity networks such as TOR, as well as anonymous e.g. 4CHAN — or pseudonymous SNSs — e.g. TWITTER and ASK.FM — make it particularly hard to track down users with criminal intentions.

20. FEASIBILITY OF AN EXTENSIVE REGULATION (III): SOVEREIGNTY. — Given the fact the Internet is — as mentioned — a global structure, it is legally troublesome to arrest e.g. German users who share child pornography or other harmful content on U.S. SNSs. Seeing as the sovereignty of a nation is a key principle in international law, it will often be more difficult to penalize offenders if the latter ones are located in a different country than the authority in question.

21. FEASIBILITY OF AN EXTENSIVE REGULATION (IV): EVIDENCE. — As a final remark, digital information contains intangible material that is less easy to trace. The scope of this statement becomes clear when taking the example of 4CHAN, where content can sometimes appear and disappear in a matter of seconds or minutes, making it near to impossible to take account of all posts.

2. THE FUTURE — THREE QUERIES

2.1. What could be?

22. INTRODUCTION. — Although the ability to censor the Internet is very unpredictable — new technologies arrive every day, and thus one does not know if the Internet is really incomprehensible when it comes to censorship — we shall try to take a forecasting look at forthcoming possibilities and probabilities when it comes to legislative tendencies.

2.1.1. Power to the SNSs — 1st possibility

23. THE PRINCIPLE. — A vast amount of people claim that “keeping the Internet a safe and secure place to work, learn and play” is the duty of the Internet Service Providers (ISPs), also including SNSs. According to this principle, consequently, all SNSs would have to put private censors and appoint a team of moderators in order to ensure the safety of their network. For example, with the introduction of the “Safer Social Networking Principles for the EU”, SNS providers — such as Facebook, MySpace, Google and Netlog — gained an incredible amount of responsibility when it comes to establishing a generally safer SNS environment for youngsters.

2.1.2. Probabilities when it comes to legislative tendencies.

24. CRITICISM. — Although Facebook and Twitter, as well as Ask.fm and even 4chan, all have a moderating team installed, it is obvious that SNSs aren’t too eager about having to deal with the censor-ship of a wide variety of content. Not only will users feel restricted, but SNSs will also have to manage an additional workload with all its correlating economic consequences. Others forthrightly state that this privi-

30 Geolocation technologies allow websites to “quickly and automatically determine an Internet user’s physical location. By customizing content and regulating access according to a user’s location, sites can re-create jurisdictional borders on the Internet.” Cf. K. King, “Geolocation and Federalism on the Internet: Cutting Internet Gambling’s Gordian Knot”, The Columbia Science and Technology Law Review 2010, vol. 11, 45.
32 P. VALCKE, “Democratie en diversiteit op de informatiediensten: beschouwingen over de vrijheid van meningsuiting op het Internet” in S. PARMENTIER (ed.), De rechten van de mens op het Internet, Antwerp — Apeldoorn, Maklu, 2000, 110.
34 P. VALCKE, “Democratie en diversiteit op de informatiediensten: beschouwingen over de vrijheid van meningsuiting op het Internet” in S. PARMENTIER (ed.), De rechten van de mens op het Internet, Antwerp — Apeldoorn, Maklu, 2000, 111.
35 P. VALCKE, “Democratie en diversiteit op de informatiediensten: beschouwingen over de vrijheid van meningsuiting op het Internet” in S. PARMENTIER (ed.), De rechten van de mens op het Internet, Antwerp — Apeldoorn, Maklu, 2000, 112.
38 View the document “Safer Social Networking Principles for the EU” for a better understanding of these responsibilities: https://ec.europa.eu/digital-agenda/sites/digital-agenda/files/in-principles.pdf.

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of the freedom of expression in a “non-transparent, non-democratic and non-accountable way”. 39

2.1.2. Power to the government: keeping it national — 2nd possibility

25. THE PRINCIPLE. — If anything, the governments are already majorly in charge of telling SNSs and users which actions they are (not) allowed to take. The aforementioned example of Twitter censoring a Neo-Nazi account in Germany — which is otherwise perfectly visible in other countries — shows that governments do have their say. Facebook Public Policy Manager ADAM CONNER suggesting that Facebook might be “bring too much freedom of expression so some nations” does so even more. On the legislative level of a national governmental, the Internet is thus far from underregulated. 40

26. CRITICISM. — The most prominent objection to the distribution of any more power to the government is that the Internet is global — a local government is not. Quite on the contrary, a government’s laws concerning child pornography, slander, racial remarks, etc. will only apply to criminal acts that (1) have been carried out in that specific country (‘territorial principle’ 41) or (2) affect citizens from that state (‘passive personality principle’ 41) or (3) cause harmful effects in that state (‘effects doctrine’ 41). On top of that, one may wonder if democratic governments should even attempt on putting restrictions on the Internet in the first place, seeing as the current technological infrastructure isn’t exactly well-known for providing a great ability to control 41 — let alone one government would be able to make an everlasting difference. 41 There is simply not a lot a government can do see as, in the end, cyberspace is less “regu-

27. THE PRINCIPLE (PRO MEMORIA). — An-
other solution could consist out of creating a harmoni-
ization of minimum standards on a regional level, such as for example the European one. 42 However, just like the U.S., it is possible to give up on trying to prosecute anything other than child pornography. 43 When it comes to these children-related Internet issues, however, the regional system has already accomplished quite some initiatives (cf. infra).

2.1.4. International regulation and cooperation — 4th possibility

28. THE PRINCIPLE (I): INTERNATIONAL REGULATION. — This theory states that, seeing as the Internet essentially has a cross-border nature, it is impossible for national or even supranational systems to fully cover the entirety of legal elements in a

2.1.5. A focus on user empowerment: towards a ‘netiquette’? — 5th possibility

30. THE PRINCIPLE. — This solution, conjointly known as “self-regulation”, covers a scheme wherein Internet users who do not abide by a certain code of online behavior are being given away by their co-

users. This also covers a structure where users decide upon their own values: they are able to block and re-

strict access to certain content for both themselves as well as their children, thanks to the help of filtering and rating software. 54

31. ARGUMENTS CONTRA. — While the Eu-

ropean Union strongly supports the use of self-regu-

lating tools, such as filtering software and behavioral codes (cf. infra, nos. 39, 40 and 41), concerns grew that “these self-regulating instruments didn’t all have a transparent and responsible status”. Additionally, the self-regulating instruments — naturally taken care of by the government — thus became strongly privatized, leading to a “diminished democratic quality of sensible matters”. While one should not forget the liberal POV “the lesser a government interferes with the freedom of speech, the better”, this sudden shift in preference has led to the implementation of a so-called “co-regula-

tion” — cf. infra, no. 41. 45 One could however argue to what extent this “co-regulation” is a new concept, since “pure” self-regulation rarely exists without some kind of relation with the state. 45

2.2. What should (not) be? Personal opinion on the dangers of too much regulation

32. A UNIQUE ERA. — We are currently finding ourselves in a world that consists out of an overlap of two, unique generations. The youngsters of this era are the first ones to be raised in an atmosphere of technol-

ogy and – thanks to the SNSs – global, cross-border interconnection. Synchronically, the elder generation is the last generation to have seen the full burgeoning of the digital revolution as well as the first blossoming of the SNSs. We’re at a unique point in history and are steadily making a shift towards an irreversible inter-

vention of technology in our day-to-day lives.

33. THE ANTITHESIS. — However, conjointly, we are also finding ourselves in some sort of danger. To quote the, when it comes to this subject, incredi-

bly important American academic and pioneer LAW-

RENCE LESSIG 57: “Cyberspace has the potential to be the most fully, and extensively, regulated space that we have ever known — anywhere, at any time in our history. It has the potential to be the antithesis of a space of freedom”. 57

34. L. EDWARDS, “Pornography, Censorship and the Inter-

net” in L. EDWARDS and C. WAELE (eds.), Law and the Inter-


35. L. EDWARDS, “Pornography, Censorship and the Inter-

net” in L. EDWARDS and C. WAELE (eds.), Law and the Inter-


36. J. CRAWFORD, Brownlee’s principles of Public Interna-

37. J. CRAWFORD, Brownlee’s principles of Public Interna-

38. J. CRAWFORD, Brownlee’s principles of Public Interna-

39. However, it is important to notice that the structure of the Internet is still exposable to change; new means of censor-

ing aren’t necessarily far away. Cf. J. MAILLAND, “Freedom of Speech, the Internet, and the Costs of Control: The French Exam-


40. L. EDWARDS, “Pornography, Censorship and the Inter-

net” in L. EDWARDS and C. WAELE (eds.), Law and the Inter-

LESSIG thus implies that, if we don’t keep our eyes peeled, we might end up in what appears to be a “transition from freedom into control”.

34. LIMITS TO THE FREEDOM? — Freedom of speech on the Internet is thus an important good; as stated before (cf. e.g. supra, no. 6), the ability to speak your mind on SNSs has already led to the accomplishment of considerable phenomenons. However, it seems like sometimes we’re not able to handle this freedom ourselves and tend to contravene certain limits — yet should we therefore bluntly restrict the entirety of freedom of speech of someone who can’t handle it? I believe that does not necessarily need to be the case. Its every user’s responsibility and duty to deal with his freedom in an adequate manner; this is not only in the interest of other co-users, but also in his self-interest. However, if a user deals with aforementioned freedom in a way that is not “socially admissible”, a society should not have the right to fully and everlastingly restrict such execution. In any case, a society has the right to bluntly ignore him or silence him with arguments, but a mere opinion should never be silenced with judicial tools. As DE BEAUFORT and VAN SCHIE state: “A society that abuses the government to muzzle someone, rathershowits own weakness with this breach on freedom.”

2.3. What will (probably) be?

35. NOT IF, BUT HOW. — What we should be asking ourselves nowadays does not lie in the question if we need to regulate the freedom of speech on SNSs and other Internet related communication means. After all, governance of the Internet will happen anyway, be it by the law (e.g. by governments through treaties), be it by social norms (e.g. a user mocking the recent death of NELSON MANDELA on Facebook will be reprimanded severely by other users), be it by the market (e.g. Twitter being in a Cornelian dilemma lately: the market demands Twitter’s profits, the people demand freedom of speech), be it by the architecture (e.g. the code of Facebook not allowing certain comments from being posted (such as e.g. certain spam links that are on a blacklist)).

The only question remaining is how this governance would happen.

36. LACK OF CONSOLIDATION (I): MISBEHAVING MATTERS. — It seems like a full amalgamation of Internet misbehaving, as some sort of one-size-fits-all, is not very likely to be implemented. It is clear that Internet coordinating legislation is, generally speaking, not always widely accepted. Except for maybe the irregular example of child pornography, not all states share the same opinion when it comes to the illegal status of certain Internet content (cf. supra, no. 18).

37. LACK OF CONSOLIDATION (II): REGULATING AUTHORITIES. — Additionally, it has been shown that a government should rather not directly and straightforwardly be seeing as an authority of censorship of the Internet. The unconstitutionality of both the Communications Decency Act as well as the Child Online Protection Act has shown that the freedom of speech is not just an ignorable human right. Rather than a top-down approach, states should opt for bottom-up schemes where possible.

38. THE EU: A STRICT DISTINCTION. — As a solution for this lack of consolidation, the European Union is currently making a clear distinction between (1) illegal content (which possesses some form of consolidation) and (2) other harmful content (of which the consolidation is not as widely spread). The first one might consist out of e.g. the posting of child pornography on SNSs. The second one may consist out of e.g. offending other users on an SNS because of racial issues. While — according to the EU — illegal content could be dealt with by direct top-down censorship, the second one could be dependent on user or parental control, rather than any state intervention.

39. A MIXTURE BETWEEN TOP-DOWN AND SELF-REGULATION. — Bearing in mind this clear distinction, it does seem that there is a shift from direct and blunt state censorship to a mixture between top-down regulation and self-regulation (the latter one including SNS providers, but also users themselves, as well as teachers and parents).

A great EU-related example consist out of “European Strategy for a Better Internet for Children”, which states that “regulation remains an option, but, where appropriate, it should preferably be avoided, in favor of more adaptable self-regulatory tools, and of education and empowerment.” Another example of the preference of self-regulation is the fact that, when the “Safer Social Networking Principles for the EU” were introduced, a vast responsibility was put on the SNS providers rather than regulating the matter through top-down criminal law. The EU thus focuses on (1) empowering users to be able to block access from certain content as well as for them to be able to install filters on their end and (2) investing in research on appropriate filtering as well as the development of rating systems and the fostering of international co-operation.

40. A FURTHER SHIFT TO TOP-DOWN REGULATION? — Edwards states that, seeing as the UK has shifted to a top-down approach of illegal online material, “it is more than possible that Europe may follow […] in this direction”. She subsequently provides the example of the then proposed — now approved as a directive — “Framework Decision oncombating the sexual abuse and sexual exploitation of children and child pornography”, stating this Framework would certainly indicate such a shift. In my opinion, this does not indicate any shift, as child pornography is one of the most globally loathed matters. Although I have defended in previous essays that the European Union will gradually harmonize an exponential amount of matters throughout time, I personally see no arguments for believing in the gradual shift to a more top-down oriented EU Internet regulation based on the proof of this directive.

41. A FURTHER SHIFT TO CO-REGULATION? — Due to reasons of concern (cf. supra, no. 31), there has been a further shift noticeable from self-regulation to co-regulation. While the first kind of regulation is ‘pure’ in the sense that only private self-regulating initiatives control what content is and isn’t supervised, the latter one implies a considerably bigger participation of the public authorities. Namely, the government can “take care of a judicial framework wherein self-regulation initiatives [...] can function effectively, e.g. by providing a safety net when the self-regulation initiative has any shortcomings or in order to carry out independent evaluations”. The system could therefore be able to provide a well-suited balance between (1) the human right on the freedom of speech and expression, and (2) the need for regulation where necessary (e.g. child pornography, cyber-bullying, etc.) — therefore bearing within itself a vast likelihood of being further developed.

MAIN CONCLUSION

42. Having reached the end of this essay, I most certainly hope to have you convinced of the great importance of this topic in our contemporary society. In a community where the legislative atmosphere consists out of an increasingly growing amount of laws and standards, it is sometimes important to remember how not having something regulated could be interesting as well. Sometimes the focus needs to be put more on the freedom aspect instead of the legislative restrictions. Albeit a very interesting thought, it
is also a very sensitive and perhaps a revolting one: it is exceptionally onerous to explain a mother, whose child has been a victim of cyber bullying, that the freedom of speech is in fact a good thing.

43. However much permanently prioritizing the freedom of speech is a delicate proposition, it is likewise remarkably tricky to put legislative restraints on this very freedom. Clear examples consist out of the unconstitutionality of the CDA and the COPA, as well as the current mindset in Europe that would rather promote self-regulation and co-regulation at the most, rather than direct schemes of restriction. Regardless, a meticulous assessment between the freedom of speech and the need for restrictions will need to be made on a case-to-case basis, including the test of arts. 19(3) ICCPR and 10(2) ECHR. Although one might occasionally lose track of the importance of the freedom of speech when, for example, confronted with condemnable online misbehavior, the question always needs to be raised if there are no other less disrupting, yet likewise effective alternatives.70 It is thereby of enormous importance to additionally bear the original philosophy of the freedom of speech in mind. Or as WILLIAM O. DOUGLAS had stated it: “The framers of the constitution knew human nature as well as we do. They too had lived in dangerous days; they too knew the suffocating influence of orthodoxy and standardized thought. They weighed the compulsions for restrained speech and thought against the abuses of liberty. They chose liberty”.

70 E. LIEVENS, P. VALCKE and D. STEVENS, Praktijkboek Recht en Internet, Bruges, Vanden Broeck, 2005, 50.

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**INDIGNADOS AND OCCUPY:**

**In Search of a Better Democracy?**

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**INTRODUCTION**

This paper is about the Indignados in Spain and the Occupy movement in the United States. These two protest movements aim for a revolution in political decision making. They developed an assembly system to rival parliamentary democracy, which, according to them, doesn’t represent the people enough as it should. One cannot fully understand Indignados and Occupy without mentioning the Arab Spring.

1. **The Arab Spring**

On December 17th of 2010 it all started in Tunisia when Mohammed Bouazizi, a college graduate who became a fruit peddler, set himself on fire out of desperation when the police hassled him for a bribe.1 The act by this young man unleashed mass protests against the Tunisian president Ben Ali, who was forced out of office. People were discontent with socioeconomic conditions in Tunisia. There was no future for the youth generation, and the political elites did nothing about it. Soon the protests spread to other North African and Arabic countries, such as Egypt and Libya. In Egypt people camped out on Tahrir square in the capital Cairo. Eventually president of Egypt Hosni Moebarak had to flee. In Libya things were more complicated. Khadafi refused to resign and fought back against the protesters. Only after the international community decided to military intervene, Khadafi was at last killed. It is clear the Arab Spring was caused by the desire of people to get more involved with politics.

2. **The Indignados and Occupy Wall Street**

In Europe and the United States there were no dictators like in the Arab countries. But many people in western countries suffered from the economic crisis. Unemployment rates were extremely high in southern Europe, especially in Spain, Portugal and Greece. Governments were forced by the International Monetary Fund (IMF) to take austerity measures, in exchange for financial aid. People felt betrayed because they had elected politicians who were now the puppets of the IMF. The result was protests broke out in these southern European countries. In Spain the protesters called themselves Indignados, a name derived from a manifest written by the French diplomat Stéphane Hessell (Indignez-vous!). The Indignados proposed ‘they were not goods in the hands of politicians and bankers’. As in Cairo, public squares were occupied. In Madrid this was the Puerta del Sol. Here the Indignados organized meetings with many participants. In order to make decisions a body language was designed with several signs that have basic meanings, for example to show if you are in agreement or not. By some this body language is regarded as revolutionary in the process of decision-making.2

3. **The Body Language**

The body language was invented to make sure everyone could say what they wanted. The purpose of the Indignados and Occupy movement is to create a more horizontal democracy. According to the protesters the parliamentary democracy doesn’t suffice anymore to represent the people. That is why the Indignados avoid to make a hierarchy. In theory there are no leaders within the Indignados and Occupy movement. Everyone who participates in the protest movements in Spain and the US have equal right to tell their opinions. In reality however there are people who try to manipulate this horizontal democracy system. The strength of the body language is at the
same time a weakness, because everyone can block a decision since no one is officially in charge.

### 4. Anarchist roots of Indignados and Occupy

Inspiration for the concept of horizontality is taken from anarchism. Gibson draws a distinction in ideological anarchism and anarchical forms of political praxis. Indignados and Occupy are not ideologically anarchist but they use anarchist ideals in their political praxis. They are aiming for a radical democratic kind of politics, independent of finances and state. They don’t want to participate in existing institutions or political parties. Instead they use direct action and democracy, as opposed to the representative democracy of parliaments. In the past other protest movements have turned to direct action, such as the ecology and the antinuclear movements. The radical parts of the peace, feminist and queer movements have also shown a tendency toward anarchist principles, like participatory democracy and an opposition to hierarchy. Then there was the alterglobalization movement, which emerged at the end of the 1990s. This Global Justice movement is a direct predecessor of Indignados and Occupy, because they protest against the same problems, namely the negative effects of economic globalization. One example of such a negative effect is the growing power of economic institutions like the World Trade Organization, the International Monetary Fund and the World Bank. People protest against these undemocratic institutions that take hold of traditional politics and therefore hijack democracy, because the people’s representatives take austerity measures that are ordered by these economic powers.

#### 5. Manifest of the Indignados: ‘Toward a real assembly-ism’

In April 2013 there was a manifest posted online by a core group of the Spanish Indignados. The text was published in Spanish1 and English.2 It explains they use the assembly as a way of getting to a consensus. It’s not a closed system or ideology, but a method to arrive at a more participatory democracy.

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2 [http://oportunidadesinmigrantes.ning.com/group/occultos/viewDiscussion?discussionId=2834528639](http://oportunidadesinmigrantes.ning.com/group/occultos/viewDiscussion?discussionId=2834528639)
Crime, Justice and Injustice
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INTRODUCTION

The word crime entered the English language around A.D. 1250, when it was identified with “sinfulness.” Later, the meaning of the word was modified: crime became the kind of sinfulness that was rightly punishable by law. Today the definition of crime and the appropriate treatment of criminals are widely debated. Some of the major questions are: Are some crimes more dangerous than others? Do all crimes have equal negative effects on the society? Should all offenders be treated equally irrespective of any form of sentiment?

According to Ngwube and Okoli (2013), corruption is a major social problem in the 21st century. It is dominant in developing countries as well as in the industrialized ones. During the 1980s and 1990s, major banking frauds and corruption scandals occurred in many countries. Nigeria has experienced its fair share of such scandals, especially during the military era and even its current democratic dispensation. The impact of corruption on our national economy has manifested in different kinds of political, social, and economic vices.

The responsibilities to curb crimes and to also protect human rights in Nigeria have traditionally been ascribed to state. These responsibilities have become subject to scrutiny as injustice has found its way into justice dispensation. Many crimes are overlooked, while others are over-punished. Laws are designed to ensure that the state has the power to enforce certain behaviors. How well has this system been able to draw attention to crimes committed by the upper class and corporate elite, thereby challenging the common perception that crime was committed primarily by those in the lower class.

1. CRIME AND CRIMINALS

Every day the Nigerian media brings news of organized robbery and murders, rapes and kidnappings, hold-ups of trains and hijackings of planes, corrupt practices by politicians, adulteration of foodstuffs, drugs and even of poisons. These are some of the features of modern day Nigeria.

To ask what crime is, is certainly not a novel endeavor. For decades academicians from numerous disciplines (such as law, sociology, and criminology) have struggled to understand various aspects of this question. From studies that examine the factors contributing to the enactment of certain prohibitions or the impact of law and its enforcement, to studies that focus on the events that precede the decriminalization of certain behavior, there are countless examples of scholarly works dedicated to exploring the nature of crime and what constitutes crime.

In the last half of the twentieth century, various scholars noted that crime is not an objective phenomenon and that the way in which certain behavior is understood and responded to is more a reflection of how society is structured than an indication of any inherent problems with those individuals regarded as criminals. In the 1940s, for example, Edward Sutherland introduced the concept of “white-collar crime” to draw attention to crimes committed by the upper class and corporate elite, thereby challenging the common perception that crime was committed primarily by those in the lower class.

1.1 What Is Crime?

Each country in the world has some social problems which need to be fixed. Nigeria is not an exception. One of these problems is crime. Strictly speaking, a crime is an act forbidden by the law of the land, and one which is considered sufficiently serious to warrant providing penalties for its commission. It does not necessarily follow that this act is either good or bad; the punishment follows for the violation of the law and not necessarily for any moral transgression. No doubt most of the things forbidden by the penal code are such as are injurious to the organized society of the time and place, and are usually of such a character as for a long period of time, and in most countries, have been classed as criminal. But even then it does not always follow that the violator of the law is not a person of higher type than the majority who are directly and indirectly responsible for the law.

It is apparent that a thing is not necessarily bad because it is forbidden by the law, but because it breaks a law that relates to how to behave in a particular society. The harm caused by the act is seen to be against society as a whole, not just a specific person. However, there are some more serious crimes committed in Nigeria which are ignored, either because of the position occupied by the offenders or that that society does not perceive that as crime.

2. TYPES OF CRIMES

A logical analysis must begin by asking: What is it that has Nigeria in such a state of fear? Politicians, lawyers, prosecutors, journalists, and criminal justice professionals who should know better speak rather generally about crime in Nigeria without specifying exactly what they mean. There are in fact many distinct types of crimes, from crimes against persons to victimless crimes, and violent crimes to street crimes, and white collar crimes and people who commit them. However, I will emphasize more on street crimes and white-collar crimes.

2.1 Street Crime:

The nightmare of street crime is slowly paralyzing the Nigerian society. Street crime is a term widely used to describe a range of crimes such as: Anti-social behavior, pick-pocketing, alcohol and drug-related crime, curb crawlers and street prostitution, muggings, gang fighting, violent on-street theft, and intimidation and threats. As a generic term street crime may include all of these, as well as offenses against private property such as the proverbial stealing of hubcaps. Both individual people and communities are affected by street crime. It can ruin people’s quality of life and destroy an area’s reputation.

Furthermore, it is the random assault of street crime, the muggings, rapes, purse snatchings, and knifings that plague city life, which puts us all in such mortal fear for our lives and property. The offenders of this set of crime activities are the most targeted by the law enforcement agencies in Nigeria.

2.2 White-Collar Crime:

Most Nigerians are aware of street crime such as robbery, burglary, theft, rape, arson, murder, and assault among others because of their widespread publicity by the media. The same cannot be said of white collar crime which is equally pervasive but hardly detected and reported. The LONGMAN Dictionary of Contemporary English defines white collar crime as: “crimes involving white collar workers, for example when someone secretly steals money from the organization they work for.”

The US Justice Department also defines white collar crime as: “nonviolent crime for financial gain utilizing deception and committed by anyone who has special technical and professional knowledge of business and government, irrespective of the person’s occupation.”

For those who may not know, white collar workers are those who work in offices whether private or public. Some of these workers may have unmonitored access to the funds of their organizations and may through deceit or abuse of trust diverts funds for their personal use and benefit. It is not uncommon to hear that a cashier or accountant has disappeared with funds belonging to their organization.

The most common forms of white collar crimes in Nigeria are tax evasion, embezzlement, bribery and corruption, bank fraud, cyber fraud (computer and internet related crimes), money laundering, fraud against the government, copyright violations, international, national and regional organized crime, forger and theft of funds, inflation of contract, etc.

Evidently, white collar crime is just as dangerous if not more dangerous than street crime. White collar crime is committed by various professionals in the line of duty. It is even more difficult to detect if senior management is involved. Such criminal activities can deprive an organization or the state of much needed funds for development.

White collar crime is the bane of most developing countries especially in Africa. It is a leading cause of Africa’s underdeveloment with its concomitant effects of poverty, squalor and disease.

White collar crime thrives on weak institutions, bad leadership and bad governance. Something urgently needs to be done to nip in the bud the increasing incidence of white collar crime before the economy collapses.

Institutions that have been set up to fight economic crimes have not been effective because they have not been truly independent; there may be political interference. This category embraces activities by peo-
ple of high social status who commit their crimes in the context of their occupation. This includes embez-
zling (stealing money from one's employer), insider trading, shoplifting, political corruption, tax evasion and other violations of income tax laws. It is undoubt-
ever a phenomenon of the gravest concern, costing society untold billions of dollars far more than street crime. To the extent that such crimes appear to go un-
punished, they breed disrespect for law (justice) and cynicism about our criminal justice institutions. Yet, as costly and corrosive as such crimes are, they do not instill the kind of fear reflected in the recent explosion of public concern. Although white-collar criminals do not directly cause physical harm or relieve people of their wal-
ettes, they certainly do make considerable harm. The harm done by Nixon's aides threaten the integ-
rity of the U.S. electoral system. Every embezzler, corrupt politician and tax cheat exacts a toll on our society. Individuals can be hurt in more tangible ways by decisions made in corporate boardrooms: Auto executives, for example, have approved de-
sign features that have caused fatalities. Managers of chemical companies have allowed practices that have polluted the environment with cancer-causing agent. And heads of corporations have presided over industries wherein workers have been needlessly killed or maimed. White-collar crimes are committed by the middle and upper class, by people who look like one's next-
door neighbor. These people do not, by and large, threaten our physical safety or the sanctity of our home. These are those politicians who see nothing wrong in stealing from the public treasury, inflating the price of political office holders has historically been inextricably linked to the larger percentage of the population. Our position is that findings or investigations of agencies like the Eco-

nomic and Financial Crimes Commission, EFCC, the World Bank, the United States Congress, etc., should be taken with a grain of salt. Nigeria has the label of having one of the world's highest levels of cor-
rupition. This is mainly seen within the public sector including stealing public funds and accepting bribes. It is estimated that between 1999 and 2007, Nigeria has lost around $4 billion to $8 billion yearly due to corruption

Ubah (2004) stated that politicians often siphon public funds to further their political careers and they also pay gangs to aid them in rigging elections. The elections since the end of military rule occurring in 1999, 2003, and 2007 were bloody affairs and were openly rigged. In 2007, ballot boxes were visibly stuffed by paid gangs and in some cases, electoral results were simply made up. The Human Rights Watch estimates that at least 300 were killed due to the 2007 elections and that is considered to be a conservative estimate as cited from a Human Rights Watch telephone interview with Derrick Marco, Nigeria country director in March, 2007. This Day Newspaper (2007). These measures of violence and intimidation discouraged the general public from voting. Those who did come out were subject to attacks by gangs.

Nigeria put measures in place to reduce the cor-
rupition levels. The Independent Corrupt Practices and Other Related Offences as well as the Economic and Financial Crimes Commission were established in the early 2000s. They have been attempting to combat the issue but they have not been very heavy handed in terms of punishment. Former Edo State governor, Lucky Igbinedion pleaded guilty to embezzling 2.9 bil-

lion Naira which translates to about $24.2 million. He had a plea bargain with EFCC and was fined 3.5 mil-

lion Naira ($29,167) and did not serve any jail time. Despite the overabundance of human and mate-
rial resources majority of Nigerians continue to live below breadline. In all these the apex leadership of the ruling class undoubtedly condoned in corruption has done little or nothing to stem the tide. But for few high profile convictions, majority of the people allegedly involved in the lootings still walk free and most times in corridors of power. Nigerian Oriental News investigations revealed that no sector of the Nigerian social life has been left unconquered by these marauders. There is a catalogue of travesty and complicity of Nigeria's judiciary in dealing with high profile corruption cases in Nigeria — the case of Olubode George, a former chairman of the Nigerian Ports Au-
thority, who committed a fraud of over 85 billion Na-
ira which is about ($13 million USD) and was only given 2 years and 5 months imprisonment. Mrs. Cecilia Ibru (former MD/CEO of Oceanic Bank Ni-
igeria PLC) was jailed 6 months for stealing N54bil-
lion Naira. Former Nigerian Inspector General of Po-
lice, TafaBalogun was convicted of N20 billion naira frauds, and was sentenced to only 6 months in prison. Both TafaBalogun and Cecilia Ibru had their sentenc-
es spent in their homes or chosen hospitals. Another Ex Inspector General of Police, Sunday Ehindero was caught trying to smuggle N200million naira out of Abuja. Sunday Ehindero was not even sent to court, so the case died like that. So many Ex Governors, be-

 tween 1999–2011, have been granted bail on their alleged corrupt cases, some, like Peter Odili former Governor of Rivers State, even has court injunction stopping his trial on corruption cases. James Ibori (Former Governor of Delta State Nigeria) was dis-
charged and acquitted in a Nigerian court, but was sent to jail in UK, for the same offences he was ac-
quitted from in Nigeria. The list is endless.

Moses was convicted on a two-count charge of conspiracy and armed robbery contrary to section 6 (b) and punishable under section 1 (2) (a) of the Rob-
bery and Firearms (Special Provisions) Act Cap R11 Volume 14 Laws of the Federation of Nigeria, 2004. Prosecution told the court that the convict with others now at large 'robbed one Mrs. Akpor Mazino of the sum of N113, 930 cash, 3 GSM handsets, 54 various denominations of MTN recharge vouchers, 28 Econet vouchers and 25 GLO vouchers valued over N100, 000 at Number 30 NNPC Housing com-
plexe road, Effurun, Nigeria. With the above analysis one actually gets confused about what actually con-
stitutes a crime in Nigeria.

Now the question is: is the real criminal the person who steals billions of dollars and creates the atmos-
phere for other crimes to thrive or the person who explo-
its the atmosphere already created to steal in thou-
sands out of frustration? In conclusion, white collar crime is as detrimental to the economic well-being of a nation as is street crime and therefore requires strin-
gent measures to uproot it. Stamping out white collar crime must be the concern of all.

4. CRIME MANAGEMENT AND HUMAN RIGHT

Nigeria's human rights record remains poor and government officials at all levels continue to com-
mit serious abuses. Human rights in Nigeria are pro-
tected under the most current constitution of 1999. The Bureau of Democracy Human Rights and Labor stated that Nigeria has made serious improvements in human rights under this constitution though the Human Rights Report of 2012 notes areas where sig-
nificant improvement is needed. The report discusses abuses by Boko Haram, an Islamic religious Sect, kil-
lings by governmental forces, lack of social equality, and issues with freedom of speech.

Since street crimes are the most publicized; ef-
forts should be made, while curbing it, to respect the rights of the accused. The Police in Nigeria commit extrajudicial killings, torture, rape, and extortion with relative impunity. Nigeria Police Force person-
nel routinely carry out summary executions of per-
sions accused or suspected of crime; rely on torture as a principal means of investigation; commit rape of both sexes, with a particular focus on sex workers; and engage in extortion at nearly every opportunity.
The Nigerian government has acknowledged these problems and promised to address them in the past, but to date, abuses have continued with no real accountability. Nigeria’s leadership must pay serious attention to police reform if it hopes to succeed in reining in public safety.

This report’s findings are based on independent field monitoring and investigation at over 400 police stations and posts in 14 states and territories in Nigeria from February 2007 to January 2009. Research was augmented by a review of relevant legislation, case law, and official reports, as well as secondary materials, including newspaper articles and NGO reports.

In November 2007, Acting Inspector-General of Police Mike Okiro, during his first 100 days of office, claimed the Nigerian Police Force (NPF) killed 785 people. One week later the late President Umaru Yar’Adua promoted him.

In 2006 police reported killing 329 robbers and injuring none, suggesting a kill-to-punish policy, said OSJI. Records show that in the same year 111 police were killed and 53 injured.

In July 2009, while responding to violence instigated by members of the Boko Haram sect in Borno State in northeastern Nigeria, the NPF killed hundreds of suspected sect members, including its leader.

The Nigerian Legal Defense and Assistance Project found 2,987 extrajudicial executions by police in 2004, but no force member was convicted. Police Order 237 uses vague language regarding extrajudicial killings by police: “These rules practically provide police carte blanche to shoot and kill at will,” the UN Special Rapporteur said in the 2006 President’s Commission report on police reform.

Every major police station has an “Officer in charge of Torture”, according to a researcher at the Network of Police Reform in Nigeria (NOPRIN), a civil society organization. Victims reported the following slangs being used for torture: “VIP treatment” — shooting a detainee in both legs; “J5” — prolonged sleep deprivation in a standing position; “suicide” — being suspended upside down by a rope tied around the ankles and being kicked, or beaten with machetes, gun butts or electrical wires.

Other forms of torture include beating; forced stress positions; tear gas applied to eyes or genitals; clubbing the soles of the feet; burning with cigarettes, hot irons or a flame; sexual torture by rape or violation; psychological manipulation; sleep deprivation; water or food deprivation.

The crime of torture does not exist in Nigerian law. In Nigeria’s largest city of Lagos, male officers in the Police Command often demand sex from female detainees as the price of bail — one NPF member said sex with sex workers was “one of the fringe benefits attached to night patrol.”

The Police Service Commission, which is responsible for police discipline, routinely refers all extrajudicial police killings to the police for investigation, and the Commission’s quarterly reports to the President are not published.

5. CONCLUSION

In the fight against crime in Nigeria; there is an urgent need for the state to take the searchlight beyond the shores of streets because crimes can be committed even in the most unusual places. Efforts should be made to tackle white collar crime which is the mother of all crimes, and constitute more danger to the state than street crimes. It is even worth knowing that if the former is well-tackled, it will help enormously to tackle the latter.

Every institution, private or public should have in place anti-fraud mechanisms that are operational, effective and efficient to combat economic crime. Internal controls must be strengthened and all loopholes plugged to prevent fraudulent deals from manifesting.

Internal auditors must be trained and motivated to perform their duties without fear or favor. The training they receive should make them capable, effective and efficient auditors. The Nigerian judiciary must be made truly independent, sufficiently motivated with good salaries and better working conditions so that they are not easily influenced when performing their legitimate duties.

Furthermore, since it is noted that crime rate is a concomitant of economic development, adequate response to change is vital to the effective functioning of the criminal justice system. Secondly, unemployment problems must be tackled vigorously by both the government and the private sector. The Police and the general public must continue to team up to detect crimes and deal justifiably with those involved.

The reordering of our societal values which are at present based on the excessive accumulation of material wealth is imperative. Also the current transformational agenda of the government which seeks to explore, utilize and streamline differential access to the country’s resources and in the process eliminates poverty must be allowed to materialize. In addition, a severe penalty should be meted out to those found guilty of white collar crime so as to deter others, not minding the offender’s position, political connections or economic status. There is also the need for a moral crusade in the country to instill important work values such as diligence, hard work, integrity and honesty, self-discipline, a high sense of responsibility and a commitment to excellence.

The media has an important role to play in our national moral recovery efforts. Just as the media has been giving wide publicity to street crimes, it must do so with white collar crime. They must report white collar crimes irrespective of who is involved.

Workers who exhibit a lifestyle of honesty and integrity must be motivated so as to encourage others to follow suit. There is also the need to maintain confidentiality for the whistle blower apart from motivating him/her. There is also the need for the Nigerian government to collaborate with the international community to effectively combat cross-border crimes that include economic crimes.

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From ‘Gift’ to ‘Right’: Moving Beyond Corporate Social Responsibility to Corporate Accountability

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Adequate mechanisms must provide for three stages of accountability: provision of information, discussion and explanation, and rectification. Furthermore, they must be based on clear accountability rights rather than voluntary compliance by MNEs, and significant barriers to access must not exist. Measured against these standards, existing international mechanisms for accountability are found lacking, for when we consider access, power, and the importance of accountability rights, the dominant rhetoric of corporate social responsibility (CSR) becomes rather unhelpful. The challenge is to move beyond CSR to a global accountability regime that challenges existing inequalities of power.

1. INTRODUCTION

The 2013 Rana Plaza garment factory collapse caused the death of more than 1100 Bangladeshi workers and a global outpouring of anger against the rich-world retailers whose labels were found amongst the ruins. The energetic spurt of consumer activism led to the signing, by 125 retailers, of an accord for improvement and transparency, but communities — if these are the terms by which hyper-mobile capital is accepted then some form of accountability to these terms must be provided for.

Both Mulgan (2003: 130–131) and Ruggie (2008) base their arguments for corporate accountability in liberal theory, which presupposes the primary responsibility of states for the wellbeing of their citizens and stresses the importance of clear rules of the game and broad economic freedoms for corporations. Neither fully engages with the realities of diminished state capacity globally or with the inequalities of power that condition the relationships between MNEs, states, and different community sectors — key concerns that will be addressed later in this paper. However, the important thing to note is that among even liberal thinkers there is consensus that MNEs must be held accountable to communities for at least a bare minimum of human rights and environmental issues.

2. CONCEPTUALISING ACCOUNTABILITY

Accountability at its core is about controlling power and "subject[ing] it to certain procedures and rules of conduct" (Schedler 1993:13, cited in Garvey and Newell, 2005: 391). It can be seen as a way in which democratic principles are reconciled with a complex world: experts and specialists are necessary to make and execute public decisions in conditions of complexity, but in a democracy the sovereign public has the right to question and control them (Mulgan, 2003: 1).

This understanding of accountability draws heavy on principal-agent theory and ideas of ownership, and demands for accountability are least controversial when formulated in this way: shareholders are owed accountability as owners of a company, and citizens are owed accountability by the government both as its owners and as the principals to its agent. The government then regulates the private organisations that operate within the state, creating an indirect accountability relationship between communities and organisations.

But if the state fails to regulate and thereby to enforce accountability on private companies, is there a direct accountability relationship between corporations and the local community? There is a broad consensus in the literature that they do, based on the significant impact MNEs have on the communities around them (see, for example, Mulgan, 2003: 130–131; Ruggie, 2008). For all that it falls short in practice, the global community espouses democracy as a universal standard; it would be curious if the democratic principles that insist upon the constraint of political power fell completely silent when faced with economic power. Corporate spokespeople themselves couch arguments for free market access in terms of the social and economic benefits they can bring to local communities — if these are the terms by which hyper-mobile capital is accepted then some form of accountability to these terms must be provided for.

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3. ASSESSING THE ADEQUACY OF EXISTING MECHANISMS

In assessing the adequacy of existing accountability mechanisms, I will borrow Mulgan’s (2003: 30) framework, which considers three stages of accountability: information, discussion, and rectification, all of which must be present in order for meaningful accountability to exist. That is, MNEs must not only be transparent in their operations, but communities must also have a right to demand explanation and justification of decisions or policies that impact upon the community as well as rectification in the case of verified human rights infringements or environmental damage. Transparency, that favoured panacea of many, is only the starting point for genuine accountability.

Accountability mechanisms will also be assessed in terms of any significant barriers to access that may exist as there is little value in even the most comprehensive accountability regime if it is not accessible to those who need it most. Only international mechanisms will be addressed here — this is not to discount the importance of local accountability mechanisms, but to recognise that, particularly where MNEs operate in the global South, the host state is often unwilling or unable to effectively regulate their activities, for a variety of well-documented reasons (see for example Anderson, 2002: 401, 409; Garvey and Newell, 2005: 393-396; López Hurtado, 2011: 4-5; Macdonald, 2009: 36-37; Monshipouri et al., 2003: 966, 971-963). It is important to realise, however, that global trends towards globalisation and liberalisation reduce the scope and power of all governments and, consequently, their ability to enforce accountability on the private sector (Mulgan, 2003: 4–5). The establishment of a clear and effective global corporate accountability regime is in the interests of all governments.

This survey will move from mechanisms based in international and foreign law, through soft-law mechanisms to voluntary non-financial audit and disclosure.

3.1 International and foreign law

International law plays a weak role in holding MNEs to account, providing much more robust protections to investors (through Investment Promotion and Protection Agreements, the International Centre for Settlement of Investment Disputes, the World Trade Organisation, the Agreement on Trade Related Aspects of Intellectual Property Rights, the Agreement on Trade Related Investment Measures, and so on) than constraints on MNE action (Graham and Woods, 2006: 880-881). International human rights and environmental treaties bind state parties but “do not place obligations directly upon companies” (Anderson, 2002: 403).

In the absence of meaningful international judicial recourse, tort suits in foreign courts are an attractive alternative, and there have been many high profile cases. Indeed, Anderson (2002: 404–405) sees the growth in international tort claims as “a symptom of the failure of other regulatory systems, leaving plaintiffs with little scope for effective redress other than tort law”.

The binding nature of court hearings has the advantage of compelling the provision of information and demanding discussion, although culturally divergent communicative norms and different understandings of the burden of proof and nature of knowledge may obstruct genuine discussion in an international
Enormous barriers to access threaten to outweigh the benefits of international tort courts as a mechanism for accountability. First, few states provide a legal framework for the prosecution of human rights abuse abroad — the US Alien Tort Statute is an unusual exception (Macdonald, 2009: 38). However, the Supreme Court has recently moved to place tighter limits on the use of US courts for accountability claims: in January 2014, Daimler AG v Bauman, in which the MNE was accused of complicity in human rights abuses during the Argentine “Dirty War,” was dismissed on the basis that Daimler AG did not engage in sufficient activity within the US for that country’s courts to have jurisdiction over it (Bravin and Kendall, 2014). Similarly, the Court affirmed a lower court’s dismissal of Kiobel v Royal Dutch Petroleum, Co. on 17 April 2013, on the grounds that the statute does not apply to corporations (Fifeild and Chazan, 2013).

Second, and more troubling, issues can arise even when seeking to bring suit in the home country of the MNE. For these purposes, strictly jurisdictional barriers are reduced in Europe and most civil law countries, where the principle of forum rei is dominant, under which hearings are to take place in the domicile of the defendant — in the case of companies, usually country of incorporation — with an option for the plaintiff to choose the forum delicti or place where the harmful event occurred. In most common-law countries, on the other hand, the plaintiff has the right to choose the forum, with a preference for forum rei, but the defendant may stay the proceedings with a claim of forum non conveniens (Anderson, 2002: 411–412). This has, Anderson (2002: 412) claims, “become in many instances a device for parent companies to escape liability”, citing the Bhopal gas leak litigation against Union Carbide Corporation as a particularly egregious example of declining jurisdiction in the United States. In the United Kingdom, on the other hand, European law restricts the ability of courts to decline jurisdiction on these grounds (Macdonald, 2009: 38).

Finally, even where home-country jurisdiction is allowed, “the twin concepts of separate legal personality and limited liability operate to isolate each member of an MNE from the obligations (civil or criminal) of the other members of the economic group” (Macdonald, 2009: 38). Indeed, this is the core reason that MNEs constitute a governance challenge even for the post-industrial states of the Global North: made up of discrete, legally separate corporate units operating across a spectrum of discrete, sovereign states they may nevertheless “operate their many parts with a coherence of intent and implementation that resembles a single entity — an entity that is controlled neither by international law nor the legal norms of any single state” (Anderson, 2002: 402). It is very difficult to establish parent company culpability for a tortuous act carried out by a subsidiary, even if that parent company has effective control over subsidiary operations.

The great advantage of the Guidelines is that they are backed by all 34 OECD member countries, along with Argentina, Brazil, Colombia, Egypt, Latvia, Lithuania, Morocco, Peru, Romania and Tunisia. Explicit government backing of the Guidelines, especially by the major capital-exporting states, increases their force while situating ultimate responsibility for the protection of rights and the environment with state governments, in line with existing international norms. Nevertheless, the legitimacy of the Guidelines is limited by its membership, and as the importance of South-South trade grows countries such as China become conspicuous for their absence.

States that adhere to the Guidelines must set up a National Contact Point (NCP) to promote understanding of the Guidelines and contribute to resolution in the case of non-observance. In theory, the NCP system provides for the full range of accountability stages. In the case of complaint, the NCP — providing it determines an investigation is merited — will facilitate dialogue, providing for explanation and discussion with a potential for mutually agreed rectification. However, the system has suffered from several perceived weaknesses, including “weak investigatory and fact finding powers, lack of transparency, possible conflicts of interests, inequitable treatment of parties, [and] excessively long timeframes” (Macdonald, 2009: 37). Although Macdonald (2009: 37) acknowledges work done to address these problems she believes the underlying issues remain and are symptomatic of voluntary approaches. The Guidelines review process carried out in 2010 was identified by Rico (2011: 33) as suffering from two major “missed opportunities”: it did not address the lack of concrete mandate for NCPs to monitor agreements or investigate complaints, nor did it set down concrete guidelines for ensuring the prior and informed consent” of affected communities. This allows for the continuation of inconsistency between different states’ NCPs and leaves too much to discretion.

A repeated criticism of the NCP system as an accountability mechanism is its weakness and focus on mediation instead of binding resolutions (Lopez Hurtado, 2011: 10). Indeed, should dialogue be rejected by either party or fail, the NCP will simply produce a final declaration along with its non-binding recommendations — clearly not a satisfactory result. This need not, however, be an incapacitating weakness as long as two conditions are met: a) that alternative, binding mechanisms exist and are accessible in case of NCP failure and b) that mediation does in fact provide for more meaningful, less adversarial dialogue than courts, with an emphasis on the empowerment of communities. In this way, ongoing relationships of cooperation and accountability between communities and MNEs can be strengthened.

Such mediation, however, would demand considerably strengthened mandates for NCPs, adequate resources for the sort of intensive cross-cultural mediations that will be demanded, and clear guidelines that apply to all adhering states. Genovese’s (2011) case study of the Canadian NCP’s response to complaints from indigenous Guatemalan groups against the Marlin mine owned by Goldcorp illustrate some of the issues: only some of the documentation produced by the NCP was provided in Spanish (and then only at explicit request of the communities, for many of whom even Spanish is a second language); the NCP failed to encourage the company to adhere to injunctions to cease work already issued by the Guatemalan government in light of documented human rights issues; and the NCP refused an invitation to visit Guatemala during the course of the investigation. Thus, the Guatemalans were effectively shut out of a process ostensibly intended to ensure corporate accountability to those very communities.

3.3 Non-financial audit

The move towards non-financial audit has been an important development in corporate accountability, although auditors “face unbalanced incentives to err towards favourable treatment of the clients” and
are further constrained in their effectiveness by a lack of expertise in such audit and the difficulty of assessing qualitative data (Graham and Woods, 2006: 879). O’Rourke’s (2000) investigation of Pricewaterhouse Coopers (PwC) labour standard audits in China and Korea has been widely cited in the literature as demonstrative of the risks involved: PwC auditors relied heavily on managerial input into the audit process and consequently missed major violations of labour standards, including serious health and safety problems, barriers to freedom of association and violations of overtime laws. In light of this, various methods to improve non-financial audit have already been explored. O’Rourke (2003) surveys a number of NGO-proposed alternative audit schemes and regulatory systems, tentatively welcoming them as a means of strengthening the corporate accountability regime while expressing concerns about the confusing proliferation of opaque standards. Her work highlights some important limitations to nongovernmental regulation, some of which will be addressed in the next section.

The case of the Accountability AA1000 Assurance Standard, introduced in March 2003 and approvingly cited by Graham and Woods (2006: 876) as a “potentially significant development in enhancing the quality of non-financial auditing” is illustrative. In 2003, the AA1000 audit of BP’s sustainability reporting criticised the lack of information regarding BP’s legal liabilities in connection with the Baku-Tbili-Ceyhan pipeline (Graham and Woods, 2006: 876). Macdonald (2009: 34), writing five years after this audit, describes the ongoing lack of rectification for individuals and communities actually affected by this project. It is clear that the provision and audit of information can only be one small part of a broader accountability framework. Where there are few penalties to incomplete or inaccurate reporting, audit potentially becomes nothing more than a public relations tool; and, geared as it is to shareholders and consumers overwhelmingly located in the Global North, non-financial audit does little to strengthen direct accountability relationships between local communities and MNEs.

3. MOVING BEYOND CORPORATE SOCIAL RESPONSIBILITY

The preceding discussion highlights two major flaws of a corporate accountability debate dominated by the corporate social responsibility paradigm. First, the focus has been on voluntarism: international legal structures around corporate accountability are minimal, access to the home courts of MNEs is restricted, and adherence to soft-law mechanisms and non-financial audit are voluntary. This concern with “voluntarism from above rather than rights from below” (Garvey and Newell, 2005: 391) does nothing to improve corporate accountability, which depends on clear and enforceable rights; as Mulgan (2003: 11) writes, “Purely voluntary or grace-and-favour transparency does not amount to accountability”. Indeed, the very language of corporate social responsibility is telling: in shifting from accountability to legitimacy, the state transfers the responsibility for good behaviour we remove any relationship of rights or mutually-determined rules and standards, casting MNEs as responsible for the implementation of standards decided upon elsewhere. Such a system does little or nothing to empower communities in ongoing dealings with companies or to encourage “changes in structures of representation that may allow for the expression of future accountability demands” (Garvey and Newell, 2005: 392).

Similarly, the CSR movements primarily driven by consumers and shareholders in the Global North. Here non-financial audit is emblematic: while the information made available to all, it is actors in wealthy countries who are primarily able to make use of it to hold corporations accountable, according to the standards and norms of the North. This is worrisome for two major reasons. First, and most immediately, North-driven CSR campaigns depend on markets with ethnically inclined consumers (O’Rourke, 2003: 22). Where the human rights or environmental issues in question lack pathos or cannot be packaged by canny NGOs into an accessible and actionable campaign in the North, consumer — or shareholder-driven CSR may fail. This pseudo-accountability — for it is “accountability by gift” of the North — leaves unacceptable gaps in the global governance of MNEs.

Second, even if CSR could act as a stopgap measure preventing the most egregious abuses, it disempowers communities and strengthens existing structures of inequality. O’Rourke (2003: 22-23), in her survey of nongovernmental labour regulation, examines the case study evidence that NGOs may “crowd out” local unions or workers organisations. She concludes that while this may not always be the case, the risk remains real. It seems likely that an explicit rejection of CSR rhetoric and a shift towards a focus on accountability to communities may create more equal partnerships between international NGOs and local groups. Another frequent concern highlighted by O’Rourke (2003: 22) is that elected governments are actually ceding some of their sovereignty to consumers through these systems. Again, this applies to nongovernmental regulation more broadly rather than only that driven by CSR, and a global accountability regime of the sort argued for in this paper is open to similar charges. However, given the nature of MNEs — those enormous entities, as Anderson (2002: 402) wrote, “controlled neither by international law nor the legal norms of any state” — some erosion of sovereignty seems inevitable if transnational capital is to be adequately regulated. The key here is in which direction the power ceded by the state flows. Under CSR, that power to regulate flows to wealthy consumers and shareholders, further concentrating power in the Global North. Genuine accountability, however, directs that power to local communities in equitable collaboration with international accountability agencies or structure, challenging existing inequalities of power and freedom.

Nevertheless, opponents of CSR often similarly fail to account for these imbalances of power and diminished state capacity. Kapstein (2001) forcefully critiques the CSR crusade as potentially damaging to developing countries, driving out foreign capital where it is needed and failing to account for divergent norms, standards and values. There is a ring of truth in this argument, often repeated by those opposing moves to regulate global capital, but it ignores the vast disparities of power between MNEs and communities (and sometimes between MNEs and host states). It is hard to see how locally relevant standards and norms can be negotiated in such an environment. Indeed, Garvey and Newell (2005) identify power imbalances as a core failing of the current accountability regime: little attention is paid to the challenges marginalized communities — and especially the marginalized minorities within marginalized communities — face in getting to the table and negotiating on an equal basis once there. Even within the established liberal democracies, accountability regimes under the new public management grapple with this issue (Dibben and Higgins, 2004: 30).

4. CONCLUSION

This brief survey of existing accountability mechanisms at the international level has shown that all stages of accountability — information, discussion, and rectification — already exist to a greater or lesser degree, depending on the mechanism to be used. This variation is a strength, provided a broad system of complementary mechanisms is maintained that allows different mechanisms to fulfill different needs. Nevertheless, the potential for information, explanation and rectification is worthless if it is left to the discretion of the MNE or inaccessible to communities and the most powerless individuals within them.

Thus, when we consider access, power, and the importance of accountability rights, the rhetoric of CSR becomes rather unhelpful in the development of an adequate international accountability system. Notwithstanding, this paradigm currently dominates structures of corporate accountability. The Global Compact — a voluntary agreement by MNEs to adhere to CSR principles with no mechanism for verification or rectification — is perhaps the purest example of a top-down CSR-driven accountability mechanism, but non-financial audit and the OECD Guidelines are also too reliant on ‘accountability-by-gift’. Foreign tort courts provide a much-needed mandatory and binding mechanism, but serious barriers — of power, resource, jurisdiction or otherwise — obstruct access. The challenge is to move beyond CSR to a global accountability regime that establishes a direct relationship of rights between communities and the MNEs that function within them, allowing for the establishment of mutually-determined standards of corporate behaviour that align with local understandings of international human rights and environmental norms, and that further community interests and development needs. There is a place for more consensual, non-binding mechanisms, but the absence of at least a last-resort mechanism, accessible to communities and providing for binding rectification, fatally undermines accountability.

A year after Rana Plaza, the reports suggest little has changed for Bangladeshi garment workers (Nelson, 2014). Little will, as long as corporate accountability remains a gift bestowed by consumers in the
Global North outraged by the latest headline-wor thy isaster. This ad-hoc accountability serves neither communities nor corporations attempting to measure reputational risk in a highly competitive environment. Clear and accessible accountability mechanisms at an international level that empower rather than exclude local communities would contribute to a global economy that incorporates more of the negative externalities of business, and would challenge existing inequalities of power and freedom. As it stands, the current international corporate accountability regime is completely inadequate.

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Problem Statement

Today in a time where food is plentiful and crop yields are the highest they have ever been for many nations, the issue of household food insecurity is an increasingly pressing concern. Even with the advancement of technology and science surrounding the agricultural industry food insecurity is still rampant both nationally and internationally. In Canada, many northern communities don’t even have access to fresh produce; the produce that is available is significantly more expensive and is of lower quality. Additionally, lower income families, single families, woman, new immigrants and minorities in and out of urban centres disproportionately face challenges regarding food affordability (Statistics Canada 2013). Many families turn to lower nutritional value food that cost less, and charitable organizations in order to survive. Canada is in the process of creating a national food strategy tackling many of the problems previously mentioned. However, if the root causes of food insecurity are not addressed little progress in the matter will be achieved.

According to the UN Universal declaration of human rights article 25, “(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, and housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. (2) The right of the child to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection (UN 2014).”

Although the Declaration of Human Rights have been adopted unilaterally. The Declaration is not a legally binding document. Countries that have signed the Universal Declaration of Human Rights cannot be held legally liable if they break their promise to protect and preserve Human Rights and Freedoms (UN 2014). In order to achieve the goals in the UN article 25, governments must develop a strategy that includes the creation of laws, tax incentives and community development plans that will support the goals relative to achieving the Right to food for all citizens regardless of Geographical location, social class, ethnic group, religious affiliation, and income level.

Current Conditions

Unfortunately in Canada more than one in seven children lives in poverty. In fact, the Canadian child poverty rate has increased for a decade starting from the mid 90’s (The Conference Board of Canada 2014). Worldwide, a figure of 27-28 % of all children in developing countries are estimated to be underweight or stunted. The two regions that account for that substantial deficit are South Asia and sub-Saharan Africa. A contributing factor to the problem can be related to the increasing cost of food. According to the OECD-FAO’s Agricultural Outlook 2013-2022, “Over the past decade food price inflation has been higher and more variable in developing countries as a whole […] (OECD/FAO 2013).” Access to food has been another concern of government in Canada and Internationally. According to statistics Canada figures, Canada in 2011-2012 had 8.3% of households, or nearly 1.1 million households, experienced food insecurity. Of that amount, 5.8% was reported as moderate and 2.5% was severe. While in Northern Canada those figures are much higher. For example, household food insecurity in Nunavut was 36.2 % in 2011-2012 (statistics Canada). Internationally, 842 million people in 2011–13, or almost one in eight people in the world,
were estimated to be suffering from chronic hunger, regularly not getting enough food to conduct an active life (FAO 2013). At the same time roughly one third of the food produced in the world for human consumption every year — approximately 1.3 billion tonnes — gets lost or wasted (UNEPE 2013).

Social programs and not-for-profit organizations that support people that have challenges accessing nutritionally dense food has not reduced household food insecurity in Canada or internationally, specifically in parts of Asia and sub-Saharan Africa. In addition, current international trade agreements have actually increased the cost of food in world markets leading to an increase in food insecurity (UNEPE 2013). Canadian and international law has not been sufficient to support the ‘Right to Food’ and much more needs to be done to achieve the UN article 25 mandate.

Concerns of Key Stakeholders

The government of Canada and governments worldwide are concerned with the issue of Food security. Canada and other nations are benchmarking the successes of other countries in order to improve the state of food security in their country. Many have enlisted the help of industry NGO’s and national not-for-profit organization. Some of the concerns of food banks and other not-for-profit aid agencies are; the rise of poverty and child hunger rates; the increasing levels of household food insecurity, and the unequal access to nutritious food depending on region. Citizens’ worldwide are interested in the creation of a living wage that could improve the quality of life for millions of adults and children.

Access to food and food affordability is a concern of both developed and developing nations. Industry is concerned with increasing profits, supply chain management and entering new markets. Environmental concerns that should be addressed include; fertile land availability, soil erosion, fish stock depletion, the availability of safe drinking water, and air and water pollution. Overall, food security is a global issue that has serious potential to impact future generations. Action by all levels of government and society must be taken to ensure that a solution can be created that will eradicate Food Insecurity and Household food insecurity worldwide. Food Security is a ‘Right,’ as with any ‘Right’ once it is violated a remedy must be found in an attempt to rectify the wrong.

Strategic Goal

The goal should be to achieve UN article 25, and eradicate food insecurity regardless of Geo Political location, family status, gender, race, social class, or age. Laws should be created by all nations to ensure that access to safe and nutritious food is a ‘Right.’ These laws should encourage industries to do more to provide food at affordable prices globally. For example, the agriculture and Retail industry must reduce food waste or pay fines. Food should never be buried or dumped to keep food prices high. Fines should be similar to that of industry dumping radioactive waste in a pond. By implementing a fine system more industrial agribusinesses will work with non profits to ensure no food goes to waste. Food will become more available to those in need. To ensure industry compliance a tax incentive structure should be imposed. Not only will that reduce the cost of “doing the right thing” it will also alleviate some of the concerns industry may have around the cost involved with implementing the new measure.

Secondly, making access to food a ‘Right’ will hold governments accountable. Nations should work cohesively regarding international trade as it relates to food. Stiffer finds should be imposed for dumping. Dumping is the practise of buying and selling commodities below the cost of production. Those practices erode the food security of many nations (James 2011). International monitors should be setup to ensure compliance with the necessary backing of the World Trade Organization (WTO) and the United Nations (UN). These measures could go a long way to increase Food security. However, all nations have to find the issue of food security important. Governments around the world must recognize that a lack of food security can also have national security implications. According the Business Insider, “Rising food inflation sparked violence across the Middle East and South Asia over the weekend, as demonstrators protested the high cost of staple commodities like sugar, rice and milk (Wyler, 2011).” Without the backing of both national and International law the UN article 25, will remain a goal without the teeth necessary to achieve lasting results.

Objectives

It is important that any strategy created to increase food security must be measurable to ensure that goals are reached within a specific time frame. The first objective should be the creation of an International agreement on a living wage system. According to the ISEAL Alliance Living Wage Working Group a living wage is, “Remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs, including provision for unexpected events (Anker 2011).” Fortunately, a living wage can be assessed: ISEAL is a non-governmental organization whose mission is to strengthen sustainability standards systems for the benefit of people and the environment. They have already created a framework to measure if International living wage standards are achieved (Anker 2011). With the cooperation of State leaders Major Corporations, Industry and Average Citizens by the year 2020 the adoption of a living wage system could be implemented globally.

The Second objective would be to increase the enforcement of International Law regarding dumping practices. Fines should be increased for countries that dump food products specifically in developing countries. The added cost for dumping in developing countries would be a response to those actions being an infringement on another nations Right to Food Security. By the year 2018 there should be a 20% increase in fines levied against perpetrators, which will ensure a decline in the practise by 2020.

Finally, to ensure that the agriculture sector is complying with new laws surrounding the processing of crops. A survey of crops yields should be done prior to harvesting. If the total harvest is off by more than 15% fines must be imposed. That process would ensure that overstocks of crops can be made available to organizations that are supporting the mandate to provide people in need with their Right to access food. Additionally, retailers could face similar fines if they fail to provide not-for-profits access to edible food before it is slated for the garbage. Together these measures can eliminate household food insecurity in developed nations. Much more needs to be done for Global changes to take root. A change in the way food has become commodity is one; because like all commodities, the people with the most power and privilege make the rules. To encourage International understanding of everyone’s Right to Food. All countries should guarantee that rural populations are represented in decision-making, nationally and internationally. Small producers, farm workers, consumers, and organizations that have been excluded previously, should be involved — and invested with real decision-making power — in trade negotiations that affect their futures. Governments must have the right to enact legislation that protects the environment, health and livelihood of its citizens (James 2011).

Recommended Action

The steps that should be taken to increase food security may vary by nation. However, there are also a number of Universal measures that can definitely improve the lives of average citizens and their children worldwide, below is list of possible actions provided by Deborah James of Global Exchange.

1. Agriculture out of the WTO. Food is a human right and should be treated as legally distinguishable from other commodities. Governments should set national policies that encourage food security. Local and diverse production of food to guarantee adequate and accessible nutrition for all citizens must be mandated. Governments must maintain their ability to pass laws for the national security of their population as it relates to food sovereignty.

2. Stop Dumping. Developed countries ought to restore farm programs that place price floors under commodity prices and establish supply management and food security reserves to prevent below cost commodities from being dumped on global markets. International trade cooperation should aim to share the responsibility of enforcement.

3. Improve Market Access. Developed countries should address the problem of tariff escalation, the practice of increasing tariffs with the level of processing. Developed countries should reduce their tariffs, eliminating higher tariffs faster than lower ones. Without the requisite reduction of high import
tariffs on processed and semi-processed commodities, commodity-dependent countries will be powerless to diversify towards higher stages of the commodity values chain.

4. Reinstate Qualitative Restrictions. Developing countries should be able to put in place qualitative restrictions on imports as well as domestic subsidies for the protection of and support to household subsistence farming. Developing countries ought to be encouraged to produce food for their domestic market.

5. Promote Fair Trade. Cash crops like coffee, cocoa, sugar, and bananas represent the largest source of income for developing countries. The Fair Trade system is the best model for an agricultural trading system that guarantees fair prices and community empowerment, based on cooperative economics, farmer empowerment, increased transparency, and decreased power of purchasing monopolies. All commoditized crops should be fashioned under the Fair Trade system.

6. Reinstate Global Commodity Agreements. These agreements regulate the supply and demand and keep prices within a steady range, promoting stability and sustainability within rural communities. Action to reverse the trend in falling commodity prices is essential to any initiative undertaken at the international level to facilitate sustainable development, poverty reduction and debt relief.

7. No Patents on Life. Seeds, plants, animals, and their components—the fabric of life—should be exempt from patenting. Agricultural policy must preserve the rights of Indigenous farmers to utilize their cultural knowledge and collective use of resources. Indigenous knowledge (as related to agriculture methods, use of seeds and plants) should be protected from bio-piracy. The TRIPs provisions in the WTO that permit multinational corporations to patent seeds originally developed by farmers, requiring farmers to pay for the right to replant those seeds, must be abolished.

8. No GMOs. Laws and regulations on sanitary and phytosanitary standards should guarantee high quality and safe food for consumers and the environment. GMOs have yet to be proven safe. Utilizing the pre-cautionary principle, any trade agreement should ban the trade of genetically-modified substances.

9. Promote Real Land Reform. There can be no real sustainable development without massive global land reform to remedy the needs of millions of landless peasants around the world. Any global agreement that is truly based on the needs of the poor must prioritize the fair and adequate redistribution of lands that have been concentrated from colonial times in the hands of an elite few. Additionally, the necessary resources must be redistributed to enable them to productively work the lands.

10. Enforce Labor Laws for Farm Workers. Globally, farm workers are among the most exploited laborers, suffering the lowest wages. Even in the U.S., farm workers are not covered under many domestic labor laws. Any global agreement relating to agriculture should include provisions for the enforcement of a living wage for agricultural producers, and include all of the basic International Labor Organization’s labor rights. These include the right to organize freely and form a union; the right to strike; the right to adequate health and safety protections; freedom from discrimination in the workplace; and the elimination of forced overtime.

11. Create Policies Supportive of Small Farmers and Sustainable Agriculture. International financial institutions and governments should finance sustainable agricultural practices and the improvement of rural infrastructures. They should acknowledge that small farmers and cooperatives need policies that protect land ownership, provide access to credit, offer technical assistance, provide appropriate technology transfers, and guarantee pricing mechanisms that reflect the true costs of production. Investments in agriculture should promote local knowledge and organic and sustainable production systems rather than artificial fertilizers, pesticides, and herbicides that harm the planet and place communities at risk (James 2011).

It must be noted that that the Right to food is a human Right. It protects the Rights of all persons to live in dignity, free from hunger food insecurity and malnutrition. The Right to food is not about being charitable; it’s about ensuring that all people have the capacity to feed themselves (Ziegler 2012).

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Multilateral Organisations and the Challenge of International Energy Cooperation

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1. INTRODUCTION

Energy issues are rising in status on the international economic agenda. Soaring world prices for oil, natural gas and coal, increasing levels of volatility in international markets, and heightened anxieties over energy security have increased the need for international energy cooperation. In response, there has been a proliferation in the number of multilateral bodies addressing energy issues, and a wide range of organisations now claim some role in facilitating intergovernmental energy policy coordination. However, the practical achievements of these organisations have been very poor, with all suffering from some form of difficulty that has limited their effectiveness in promoting energy cooperation. This article explores these challenges, and seeks to explain why multilateral energy organisations are performing so poorly. Ten global-level energy organisations are evaluated, and found to suffer from either membership, design or commitment issues that prevent them exercising more effective governance roles. These issues significantly limit the ability of multilateral organisations to help realise shared energy goals, and require institutional reform strategies that emphasise the specialised functions of different organisation in the global energy governance landscape.

2. ENERGY COOPERATION AND MULTILATERAL ORGANISATIONS

Intergovernmental cooperation is an important component of global energy governance. Owing to the arbitrary spread of energy resources around the world, production and consumption centres are often located in different nations. This has called forth mutually-beneficial patterns of interdependence between energy producing and consuming economies, which respectively rely on each other for the demand for and supply of energy products. Multilateral organisations can potentially play a significant role in promoting shared interests between energy producers and consumers. At a minimum, they could facilitate information sharing between governments (Dubash & Florini 2011), and reassure both producers and consumers regarding the policy intentions of other parties (Victor & Yueh 2010). More ambitiously, they could help integrate global energy markets, by setting standards for national energy policies, lowering transaction costs and reinforcing the transparency of international markets (Goldthau & Witte 2009). They may also help address energy market volatility, by providing a forum in which governments can collectively anticipate future market conditions and negotiate energy policies that respond accordingly (Harks 2010). Given the benefits of energy interdependence for both producers and consumers, intergovernmental cooperation through multilateral energy organisations could potentially make a significant contribution to global energy governance.

The potential benefits of intergovernmental energy cooperation have become even greater during the "global resource boom" of the last decade. Rapid industrialisation and urbanisation in a range of developing countries has seen world energy demand surge, transforming energy markets. World energy prices began an upward climb in the mid-2000s, and by 2012 coal, natural gas and crude oil prices had all roughly quadrupled on their levels a decade earlier. Energy markets have also become highly volatile, particularly between 2007 and 2011 when a rapid tripling of world oil prices was followed by an abrupt collapse. These trends are posing significant economic risks – both for consuming countries that are facing increasingly levels of energy insecurity, as well as producer countries struggling to plan investments in the face of market volatility. At no point in recent history has the need to manage challenges to global energy governance been so pressing.
energy organisations has never been higher. In terms, the number of multilateral cooperative agreements as one of their major, if not primary, goals (see Table 1). In this context, global-level organisations now claim energy cooperation to global energy governance. At present, some ten multilateral bodies have elected to put energy on their agendas for the first time (Asia-Pacific Economic Cooperation, the East Asia Summit, and the Groups of Eight and Twenty). These bodies complement the regulatory structures provided by the World Trade Organisation, International Energy Agency and Organisation of Petroleum Exporting Countries, which all also contribute to global energy governance. At present, some ten global-level organisations now claim energy cooperation as one of their major, if not primary, goals (see Table 1). In quantitative terms, the number of multilateral energy organisations has never been higher.

The quality of these organisations, however, leaves much to be desired. With few exceptions, they have poorly developed institutional processes, almost never formalise rules for national policies, and in some cases have not even managed to broker agreement on principles for cooperation. They tend to emphasise informal processes, voluntary adherence to vaguely-defined principles, and an aversion to negotiating formalised or specific policy commitments. As a result, multilateral organisations have attracted considerable criticism for their weak contribution to global energy governance. Harks (2010: 248) has identified an energy “vacuum” in international organisations; Dubash and Florini (2011: 6) lament “uncoordinated and inchoate” overlaps between institutional functions; while Victor and Yueh (2010: 65) colourfully describe global energy governance as a “landscape of wreckage”. Writing in 2008, Mohamed ElBaradei – at the time the Director-General of the International Atomic Energy Agency – argued that:

“We have a World Health Organisation, two global food agencies, the Bretton Woods financial institutions and organisations to deal with everything from trade to civil aviation and maritime affairs. Energy, the motor of development and economic growth, is a glaring exception. Although it tries out for a holistic, global approach, it is actually dealt with in a fragmented, piecemeal way. A number of institutions focus on energy, but none with a mandate that is global and comprehensive and that encompasses all energy forms” (ElBaradei 2008).

The weakness of energy organisations requires explanation. Why, when energy issues are rising in importance, have multilateral organisations failed to make a significant contribution to global energy governance? This article therefore seeks to understand the challenges facing multilateral energy cooperation, in order to inform institutional reform strategies. It provides a comprehensive and global level catalogue of multilateral energy organisations, to account for why they have collectively failed to develop robust and effective mechanisms for realising shared energy interests. What specific difficulties are faced by the multilateral energy organisations in operation today? What factors have conditioned the development of these organisations, and led to an emphasis on voluntarism and informal institutional designs? And how does this analysis inform strategies for institutional reform to promote more robust organisational contributions to global energy governance?

3. CHALLENGES FACING MULTILATERAL ENERGY ORGANISATIONS

While all multilateral energy organisations face challenges in promoting intergovernmental policy cooperation, variations in the design, scope and membership of these organisations mean they have proven ineffective in markedly different ways. Surveying the ten multilateral energy organisations operating at the global level today, not one but three distinct challenges can be identified (Table 1). These organisations either suffer from membership issues that limit their relevance in global resource markets, design issues that prescribe their ability to proceed beyond dialogue activities, or commitment issues where states have proved reluctant to implement agreed cooperation initiatives.

Membership issues

A first challenge affects energy organisations which are plagued by membership issues. Three bodies suffer from this problem: the International Energy Agency, the Organisation of Petroleum Exporting Countries, and the Energy Charter Treaty. These are all formal and well-institutionalised treaty organisations, which explicitly aim to stabilise world markets and/or promote market integration through energy policy liberalisation. However, narrow membership limits these organisations to a small segment of their respective world markets, and as a consequence their ability to act as energy market stabilisers is presently weak. Their difficulties in building membership are closely related to their highly formalised nature, which has acted as an obstacle to the recruitment of new members.

The Organisation of Petroleum Exporting Countries (OPEC) is the oldest and perhaps most scrutinised international energy organisation. Established in 1960, its membership is potentially open to all net oil exporters, and it currently has twelve members that control 41% of the world oil market. OPEC is a cartel that treaty-binds its members to coordinate output using production quotas, in order to ensure “fair and stable” international oil prices. Though infamous for its role in the twin oil shocks of the 1970s, during the recent resource boom OPEC has taken on a new role as a “collaborative manager” of world oil markets, working with consumers (in particular the IEA) in an effort to calm highly unstable oil markets (Goldthau & Witte 2011). However, the effectiveness of the OPEC cartel has deteriorated significantly in recent years. Since the 1970s, new entrants to the oil industry have diminished OPEC’s share of the global market, and its members’ lack of spare production capacity mean its ability to stabilise world prices by adjusting output is presently limited (Rafatdes 2012). Additionally, its market power is likely to decline further, as most recent oil discoveries have been made in non-OPEC members – particularly Russia, Brazil and Canada – which will bring a range of new players into the world market. OPEC’s ability to stabilise oil markets is demonstrably limited, and unless its membership can be expanded to new oil producers it will further decline in coming years.

The history of the International Energy Agency (IEA) is intimately bound up with OPEC, having been formed by western governments to counterbalance the OPEC cartel in 1974. Its original remit therefore focused on oil, specifically through its 1979 Common Emergency Response Mechanism which bound members to share oil stocks in defined situations of supply disruptions. But following the negotiation of its Shared Goals for Energy Policy in 1993, the IEA increasingly became a negotiating forum for broader energy policy cooperation amongst OECD countries. Since this time, it has exercised considerable policy influence through its regular market research and policy peer review processes, and has been highly effective in brokering consensus for energy market liberalisation amongst its members (Kohl 2010). Recent shifts in world energy markets, however, are posing an existential crisis for the IEA. Rising demand in the developing world saw the OECD’s share of world energy demand fall from 56% in 1980 to 43% by 2009, and forecasts expect this to further decline to 33% by 2035 (IEA 2011:...
design issues

A distinct set of problems limit the effectiveness of four global-level energy organisations affected by design issues: the International Energy Forum, the Gas Exporting Countries Forum, Asia-Pacific Economic Cooperation and the East Asia Summit. These organisations sit at the opposite end of the institutional spectrum. They have broad and open memberships, and facilitate high-level intergovernmental dialogues between all major energy producing and consuming states. However, to achieve these broad memberships very informal organisational designs have been required. None of these organisations have a purpose agenda, consensus behind well-defined policy principles, or in some cases even a fixed membership list. These bodies function as “energy talkshops”, and while they perform useful information sharing and dialogue functions are designed in such a way as to explicitly rule out any deeper forms of intergovernmental cooperation.

The last decade has seen the emergence of two new multilateral organisations dedicated to energy issues – the International Energy Forum (IEF) and the Gas Exporting Countries Forum (GECF). Initially convened in 1991 (but officially formalised in 2003), the IEF is a biennial summit meeting dedicated to fostering producer-consumer energy dialogue, whose most recent summit in 2012 was attended by 89 national delegations (IEF 2012a). The GECF was established in 2001 as a body to promote common policies amongst gas exporters, and its eleven members currently hold 70% of proven world gas reserves (GECF 2012a). Their primary functions are dialogue activities: convening annual or biennial ministerial summits, hosting a series of technical and policy dialogues between national energy bureaucracies. Both ministerial summits conclude with the issuing of a collective statement, which spells out directions for cooperation and policy reform agreed by consensus amongst participants. The main strength of these bodies is their broad membership: IEF members account for over 90% of world energy trade (Table 1), and while GECF members control only a third of the current global gas trade they are poised to gain the lion’s share of this nascent export industry as it expands over the coming decade.

However, because they have not moved beyond the most basic of dialogue functions, the IEF and GECF currently have little impact on global energy governance. Neither body has agreed to a well-defined set of policy principles; their ministerial statements are generally aspirational and limited to vague calls for future cooperation (see GECF 2012c; IEF 2012b). Indeed, this approach to cooperation is actually written into the organisations legal texts. The GECF Statute of 2008 formally indicates it shall be a “dialogue-only” body (GECF 2012b), while the recently negotiated IEF Charter explicitly rules out any formal types of policy cooperation (IEF 2011). The IEF members considered this approach as a virtue rather than a vice, necessary to ensure that countries with diverse and potentially conflicting interests would not be deterred from participating in the dialogue (IEF 2010). But beyond high-level summity – and the information sharing this has facilitated – no concrete cooperative initiatives have yet resulted from either organisation.

In addition, two multilateral economic organisations – Asia Pacific Economic Cooperation (APEC) and the East Asia Summit (EAS) – have both added energy initiatives to their official remit in recent years. Formed in 1989, APEC has a long history of energy cooperation, having first promulgated a series of pro-liberalisation policy principles in 1996 before launching its Energy Security Initiative in 2001 (APEC 2001). Energy issues have climbed its agenda again during the last decade, with energy security declarations issued out of its 2007, 2010 and 2012 summits (APEC 2013). The EAS was formed out of the ASEAN Plus Three dialogue in 2005, and considerable effort was dedicated to energy cooperation initiatives at its outset. A set of energy policy principles (the Cebu Declaration of 2007) were negotiated at only the second EAS summit (EAS 2007), and have since been reinforced by ministerial declarations referencing energy cooperation at every subsequent summit meeting (see ASEAN Secretariat 2013). Both organisations convene annual energy ministerial meetings, host technical cooperation working groups, and energy issues have loomed large in some recent heads-of-government meetings. A major strength of these organisations is their broad and relatively representative memberships, which include a mix of both the world’s major consumers (Japan, Korea, China and the US) and producers (Australia, Russia, Indonesia, and Canada).

However, few concrete cooperative outputs have come from the APEC or EAS processes either. Both organisations agreed principles for cooperation are extremely vague – outlining desired collective outcomes (predominantly market liberalisation and energy efficiency measures), but leaving the steps required to achieve them under- or un-specified (for example, see APEC 2007; EAS2007). Linked with this lack of consensus around principles has been a decided absence of meaningful deliverables from any of their summits. APEC’s recent declarations have consisted of bland exhortations which “encourage” members to undertake cooperation; the EAS has only delivered an agreement for states to implement some form of national energy efficiency policies (in the 2007 Cebu Declaration); and many of the agreements negotiated by both groupings officially describe the commitments as “non-binding” or “voluntary” (author’s summary, from APEC 2013; DFAT 2012). In fact, energy issues appear to be falling off their agendas, with neither organisation announcing anything other than joint research projects since 2010. Thus, the highly ambitious energy declarations coming out of the APEC and EAS processes hide the fact that neither has advanced beyond voluntary forms of cooperation.

Commitment issues

A third challenge afflicts organisations that suffer from what can be called commitment issues: the World Trade Organisation, the Group of Eight and the Group of Twenty. These organisations should be well-positioned to provide a space in which intergovernmental energy cooperation can be institutionalised. They have relatively representative memberships, include energy on their official agendas, and most importantly have a track record of facilitating some degree of cooperation in other economic domains. Nonetheless, effective cooperation has proven beyond their capabilities due to reluctance amongst member states to push cooperation as far in energy as in other sectors. A lack of commitment amongst members – associated with fears over policy autonomy – is therefore preventing these organisations from living up to their potential in fostering resource cooperation.

The World Trade Organisation (WTO) is archetypical of this group. It is perhaps the most deeply institutionalised organisation in the global economy, monitoring and enforcing a set of well-defined trade rules amongst member states. It also has near-universal membership, and since Russia’s accession in 2012 accounts for almost all world energy trade (.). However, natural resources have historically been subject to a policy of informal exclusion from WTO disciplines. At the signing of the GATT in 1948, a gentleman’s agreement was negotiated between western powers to exclude oil from the agenda due to its geostategic importance (UNCTAD 2000: 15). Several “exception” clauses in the GATT also allow states wide latitude to breach rules in other energy sectors (WTO 2012: Arti
A similar outcome has resulted from energy dialogues within the Group of Eight (G8) and Group of Twenty (G20). These summit meetings have both recently begun energy cooperation initiatives, being added to the G8 agenda from the 2005 G8 Gleneagles Summit onwards, and featuring in every G20 Leaders Summit since they were first convened in 2008. The G8 agreed a set of relatively pro-liberalisation energy policy principles known as the St Petersburg Principles in 2006 (G8 2006); and a significant number of the two summits recent declarations have included specific policy commitments in the energy sphere. These have included commitments to: (a) promote renewable energy sectors (G8 2005); (b) set national energy efficiency targets (G8 2006); and (c) develop national energy action plans (G8 2008); and (d) phase out inefficient fuel subsidies (G20 2009) (author’s summary, from G8 Information Centre 2012; G20 Information Centre 2012b).

However, this impressive declaratory record hides some serious practical shortcomings. First, the G8 and G20 summits have cherry-picked easy and low controversy issues. All but two of their commitments focus on energy efficiency measures which, as Van de Graaf and Westphal (2011: 28-29) point out, the member states were already in the process of implementing. Second, some of their commitments have been so vaguely worded as to have little practical value. The G20’s 2009 agreement to phase out “inefficient fuel subsidies” particularly suffers from this difficulty, as it allows states to self-determine whether their fuel subsidies are “inefficient” or not (see G20 Information Centre 2012a: 362-364). Third, even their specific commitments are officially labelled voluntary and non-binding, and compliance studies conducted by the G8 Information Centre demonstrate that the implementation record is at best mixed. Governments have been reasonably responsive in implementing the (easy) energy efficiency policy initiatives, but more demanding initiatives (such as formulating national energy plans and reducing trade barriers) have suffered from weak compliance records (see G8 Information Centre 2012). Finally, more substantive energy policy issues (such as trade and investment policy regimes) have been largely left off the agenda; and as a result the pro-liberalisation St Petersburg Principles agreed by the G8 in 2006 have yet to see concrete expression in any agreed policy statement. Thus, while energy cooperation efforts in the G8 and G20 are comparatively well-institutionalised, they are also either trivial or suffer from poor compliance records.

**Table 1** Summary of multilateral energy organisations

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Agreed policy principles</th>
<th>Dialogue processes</th>
<th>Legal status</th>
<th>Primary challenge</th>
<th>Share world trade 2011 (exports/imports)</th>
<th>STRENGTHEN ENERGY GOVERNANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation of Petroleum Exporting Countries</td>
<td>Yes, specific</td>
<td>Ministerial</td>
<td>Treaty</td>
<td>Membership</td>
<td>41% / 1%</td>
<td>Treaty body Specialises in functions to which its design is best suited.</td>
</tr>
<tr>
<td>International Energy Agency</td>
<td>Yes, specific</td>
<td>Ministerial, technical</td>
<td>Treaty</td>
<td>Membership</td>
<td>28% / 63%</td>
<td>Treaty body Specialises in functions to which its design is best suited.</td>
</tr>
<tr>
<td>Energy Charter Treaty</td>
<td>Yes, specific</td>
<td>None</td>
<td>Treaty</td>
<td>Membership</td>
<td>23% / 44%</td>
<td>Treaty body Specialises in functions to which its design is best suited.</td>
</tr>
<tr>
<td>International Energy Forum</td>
<td>No</td>
<td>Ministerial, technical</td>
<td>Design</td>
<td>Dialogue body</td>
<td>95% / 90%</td>
<td>Treaty body Specialises in functions to which its design is best suited.</td>
</tr>
<tr>
<td>Gas Exporting Countries Forum</td>
<td>No</td>
<td>Ministerial, technical</td>
<td>Design</td>
<td>Dialogue body</td>
<td>34% / 0%</td>
<td>Treaty body Specialises in functions to which its design is best suited.</td>
</tr>
</tbody>
</table>

**4. INSTITUTIONAL REFORMS TO STRENGTHEN ENERGY GOVERNANCE**

As this review has demonstrated, multilateral organisations make only a modest contribution to global energy governance. Despite the presence of ten organisations concerned in some way with energy issues, no global body effectively and reliably institutionalises patterns of intergovernmental cooperation. Nonetheless, these organisations all sit at different points on the institutional spectrum, and each face distinct challenges (Table 1). Some are relatively well-institutionalised but have membership limitations; some are talkshops by design, primarily oriented to information sharing; while others have failed to live up to their potential due to commitment issues amongst key players. How does this diagnosis help inform efforts to address the challenges facing multilateral energy organisations today? What institutional reform strategies may be of use in developing more robust forms of energy cooperation between key consuming and supplying governments?

First, the proliferation of organisations dedicated to energy issues in recent years has clearly led to institutional incoherence in global energy governance. Ten organisations now stake a claim in the energy governance sphere, with duplicated agendas, partially overlapping membership, and no clear sense of “who does what”. A key example is the goal of energy market integration, which six organisations (the IEA, ECT, APEC, EAS, G8 and G20) are currently pursuing, somewhat independently of each other. This highly-fragmented institutional landscape is unlikely to produce effective responses to energy issues, and runs the risk of institutional competition between the overlapping bodies. Establishing some form of demarcation between the organisations goals and functions is essential to achieve institutional coherence. A potential solution may involve developing a “division of labour” between the organisations – with each specialising in particular objectives to which their membership and design features are best suited. This would also allow organisational agendas and bureaucratic resources to be targeted at a narrower range of goals, improving prospects for substantive and effective cooperative initiatives.

Such a division of labour could be organised on the basis of an organisational hierarchy in which each body specialises in functions to which its design is best suited. Three functions stand out: information sharing, consensus-building and market stabilisation. The energy talkshops (the IEF and GECF) have broad membership and informal design features, which make them ideally suited to information sharing but inappropriate for more robust cooperative initiatives. The consumer and producer clubs (IEA and OPEC) have small, likeminded memberships with a long history of treaty-based policy coordination. These bodies are clearly suited for market stabilisation activities (which requires active, rules-based interventions on the part of governments), but are less capable at information sharing or reconciling the interests of producer and consumer groups. Between these roles, the summit organisations could function as a meso-layer specialising in consensus-building. Their larger (though manageable) memberships, the repre-
sentation of both producer and consumer states, and their broader status as key institutions of global governance means these are bodies well-positioned to facilitate negotiation over policy principles amongst major energy players. To be sure, some ‘institutional pruning’ will be required, to select which of the four bodies – the G8, G20, EAS and/or APEC – is the best forum to focus these efforts. Such an organisational hierarchy would clearly demarcate roles on the basis of specialised functions, ensure synergy (rather than competition) between bodies, and restore a degree of institutional coherence to global energy governance.

Finally, institutional reform strategies need to be targeted to the specific challenges facing energy organisations. While these organisations have struggled to promote cooperation, the underlying issues facing each are markedly different, and so there is no single ‘fix’ for global energy governance. Resolving the issue of overlapping agendas – the ‘who does what?’ question – will be a key first step, and each organisation must identify what type of institutional reforms to prioritise. For example, if the primary governance function of the IEA and GECF is to be information sharing, then efforts to better promote these activities (potentially through the collation and dissemination of reports and statements by participating governments) should rank highly amongst reform efforts. Similarly, if the G8 and G20 are to focus on consensus-building, negotiating ‘statements of principles’ that are robust and specific will be more impactful than agreeing to vaguely defined energy policy reforms with poor implementation records. The IEA and OPEC will also have to weigh the costs and benefits of expanding membership. Given conditions will be required to attract new participants – will be a key first step, and each organisation must identify what type of institutional reforms to prioritise. For example, if the primary governance function of the IEA and GECF is to be information sharing, then efforts to better promote these activities (potentially through the collation and dissemination of reports and statements by participating governments) should rank highly amongst reform efforts. Similarly, if the G8 and G20 are to focus on consensus-building, negotiating ‘statements of principles’ that are robust and specific will be more impactful than agreeing to vaguely defined energy policy reforms with poor implementation records. The IEA and OPEC will also have to weigh the costs and benefits of expanding membership.

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My inquiry begins with the work of Hirst, Thompson, and Bromley (2009) (HTB). Using statistics concerned with the movement of people, commodities and finances they make five arguments to suggest that we do not live in a globalized world: First, modern levels of internationalization are shown not to be unprecedented. Second, it is pointed out that in actuality, truly transnational companies are a rare phenomenon. Third, foreign direct investment remains concentrated in advanced capitalist nations. Fourth, trade, investment, and financial flows are focused within the triad of North America, Europe, and Japan/East Asia. Lastly, given the previous points there is potential for the erosion of the nation state. The suggestion is that "national cultures, national economies, national strategies of national economic management is that "...national cultures, national economies, national and international governance..." while some scholars suggest that states which are negatively affected by globalization are increasingly irrelevant." However, a reasonable empiricism has been made which suggests globalization is not as extensive as is generally perceived. So, if globalization is not the case, then what is and what does it mean for the nation state?

Their objective is to "...emphasize the possibilities of national and international governance..." while giving prominence to "...issues of the future of the nation-state and the role of international agencies, regimes and structures of governance..." Some scholars suggest that globalization, if existent, is seen as leading to the erosion of the nation state. The suggestion is that "...nations, national cultures, national economies, national borders and national territories are dissolving [...] distinct national economies and, therefore, domestic strategies of national economic management are increasingly irrelevant." However, reasonable empirical arguments have been made which suggests globalization is not as extensive as is generally perceived. So, if globalization is not the case, then what is and what does it mean for the nation state?

Once again, HTB (2009) give a starting point: "...the growth of supranational regionalization is a trend that is possibly stronger than that of globalization." They are not the only ones who suggest such a trend: "The growth of regional trade blocs has been one of the major developments in international relations in recent years. Virtually all countries are members of a bloc, and many belong to more than one." The world has seen a proliferation of regional trading agreements unprecedented at any point in history. "RTAs [regional trade agreements] are now the undeniable status quo..." the political, social, and economic characteristics originally attributed to states seem increasingly to be expressed through regional constructs." Moreover, for 2011 the World Trade Organization notes that "Merchandise trade flows within regions outperform flows between regions."

Furthermore, Mattli (1999) suggests that regional integration begets more regional integration. He suggests that states which are negatively affected by globalization are increasingly irrelevant by exclusion from regional integration are presented with the choice of either joining an existing group or creating their own.

Given that regionalism and not globalization has been found to be a better descriptor of the contemporary situation and regionalism will presumably continue to expand, then the next question becomes what this means for the nation state. Of particular interest is the possibility relation to multilateralism. Thus this essay will examine how increased regional economic integration among nation states might theoretically relate to increased multilateral political action.

Before we can launch on this endeavour we must first grasp what is meant by multilateralism. After surveying the development of the concept and the contemporary situation Bouchard and Peterson carefully craft this definition: "Three or more actors engaging in voluntary and (essentially) institutionised international cooperation governed by norms and principles, with rules that apply (by and large) equally to all states." There are some important aspects to this definition that should be noted. "Voluntary" is essential given the assumption that "...most, if not all, international actors have real choices when they decide whether or not to partake in multilateral cooperation." "Three or more" is used because it means actions are neither unilateral nor bilateral. "Essentially" is used in the definition before "institutionalised" because some modern actions "...may not span tangible international organisations, with headquarters, statutes, and delegations powers." But are still "...governed by norms and principles." The G20 is offered as one such instance. "By and large" is included in recognition of the Permanent Five veto on the United Nations Security Council and the fact that not all actors involved in international relations in the modern era are nation states and thus not necessarily subject to the same obligations. As well, it is mentioned that, "plenty of cases of modern multilateralism apply rules differently to different states." Multilateralism has always been a difficult concept to define and the authors even note that "there is unavoidable ambiguity in defining this term." However, the definition presented is reasonable and useful since it is broad enough to encompass different forms, but also narrow enough to be tangible.

It is important to consider in what ways a more multilateral state might be a good thing in order to justify the question at hand. There are three basic approaches that view multilateralism as a positive phenomenon: functionalist approaches, those concerned with peace and order, and those concerned with democracy enhancement. The functionalist approach is mainly concerned with the increased problem solving capacity that multilateralism brings. Multilateral cooperation helps to overcome problems of coordination, reduce transaction costs, and deal with trans-boundary phenomena. It is suggested that...
There are three theoretical approaches to the relation under examination. It is suggested that “Multilateral agreements have sprung up through history mainly to manage relations between states in areas where interdependence is inescapable”21 This constitutes what could be considered a functionalist approach which is adopted by others. “The more economically interconnected states become the more dependent they are on the actions of other states for the realization of objectives.”22 Put differently, “As interdependence increases, therefore, the opportunity costs of not co-ordinating policy increases, compared with costs of sacrificing autonomy as a consequence of making binding agreements. The result can be expected to increase demand for multilateral agreements.”22 In order to suggest that regional integration could create such interdependence which according to this view functionally necessitates multilateral political integration, “...the need to ‘make one voice’ increases as interdependent interactions deepen.”24 It would presumably begin at regional level as necessity dictates and then perhaps could be adopted and expanded for larger form. This approach can also be conceptualized as stemming from the desire to reduce transaction costs by having synchronized and compatible regulatory and supportive frameworks.

Another view of a functional relationship is sometimes referred to as the contractual approach. It must first be noted that “Institutions perform the functions of reducing uncertainty and the costs of carrying out transactions for their members; but institutions are themselves costly to create and maintain.”25 Thus, “As the number and importance of related issues within a given policy domain increase, the costs of creating new institutions will fall relative to the costs of inventing new rules and procedures for each issue that arises.”26 Basically “...increases in issue density will lead to a demand for the creation of multilateral institutions.”27 In addition, “International institutions that succeed in establishing relatively clear rules, which provide standards for judgment of behavior, and in stabilizing expectations, thus reducing uncertainty, will become valued and will therefore tend to create a demand for the maintenance of multilateral institutions”28 Lastly, “...a combination of increasing interdependence (leading to high levels of issue density) and the success of existing institutions will tend to lead both to an expansion of institutional tasks and an increase in the number of functioning international institutions.”29

Constructivist approaches might look at how regional integration can affect identity, community, and preferences of decision makers. It is argued that movement of people and goods across borders can promote shared values and build trust thus encouraging multilateral political action. Such an approach puts forward that inter – domestic and international – is strengthened when there exists a substantial sense of community and shared identity.”30 Along the identity vein it is also noted that “…U.S. society is increasingly heterogeneous in race, ethnicity, and religion. This tends to reinforce an activist and inclusive foreign policy orientation and a bias in favour of rule-based and multilateral approaches to the conduct of American foreign policy.”31 The example used here is the United States, but the same is true of many other states, and regional integration has the potential to make such compositions more likely or intense. Using this view regionalism can be linked to multilateralism through its effect on demographic compositions or attitudes within a population. “...increased interdependence is likely to affect domestic political institutions and coalitions.”22 Furthermore, “...patterns of cooperation could reflect shifts in interests, in favour of openness, as a result of the interaction between economic interdependence and domestic politics.”32 Similarly, “...economic integration tends to press trading units to find ways to minimize their differences or to maximize their commonality.”22 The overall constructivist approach can be formulated as follows: “economic intercourse increases contact and promotes communication between private actors in different countries as well as between governments.

Increased contact and communication, in turn, are expected to foster cooperative political relations…”33 There are also arguments that fall under what is often deemed liberal peace theory which is rooted in the ideas put forth by Immanuel Kant. It is part of what some call the “Kantian Tripod” which states “...democracy, extensive economic interdependence, and shared membership in supranational institutions all reduce the probability of anagistm.”34 One author claims “On the whole [...] there is persuasive evidence that trade will generally tend to foster peaceable, if not friendly, relations between countries.”35 This is stated after suggesting there are three related ways in which increasing trade can improve security. First, increased trade is seen as making war more costly for interdependent partners. Second, trust is built as interaction between governments and peoples increases. Third, security of access to resources via partners is increased and chances of disruptive trade embargos are decreased. On this topic, there is recognized to be “…a burgeoning empirical literature, the bulk of which concludes that greater economic interdependence does indeed inhibit interstate hostilities.”36 A common formulation of this approach is as follows:

“...commercial openness generates efficiency gains that render private traders and consumers dependent on foreign markets. Because political antagonism risks disrupting economic relations between participants and jeopardizing the gains from trade, these actors have reason to press public officials to avoid military conflicts. For their part, public officials - who rely on societal actors for political support and have an interest in bolstering their country’s economic performance - have reason to attend to such demands.”37

There is some overlap with the functionalist approach and the selected literature does not explicitly state political multilateralism, but trends leading to peaceful relations undeniably create space for multilateral action.

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INTRODUCTION to the ‘Lucky Country’

An Aboriginal child born in the 21st century will have a life expectancy at least a decade short of other Australian children¹. It is a striking paradox that a nation on top of the OECD’s Better Life Index² has been so unwilling and perhaps, with its current approach, even incapable of overcoming its poverty within. Among the world’s Indigenous people, the plight of those in economically advanced, liberal democracies has been veiled by the health and happiness of the majority. For nearly two and a half centuries Australia’s Aboriginal and Torres Straight Islander peoples have struggled to overcome state-sanctioned ‘invisibility’, to have their voices heard, rights recognized and enjoy participation in political decision-making processes. There is a collective Indigenous voice, growing in strength and momentum, as international institutions such as the United Nations (UN), World Bank and International Monetary Fund have established new avenues for Indigenous discussion. While Australia, Canada and the United States have played prominent and laudable roles in the creation of international mechanisms for the protection of human rights, they have been almost contemptuous of UN criticism regarding their treatment of their First Peoples. Furthermore, the foreign policy of Western democracies, such as Australia, has been vigorous in condemnation of abuse of human rights abroad and yet, rather hypocritically, their admission of gross violations and neglect of minority rights at home has been rare. Indigenous advocates in many countries contend that the brightest prospect for effectively realizing the self-determination of their peoples is a new synergy between domestic agendas and the international human rights framework provided by the UN Declaration on the Rights of Indigenous Peoples³.

DOMESTIC FAILURE & INTERNATIONAL POTENTIAL

The relationship between Australia’s Indigenous peoples and the State has been marred by a long history of duplicistic, controlling and assimilative policies. The rights of Indigenous people are not recognised in Australia’s constitution and in the absence of a Bill of Rights, protection and endorsement is reliant on the whim of Parliament. As a consequence, First Peoples increasingly turn to international forums to address grievances. For example, after the Federal Government declared an Emergency and ordered a military and police take-over of 73 remote communities in the Northern Territory in 2007, the Indigenous leaders, Dr Djininyi Gondarra and Rosalie Kunoth-Monks, lodged complaints with the UN Committee on the Elimination of Racial Discrimination⁴. During this ‘Intervention’ into Aboriginal communities, the government suspended the protection of the Racial Discrimination Act 1975 and prevented the courts from taking into account Aboriginal and Torres Straight Islander Customary Law when sentencing offenders. This blatant discrimination drew criticism from the UN Special Rapporteur, Professor James Anaya, and the UN Human Rights Commissioner, Dr Navi Pillay⁵. However, while international scrutiny has maintained pressure on the Australian government to modify clearly discriminatory policy, to a large extent restrictions such as welfare quarantining and alcohol prohibition still target this one section of the Australian population. Failure to adequately consult Aboriginal leaders and ensure community participation throughout the planning and implementation process resulted in discriminatory measures enforced without prior and informed consent. Such actions have only further disempowered and dispossessed Indigenous people living in these remote communities.

¹ AIHW, 2013
² Organization for Economic Cooperation and Development
³ State of the World’s Indigenous Peoples, 2009, 191
⁴ Annetts, 2011
⁵ Harris, 2012, 8
‘WE SAY SORRY’

In recognition of the profound damage inflicted on Indigenous peoples throughout centuries of hardship and disadvantage, Australia, Canada and the United States apologized to their First Nations Peoples. In February 2008 Australia’s then Prime Minister, Kevin Rudd, attempted to reset the relationship between the state and Indigenous people by issuing a National Apology for the policy of child removal that led to what has become known as the Stolen Generations. In July the same year Canada’s Prime Minister, Stephen Harper, apologized to their Indigenous people for the forced assimilation of aboriginal children in Christian boarding schools6. Early in 2009 the United States Congress passed a joint resolution of apology followed by President Barak Obama’s support for the national recognition of a shared history “too often marred by broken promises and grave injustices against the First Americans”7.

THE REALITY GAP

While these national apologies were widely praised by many Indigenous people, lifting expectations that governments were prepared to involve the First Peoples in the process of healing and development, it quickly became apparent that there was a glaring gap between the rhetoric and reality. In the same year as Australia’s National Apology, the government also launched a bold bipartisan framework aimed at closing the Indigenous health and life expectancy gap by 2030. However, Prime Minister Tony Abbott’s report to the nation in 2014 indicates that most of the gaps remain unchanged and that some are in fact widening8. Despite a slight improvement in maternal mortality, the Indigenous life expectancy gap remains 10-17 years less than that of non-indigenous Australians. Indigenous infant mortality remains 2-3 times higher and death from cardiovascular disease 3 times higher9. Alarming, Indigenous suicide has increased dramatically over the past two decades and is now among the highest in the world. In a disturbing pattern similar to Canada and the United States, Indigenous Australians experience widespread discrimination and brutality in contact with law enforcement. According to the Australian Institute of Criminology, Aboriginal and Torres Strait Islanders are 12 times more likely to be imprisoned than non-indigenous Australians (2012). The Government’s own report card clearly indicates that nearly two and a half centuries of assimilation policies and Federal control have been unable to deliver equality or fundamental human rights long sought by Indigenous Australians.

A POLITICAL CROSSROADS

Recently, Australia’s conservative Coalition leader, Tony Abbott, came to power pledging to be the “Prime Minister for Indigenous Affairs” and centralising command of indigenous policy in his Canberra office. Indigenous leaders reserve judgement on whether this is national leadership by a determined Prime Minister or a continuance of the historic pattern of paternalism and protection orchestrated by Federal Government. Around the country Indigenous communities are still waiting expectantly for any sign that central command is willing to shift trust and begin serious investment in Aboriginal empowerment, involving the First Peoples directly in a development agenda capable of addressing the poverty, unemployment, overcrowded housing and chronic illness now in epidemic proportions. The Federal Government has promised to pursue Constitutional recognition of Australia’s First Peoples. Currently Australia’s Constitution is one of the few in the world to employ race powers and gives the state the power to make laws targeting a specific racial group9. This is a product of imperialism and colonialism, originally intended to subject Indigenous people to a status of ‘invisibility’ to ensure the primacy of British sovereignty over a land already occupied for some 60,000 years. Former High Court Justice, Michael Kirby, declared: “Constitutionally speaking we are still basically White Australia, however much we boast that we have changed10”. To remove the race powers and add anti-discrimination provisions to the Constitution Australians first would have to approve such changes in a Referendum, a long and uncertain process given the nation’s deeply conservative record on Indigenous rights.

Unlike the United States, Canada and New Zealand, Australia has never negotiated a treaty or any form of legal compact with Aboriginal and Torres Strait Islander people. The absence of any such treaties or overarching legal compact has tarnished Australia’s relationship with its First Peoples since Lt James Cook first invoked terra nullius in 1770. Aboriginal people have consistently argued that they never ceded control of the land and thus the underlying dispute over sovereignty has been the major obstacle to establishing Indigenous rights in domestic law. Although Australia’s High Court shattered the deceit of terra nullius and established Native Title, the issues of Indigenous sovereignty, treaty and self-determination have been conspicuously absent from the agenda of any Australian Government for more than two decades. It was a political surprise, therefore, in January 2014 when Prime Minister Abbott’s chief Indigenous adviser, Warren Mundine, proposed the negotiation of treaties between individual First Nations and the Government. The long pattern of trust and treachery on these issues has many staunch Indigenous advocates openly sceptical about the probability of Government support for a Treaty approach11. As a consequence, the Aboriginal leadership is pressing ahead with its own culturally sanctioned conferencing in an attempt to forge a unified front on treaty and sovereignty.

INTERNATIONAL IMPLICATIONS

For centuries, Australian governments have denied Indigenous self-determination, believing it a direct threat to sovereign legitimacy and the colonial roots of Australian "nationhood". As a consequence, Australia has demonstrated a stubborn reluctance to ratify international treaties on the rights of Indigenous peoples. To support such international laws would expose Australia to scrutiny and hold the nation to greater accountability on its domestic denial of indigenous rights and autonomy. Australia still has not endorsed the International Labour Organisation (ILO) Convention 107/1957 on the protection of First Peoples or ILO Convention 169, 1989, which established the Indigenous right to self-determination. The latter convention recognises that Indigenous Australians have collective rights, including the right to be involved in policy making that affects their culture and governance of their communities, as well as emphasizing the crucial political right of prior and informed consent. According to the Australian Law Reform Commission, government opposition to these Conventions is founded on a perceived risk that they could inadvertently create apartheid through racial ‘separatism’ (2010). The Executive Director of Minority Rights Group International, Mark Lattimer counters such arguments pointing out the necessity of confronting the unique circumstances of struggling Indigenous groups by developing initiatives and action plans that “take account of linguistic and cultural differences, gender inequalities and the impact of direct and indirect discrimination…”12.

It has been enormously disappointing to Indigenous people and yet politically predictable that for so many years Australia, along with the United States, Canada and New Zealand have stood united in opposition to crucial international Indigenous rights protections. It was hardly surprising that the passing of the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) in September 2007, after two decades of protracted negotiation, was met with opposition by these four Western states with large Indigenous minorities. Their unwillingness to subject domestic actions and policy to international human rights standards was masked by obfuscation, as objections focussed on the Declarations ‘aspirational’ nature, whilst also emphasizing its incompatibility with their Constitutional notions of sovereignty14. All the while these nations complained that the Declaration did not recognize the vigorous efforts they were making to address Indigenous disadvantage. This response reflects the Western construct of human rights - useful to scrutinize the behavior of rogue states and developing nations, but rarely invoked as a gauge of their domestic agendas concerning the oppressed peoples struggling for recognition within their borders. Sustained campaigning by Indigenous people and the visible shaming of these hold out nations by a majority of UN members, in timelapse unfurled all four nations to reverse their opposition.

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6 STWIP Report, 2014
7 Obama, White House, 2010
8 Abbott, 2014, 1
9 AIHW, 2011
10 ATS Recognition Bill, 2012
11 Parliamentary Speech, 2011, 20
12 Bagnall, 2014
13 MRG, 2010, 14
14 Hanso, 2009
In 2009 Australia’s then Minister for Indigenous Affairs, Jenny Macklin said: “The Declaration gives us new impetus to work together in trust and good faith to advance human rights and close the gap between Indigenous and non-Indigenous Australians. Australia’s existing international obligations are mirrored in the Declaration” 15. Yet the Australian government still finds issue with the Declaration’s foundational focus on the right of Indigenous peoples to self-determination, arguing that this right applied to populations that constitute a nation, not minorities within a sovereign state. The threat Indigenous self-determination poses to the prevailing Western notion of sovereignty continues to undermine political change. This deeply imbedded structural impediment must be overcome through further negotiation at the international and domestic level.

CONCLUSION

Australian Indigenous leaders remain heartened by the international progress, hailing the Declaration’s incorporation of individual and collective Indigenous rights as a striking achievement. Professor Mick Dodson, a member of the UN Permanent Forum on Indigenous Issues argues vigorously that the Australian government should not be afraid to embrace the concept of collective indigenous rights as a positive plan for change domestically. “Human rights do not dispossess people... Human rights do not cause problems. Human rights do not cause poverty… It is the denial of rights that is the largest contributor to these things”16. The way ahead for Australia, according to the Australian Human Rights Commission, is for Governments to now recognize that Indigenous people have the right to choose their political status and their economic, social and cultural rights. Australian Indigenous leaders remain heartened by the Declaration’s foundational focus on the right of Indigenous peoples to self-determination, arguing that this right applied to populations that constitute a nation, not minorities within a sovereign state.

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EITI Global Transparency Policy Regime: Some Praxis and Reality Check on How to End Poverty and Socio-Political Imbalances in Resource-Rich Global South Nations

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INTRODUCTION

The Extractive Industries Transparency Initiative (EITI) is an international development philosophy and policy that came at a time when resource-rich Third World nations suffers from resource and environmental conflict, political instability and outright economic exploitation; a phenomenon that came to be known as “Resource-curse” or “the paradox of poverty in the midst of plenty”. If corrupt political leaders are allowed to plunder the revenue derive from extractive industrial activities, and adequate measures are not deployed to curtail such problem, we will continue to face structural dysfunction in the international political economy system, and a substantial portion of what democracy, freedom and prosperity stands for will remain a foul commonwealth.

World leaders have made impressive contribution to the promotion and institutionalization of extractive revenue transparency practices, notable among those contribution include, the Dodd-Frank Act 1504, Africa Progress Panel under the chairmanship former United Nation Secretary General Kofi Anan, the Revised European Accountancy and Transparency Directives, the Nordic Prime Ministers reaffirmation of their contribution include, the Dodd- Frank Act 1504, Africa Progress Panel under the chairmanship former United Nation Secretary General Kofi Anan, the Revised European Accountancy and Transparency Directives, the Nordic Prime Ministers reaffirmation of their

1. MORAL PHILOSOPHY

What makes the world a comfortable abode for the perpetual advancement of mankind and civilization are derive from the rational choices we make from the complex intersection of moral values and the inevitable intercourse of social realities. If not for the powers of moral values and the foresight strength we share at different axis of life experience, our world could have been under the threat of constant conflict or a comical abstraction of mankind’s infancy. However it sounds unbelievable that after much struggle and trial against fear, natural disaster, great wars that shape political history, the forces of darkness still vie for control in our contemporary society.

Least we forget, we have conquer time and space because with the spirit of our intellectual infrastructure we became the living ‘god’ of science and technology, creating and re-creating the ways of the machine to suit our taste and desire.

So what happen at the end that today we find it difficult to live in peace?, we find it difficult to share the benefits of our God-given natural resources and endowment, why do our leaders trade oil and diamond for nuclear weapon? Why are we escalating tension on poverty and inequality so as to pull the trigger for the sake of blood money through the advancement of security entrepreneurship? Why the tears on the face of the child orphaned by HIV/AIDS? What happen to the lofty dreams of our fathers and all our founding documents?

The idea of Extractive Industry Transparency Initiative (EITI) was conceived by Soros Foundation but was hatched and presented to the 2002 World Sustainable Development Summit held in Johannesburg, South-Africa by Sir Tony Blair. The Nigeria EITI Executive Secretary Zainab Shamsuna-Ahmed (2013) noted during the 10th Regional Meeting of the ACP-EU Joint Parliamentary Assembly in Abuja, Nigeria; that ‘The underlying philosophy of the EITI is the belief that strengthened transparency in natural resource governance can reduce corruption, and that prudently managed revenue from Extractive Industries can transform economies, reduce poverty, and raise the living standards of entire populations in resource-rich countries which are victims of resource curse.

Corruption, greed and an attitude of ‘toxic hedonism’ in the part of some has led to so much structural dysfunction in the global political economy. Because a fraction of the political class in some of the resource-rich Third World nations failed to realize the value of proper utilization of extractive revenue; so much public fund were diverted for private gain. Professor of International Relations and Diplomacy and Former Nigeria Minister of Foreign Affairs, Bolaji Akinyemi (2013) once stated that ‘under the previous Global Financial Integrity (GFI) Methodology, the developing world lost US$1.138 trillion in 2010 through illicit financial outflows. Mismanagement of public funds and lack of legitimacy of the government in power in several cases always result into a destructive political and socio-economic conflict, a typical example are those sad moments witnessed recently in places like Liberia, Central Africa Republic, Sierra Lone, Congo, Sudan etc.

2. DEVELOPMENT DEFICIT AND THE PLIGHT OF THE GLOBAL SOUTH

Kegley, jr and Raymond1. Noted that ‘the Global South is home to more than 85 percent of the world’s people if command less than 20 percent of its wealth. These countries are characterized by low productivity, high rates of population growth, and skewed patterns of income distribution, with large segments of their populations suffering from poverty, illiteracy, and ill health. Indeed, the world’s three richest people-Microsoft co-founder Bill Gates, investor Warren Buffet, and Mexican businessman Carlos Slim Helu, possess more wealth than the poorest 48 Global South countries combined’.

The problem and development challenges facing the Global South nations are real and cumbersome. There is a need for ideological re-orientation and there can never be another better time to start afresh or a new agenda for economic Risorgimento with the Global North, to begin the struggle for that ideological and moral value re-orientation we all yearned for, the time is now. In Economic Democracy: The Political Struggle of the 21st Century, Smith (2005) observes that, “After World War II, the world was breaking free. Africa’s new leaders were planning to build a regional economy and emulating the United States, This is why potentially wealthy countries of Africa and Latin America were destabilized. Virtually every nation which developed did so under the opposite development philosophies being forced upon the developing world. This creates dependent nations trapped in debt… Any nation which attempts to break out will be immediately ostracized, embargoed, quickly impoverished, and forced back within the fold”.

Scholars over the years have argued, as well written extensively on the factors and challenges of development in Third world countries; some were for while some are against the developing countries. However, the emergence of Development Economics as a field of research and academic studies has provided intellectual reconciliatory grounds to those conflicting theories of development. Development Economics has compile into a single conical flask a survey on the causes and distribution of the wealth of the Third World nations. In fact, the concept behind the existence of EITI as a global extractive revenue transparency watch-dog can be seen to a certain extent as a visionary effort of those vocal advocates of development economics trying to answer a serious question asked by Clunies-Ross, Forsyth and Huq,2 that what can be done to improve the living conditions of the hundreds of millions of people who live in extreme poverty or insecurity: without a clean water supply; with inadequate or unreliable sources of food and prevalent symptoms of under-nutrition; with contagious diseases for which adequate prophylaxis or treatment exist, or forms of blindness or lameness or chronic pain that could be removed or relieved by well-known medicines or simple surgery; and with lack of elementary schooling and illiteracy?.

3. EITI POLICY AND DEVELOPMENT THEORY: CASTING AWAY THE SHADOWS OF SCEPTICISM

The EITI since inception has recorded meaningful changes and development. For countries like Nigeria

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1 Smith (2005), 111
2 p. 11
Senegal’s application for EITI Candidate Status was successful and ratified on 17th October 2013. Senegal now is required to publish its first EITI Report within two years of becoming a Candidate (by October 2015). Cameroon was designated EITI Compliant Country by the EITI Board during its meeting in Abidjan, Cote d’Ivoire on October 17th 2013. By February 2013, Guinea has hosted on its website over 60 contract documents covering 18 mining projects. More exciting is the fact that the documents simplified in such a way that ordinary Guinean can read and understand the terms without the usual technical jargon.

Ghana has put in place a new law that governs how petroleum revenues in the country is collected and managed, the provides for a Petroleum Holding Fund, 70 percent of this revenue is disbursed to the government for inclusion in the national budget, while 30 percent is deposited into Ghana Petroleum Fund accounts comprising of the Heritage and Stabilization Funds. In Sao Tome and Principe only 20 percent of the fund is used for budgetary purposes while the remaining 80 percent goes into the heritage fund which is saved for the future. The impact of EITI on those countries political economy is fundamental; it has provided hope, stability and discipline for better management, application and utilization of extractive revenue.

Dependency theory scholars will challenge the EITI basis for funding as majority of the EITI Candidate and Compliant Countries are not financially capable to provide EITI with the required fund for its international operation. If EITI receive it’s funding from Non-EITI member countries, the ability of those financially powerful nations to influence macro and micro economic policies of the receiving countries remain controversial to the eyes of dependency theory scholars. Through the Multi-Donor Trust Fund (MDTF), the World Bank Group supports the EITI by administering the funds to provide technical support and financial assistance to countries implementing or considering implementing the EITI. The MDTF receives funding and support from the following donors: Australia, Belgium, Canada, Demark, The EU, Finland, France, Germany, Japan, The Netherlands, Norway, Spain, Switzerland, the UK, and the USA. While countries like Afghanistan, Azerbaijan, Burkina- Faso, Central Africa Republic, DR Congo, Chad, Liberia, Mali, Tanzania, The Philippines, Madagascar, Zambia, Papua New Guinea etc are EITI Member Countries.

These countries are weak politically and economically if compared to those who fund the EITI international activities. The defense we can gather for the above matter is a paragraph from Brendan O’Reilly’s article Development Deception (2011) that ‘when extreme wealth is challenging extreme poverty as the bane of human existence, a revolution of values is needed. We as a species must advance values of conservation, and teach people to live within the means of the productive capacity of our planet. No longer can the scramble for nonrenewable resources be viewed as a zero-sum game. Human beings need to develop solidarity on a global scale. Citizens of wealthy nations must learn to live with less... to seek economic advance at the expense of human interests and future generation is a recipe for global disaster’.

4. FOOD FOR THOUGHT

My final word is going to the words of the EITI International Chair, Rt. Hon Clare Short in her Anti-corruption Lecture organized by Transparency International. UK, which I will quote here in extenso:

“Where development funds are put into government budgets on condition of joint work to build well-organized public financial management and procurement systems. The prize from such work is that people in poor countries with weak institutions see aid well spent, help provided to build up the capacity of government systems, and their own tax revenues better protected and better spent. Humanitarian catastrophes—floods, droughts, tsunamis and other such events, take up about 10% of global aid spending. With climate change, it is likely that there will be more such catastrophes and the need for more such spending. Clearly such events provide a different challenge. The UN system is well organised to move food and other supplies across the world from regional bases, but donors need to insert money into the system so that supplies can be procured (and often donors are quicker to announce to the media than they are to pay up). But delivery on the ground has to be organised through NGOs, and speed is of the essence. Efforts must be made to ensure that money is properly managed and spent, but some risks have to be taken in such circumstances and those who denounce ‘Aid’ if some money goes astray in such circumstances give no consideration to the conditions in which they are working. The biggest challenge in international development is to try to bring some hope’.

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A Crisis Mismanaged: The Unhappy Politics of Greece’s Bailouts

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1. INTRODUCTION

Following the onset of the sovereign debt crisis, Greece’s economy contracted steadily for six years, despite bailouts totalling €240 billion and significant debt restructuring. Scholars generally point to the overly ambitious, tardy and fiscally imprudent nature of the bailout deals to explain why they failed to right Greece’s economy, but the origins of such an unsatisfactory programme remain a matter of debate. Suggested causes include economic miscalculation, a lack of political leadership, deadlocked political bargaining, and elite interests. This paper seeks to evaluate these competing explanations in order to better understand why the crisis in Greece remains unsolved, and what can be done about it.

This analysis will proceed in five regards. First, the causes of the crisis will be outlined, followed by an analysis of the design and implementation of the bailout deals. There will then be an evaluation of the competing explanations as to why the Troika failed to create a sound recovery strategy. The two final sections will seek to draw lessons from the debt crisis and consider the future implications for Greece and the European Union (EU).

2. THE CRISIS: WHAT HAPPENED AND WHY

2.1 Overview

Greece’s entry into the Economic and Monetary Union (EMU) in 2000 initially appeared to be a success. Its economy grew at approximately 4.2% per year and by 2008 unemployment levels were below the European average (Theodoropoulou and Watt, 2012, p. 8). Following the global financial crisis, however, the government budget became increasingly unsustainable. In 2009 it was recognised to be in crisis.

Another cause of the crisis was Greece’s high current account deficit linked to trade imbalances in the European Union (EU). Because Greece’s economic expansion was driven by private consumption and investment in non-tradable sectors (e.g. real estate and transport vehicles), the country’s export base failed to grow, whereas Germany, for example, saw restraint and high productivity leading to competitive exports (and the subsequent trade surpluses were invested, among other places, in Greece’s non-tradable sectors) (Theodoropoulou and Watt, 2012, p. 30). By 2007, Greece acquired a current account deficit of 9.1%, whilst Germany ran external surpluses above 5.1% (Lane, 2012, p. 52).

2.2 Financial Mismanagement and Trade Imbalances

One cause of the crisis was Greece’s debt expansion, linked to excessive public spending. In the early 2000s Greece’s military spending, as a percentage of national GDP, was the highest in Europe (Haydon, 2012). Its pension system was inefficient and corrupt (Tinios, 2012, p. 332), and public sector wages and employment levels ballooned (Theodoropoulou and Watt, 2012, p. 13). Furthermore, increased tax revenue from the credit boom was not used to pay off public debt, but rather to fund tax breaks and further spending (Lane, 2012, p. 54). The government hid the extent of its debt from the European community using financial instruments sold by Goldman Sachs.

A shared currency also meant that Greece could not implement monetary policy during economic downturn. Consequently, high debt levels put Greece at risk of default, causing investors to suddenly lose confidence and withdraw liquidity (Paul De Grauw, 2011, p. 2). Furthermore, the EMU lacks a central tax authority; so redistributive tax policy could not be used to support Greece during economic downturn (University of Iowa College of Law Center for International Finance and Development, 2013). Finally, low labour mobility between European states meant that unemployment in Greece could exist even while countries such as Germany were unable to meet demands for skilled labour (University of Iowa College of Law Center for International Finance and Development, 2013; Wilson, 2013).

Another perspective points to the financial system in explaining the sovereign debt crisis. Ertürk and his colleagues (2012, p. 32) argue that the development of rehypothecation and the interconnected nature of European banking institutions allow disturbances to the financial system to create sudden international contagion of illiquidity and insolvency. From this perspective, the catalyst for the crisis in Greece was the global financial crisis as it passed through Europe’s financial system. Furthermore, the use of financial instruments such as cross-currency, interest-rate and credit-default swaps, provided by investment banks like Goldman Sachs, also contributed to the sovereign debt crisis by hiding the extent of Greece’s debt and allowing state bonds to retain a high credit rating and low yields (Ruiz, 2012, p. 28, 49).

In summary, Greece’s debt crisis is attributable to many interconnected factors: excessive government debt, linked to financial mismanagement and investment banking swaps; a current account deficit, attributable to trade imbalances; a monetary union that removed Greece’s capacity for monetary policy; and an interconnected financial system that facilitated contagion following the global financial crisis.

3. THE BAILOUT DEALS

3.1 Aims and Design

Greece’s 2010 bailout came with strict conditionality: it was to implement austerity and structural reforms. Fiscal contraction (austerity) involved heavy public spending cuts and internal devaluation (depressing wages and prices) (Theodoropoulou and Watt, 2012, p. 5). It was primarily a method to cut deficit and restore confidence among government debt holders (Minda, 2013, p. 272), but was also thought to lead to economic growth through ‘confidence effects’, whereby the public increase private consumption in the belief that debt reduction will mean lower taxes and higher incomes in the future (Theodoropoulou and Watt, 2012, p. 5). Proponents
of this approach argued that austerity helped countries to recover from economic decline in the past (cited by Minda, 2013, p. 274).

Structural reforms were applied to labour markets to increase international competitiveness; improve business performance; and facilitate entrepreneurialism by simplifying regulation to reduce burdens on business, and by having wages set through market forces (Theodoropoulou and Watt, 2012, p. 5).

It was assumed that Greece’s economy would suffer from recession for only two years following the first deal, and that it would then regain access to private investment (Ardagna and Caselli, 2012, p. 5), but as the economy continued to contract it became clear that Greece was going to require further support to make its debt sustainable. The 2012 bailout deal thus provided Greece with further debt relief and imposed further austerity.

3.2 Outcomes

The bailouts failed to lift Greece’s economy from crisis. It contracted for six years, unemployment has risen to 27%, and although the budget deficit was successfully reduced from 10.4% to 2.2% between 2009-2011, debt increased from 129 to 165% of GDP (Theodoropoulou and Watt, 2012, p. 5; TIME, 2014).

Austerity had disastrous social consequences. An estimated one-third of Greeks now live below the poverty line, and with social welfare cuts, increasing numbers are unable to pay for healthcare and are dependent on food aid (Price, 2013). There have also been increases in suicide rates, declining public health, harsher working conditions and increasing xenophobia (Van der Veen, 2013, p. 11). Public outrage at the severity of the austerity is growing. Greeks typically feel that reforms were imposed by the creditor countries to serve those countries’ interests (Katsikas, 2012, p. 54), and strikes and demonstrations are becoming increasingly common (Michael-Matsas, 2013, p. 493). Furthermore, populist parties are gaining strength, epitomised in the rise of the neo-Nazi Golden Dawn party, which won nearly 7% of the vote in Greece’s most recent election (EU Observer, 2013).

3.3 Design Faults

Austerity undermined efforts to achieve fiscal consolidation in Greece by increasing unemployment and lowering aggregate demand. Public spending cuts put many people out of work, which meant more dependency on welfare, decreased investment and consumption, and shrinking tax revenues (Katsikas, 2012, p. 52). Theodoropoulou and Watt (2012, p. 51) argue that internal devaluation was almost certain to depress aggregate demand in Greece in the short term due to its low export levels and import penetration. The IMF recently conceded that austerity inflicted significant economic damage in Greece, a point which leading economist Krugman (2013) believes to have been ‘obvious’ at the time of the first bailout.

Reliance on the historical precedent for the benefits of austerity was misguided. Krugman (2013) described the notion of expansionary austerity in times of economic downturn as ‘fantasy’, and Blyth (2013, p. 50) argued that austerity only ever increased growth when applied in small, export-oriented countries with booming trade partners. According to Theodoropoulou and Watt (2012, p. 29), Greece’s restructuring was doomed to fail, since all of its trade partners imposed austerity, dampening demand for imports, and since, in contrast to past fiscal adjustment programmes, Greece was unable to devalue its currency and had no independent central bank to act as a lender of last resort. This meant that market confidence was undermined, reducing the likelihood that austerity would lead to growth.

The supposed ‘confidence effects’ of austerity also merit scepticism. Drawing on IMF research, Theodoropoulou and Watt (2012, p. 23) point out that austerity is likely to have negative effects on growth for up to three years before confidence effects begin to bring benefits, and that short-run benefits are more likely to arise when an economy is performing well and the public already has high levels of confidence. Consequently, they argue, the expectation of confidence effects was not justified given Greece’s socio-economic circumstances (p. 37).

Another design flaw in the bailout agreement was an overly ambitious restructuring target. It called for a complete overhaul of Greece’s economic structure in only a few years, including a current account deficit reduction of 11% (Katsikas, 2012, p. 51). Due to a continent-wide economic slow-down (Lane, 2012, p. 58), and since Greece was unable to regain access to private funding (Ardagna and Caselli, 2012, p. 22), it became clear that these targets were unachievable. Unfortunately, despite Greece being in a worse economic state than in 2010, the second bailout’s restructuring target was even more ambitious than the first—such a target had no OECD precedent in the last 40 years (Ardagna and Caselli, 2012, p. 23).

The restructuring plan also failed to account for foreseeable difficulties in application. Greece’s fiscal inflexibility meant it lacked the capacity to compensate the losers of restructuring, so austerity led to increasing public outcry, limiting the extent and speed of reform (Theodoropoulou and Watt, 2012, p. 34, 36). Furthermore, Greece’s dysfunctional political and administrative system slowed the application of restructuring (Theodoropoulou and Watt, 2012, p. 38), as did drastic spending cuts, which shrank the public service at a time when their expertise was needed for social and economic reform (Katsikas, 2012, p. 52).

3.4 Implementation

An important cause of the failure of the Greek bailouts was declining market confidence linked to EU mismanagement. The initial erosion of investor confidence in Greece could have been avoided if the IMF and EU had taken decisive action, but instead took too much time to implement a plan, which led to repeatedly lowered government bond credit ratings (Porzecanski, 2012, pp. 3-4, p. 7). Ardagna and Caselli (2012, pp. 21-22) explain how investor confidence fell again following the ‘Deauville Announcement’ by German Chancellor Merkel and then French President Sarkozy in October 2010, which called for investors to accept a loss of value on private holdings of government bonds. Such ‘private sector involvement’, Ardagna and Caselli argue, stood to have few significant benefits for Greece (6% reduction in its GDP-to-debt ratio), but caused a disastrous drop in investor confidence (pp. 21-22).

The bailout deal was also mismanaged in Greece. Under their clientelistic political system, Greek politicians, constrained by the interests of their supporters, were slow to introduce reforms—especially PASOK, due to austerity being contrary to socialist ideology and politically damaging (Katsikas, 2012, pp. 53-4). Furthermore, Pisani-Ferry (2012) points out, the austerity programme imposed disproportionate hardship on the poor, prioritising cutting minimum wages over taxing the country’s rich, and less than half of the tax audits on rich individuals promised in 2011 were actually carried out.

3.5 Alternative Initial Recovery Plans

A number of perspectives have emerged as to what solution should have been adopted at the onset of Greece’s debt crisis. One possibility would have been to let Greece default on its debt and exit the EMU. Roubini (2010) suggested that this outcome is inevitable and that postponing it has made the process costlier and riskier, and argued that the worst effects of a Greek exit could be contained through bank recapitalisation and capital controls. As Auerback (2012) argued, a German exit might have been an alternative solution, since a reintroduction of the deutsche mark would allow the euro to deprecate, making peripheral states more competitive. A further proposed solution was creation of a ‘deutschmark zone’ including the Netherlands, Austria, Switzerland and the Scandinavian countries, whilst allowing the rest of the euro to disintegrate (Joffe, 2013).

A Greek or German exit could have had serious political and economic repercussions, however. According to Papantoniou (2013), are introduction of the Drachma would probably have caused the collapse of Greece’s economy. Furthermore, it might have threatened the viability of the Euro (Van der Veen, 2013, p. 13), led to defaults by Portugal, Ireland and Spain, and required central European states to bail out their domestic banks (Ardagna and Caselli, 2012, pp. 11-13). Schwarzer (2013) believes further consequences may have included social and political unrest around Europe and the political disintegration of the EU, and Anand, Gupta and Dash (2012, p.18) suggested that such an event could have thrown the entire world economy into severe recession.
A second perspective maintains that Greece needed economic stimulus and more generous EU support in order to counter private investment loss, ensure social stability, invest in efficient industries and spur growth. This approach would have required more generosity towards Greece by its European neighbours; either the ECB would have needed to buy Greek government bonds and waive debt and deficit limits, or the EU would have needed to invest heavily in Greece through the European Investment Bank (Van der Veen, 2013, pp. 13-14). Ardia and Caselli (2012, p. 18) point out that whilst this approach might have incited moral hazard (i.e. the Greek government would have learned it can borrow excessively without punishment) and would have required creditor nations to put greater amounts of capital at risk, it nonetheless could have meant better outcomes for all parties. They argue that the risk of moral hazard would have been minimal, since Greece would still have suffered considerably (p. 19).

A number of further measures could have helped solve Greece’s crisis. Firstly, swiftly initiated EU support, structural reform and deficit reduction could have conserved investor confidence (Porzecanski, 2012, 4). Secondly, the omission of private sector involvement would have been prudent. Thirdly, the Troika should have allowed a longer economic adjustment period, in order to lighten the social costs and depressive effects of austerity (Porzecanski, 2012, p. 18). Finally, Krugman argues, righting trade imbalances within Europe by allowing wages and prices to rise in countries with trade surpluses could have ameliorated Greece’s trade deficit (cited in Van der Veen, 2013, p. 14).

In summary, the recovery measures adopted in Greece failed to halt economic contraction, and undermined social stability and welfare due to being overly ambitious, tardy, mismanaged and based on imprudent fiscal austerity. Therefore, for a recovery strategy to be effective, it needed to be swiftly applied, to avoid private sector involvement, and to build upon fiscal stimulus strategies backed by heavy EU support. Greek or German exits from the euro were also possible solutions, but carried risks of economic and political disaster. Thus a generous, stimulus based approach would likely have been the optimal solution for Greece and the rest of the EU.

4. ANALYSING THE TROIKA’S FAILURE

4.1 Popular Narratives

So what prevented an effective recovery plan from being enacted in Greece? One explanation, often depicted in the media, points to insufficient support and a short restructuring time frame derived from unintended errors in economic forecasting; Greece was unable to reach debt sustainability within the time provided, since public debt grew more rapidly than IMF forecasted and the restructuring failed to stop economic contraction (Porzecanski, 2012, pp. 13-14). Nonetheless, some critics suggest this mistake was not accidental. Theodoroupolou and Watt (2012, p. 37) argue that the failure of the bailout plan could have been predicted given a careful examination of Greece’s political-economic circumstances. Furthermore, as Dreher and his colleagues (2007, pp. 9-10) note, the IMF has the ‘perverse incentive’ to give optimistic forecasts since the expectation of economic improvement can justify otherwise imprudent loans, which ensure that previous loans are paid back in time, thus retaining the Fund’s reputation and shareholder backing. Thus there is reason to believe that the IMF’s erroneous forecasting was not a simple miscalculation, but rather was strategically motivated.

Another popular view suggests the problem was a lack of leadership. Katsikas (2012, p. 50) argues that it is unlikely that the Troika did not foresee the disastrous outcomes of its approach, but lacked the political vision and leadership required to implement a better plan. Furthermore, he contends that national leaders did not show ‘ownership’ of the reforms and were unable to overcome political divisions (p. 54). In contrast, Ertürk et al. (2012, p. 5, 13) argue that the notion of bad leadership – persistently portrayed as the key explanation by the media and by leading politicians – has been romanticised, and that this narrative has distracted from the real issues, which are institutional and structural.

4.2 National Politics and Scapegoating

One reason the Troika failed to create a sound recovery plan was that leaders were reluctant to financially burden the European public. Politicians had to reckon with electoral backlash, particularly in Germany, where Merkel faced an election at the onset of the crisis (Featherston, 2013, p. 201, 203). Nonetheless, fears of contagion in Europe and the prospect of eventually needing to bail out their own national banks (which would have been highly unpopular due to lingering resentment of the bank bailouts following the GFC) led European leaders to reject the possibility of letting Greece default (Ardagna and Caselli, 2012, pp. 11-3) and instead implemented a plan that delayed the issue for a few years.

Ardagna and Caselli (2012, p. 14) argue that this strategy was politically advantageous since it allowed national banking sectors to be removed from contagion risk in the intervening years, and for blame to be placed on Greece for poor reform implementation. They point out that European leaders made optimistic statements about the feasibility of the first bailout, whilst media commentators remained sceptical (p. 6) – a fact which suggests that European leaders may not have actually believed the crisis had been solved, or that they were blinded by optimism (pp. 7-8).

Greece was widely blamed for its crisis by politicians, economists and the media. This allowed politicians and bankers to avoid blame, but it also hindered efforts to find a viable route out of the crisis. The German media expressed anger and bewilderment at the situation in Greece (Fetherstone, 2011, p. 201, 203), and the country became known, along with Portugal, Italy, Ireland and Spain, as the ‘PIIGS’, feeding stereotypes about the ‘lazy’ and ‘greedy’ southern Europeans (Roilos, 2013). Such scapegoating rationalised punitive austerity measures in Greece (Ertürk et al., 2012, p. 3), and the goal of putting the government’s finances in order took precedence over resolving the recession (Theodoroupolou and Watt, 2012, p. 18). Furthermore, Greece was given the responsibility to correct its current account deficit without coordinated efforts across the Eurozone (Theodoroupolou and Watt, 2012, p. 29) and was subject to punitive interest rates on its initial bailout loans (Lane, 2012, p. 58).

The strategy to provide Greece with a minimal bailout may have been politically rational, but it will likely mean greater cost to the European populace in the long run. If a more generous plan had been developed initially it could have returned the economy to growth sooner, and prevented Greece from needing further bailouts, thereby lowering the overall recovery costs.

4.3 Institutional Inefficiency

Europe’s institutional framework also inhibited a sound recovery strategy. Firstly, negotiation apparatuses inhibited ideal bargaining solutions. Ertürk et al. (2012, p. 41) highlight how the EU’s joint decision-making rules meant that decisions were subject to lengthy debate, despite needing to be applied immediately, and Ardia and Caselli (2012, p. 26, 30) explained how negotiations resulted in suboptimal outcomes due to each party pursuing their own objectives, leading to deadlocked bargaining positions and exhaustion. A key reason for bargaining inflexibility was domestic voter accountability. For example, Merkel’s insistence that the second bailout involve the private sector was probably driven by her public assurances that the private debt holders would contribute to the rescue package, even though it was bound to have a disastrous impact on Greece’s recovery (Ardagna and Caselli, 2012, p. 29).

Secondly, financial governance was distant from public scrutiny. The financial sector is poorly understood by most politicians (Ertürk et al., 2012, p. 46), and those who regulate it are primarily concerned with maintaining the functioning of financial markets (Thirkill-White, 2009, p. 689). Consequently, as Antonopoulou (2012) concludes, the social ramifications of austerity have been largely ignored by financial institutions and accepted by politicians. During the Greek crisis there has been little forum for debating neoliberal measures, especially since the European Parliament has hardly been involved in the process, so few alternative solutions were developed (Schmidt, 2011).

In summary, the media’s emphasis on IMF miscalculations and a lack of political leadership detract from the more significant causes of the Troika’s failure to create a sound recovery plan: institutional failure, and the interference of elites with vested personal interests. Political leaders sought to minimise the domestic political repercussions of the crisis by delaying the application of more significant aid, and
by blaming Greece. The resulting deal prolonged the crisis and led to the application of damaging punitive austerity. Europe’s political negotiation mechanisms inhibited swift action and ideal solutions, and technocratic governance failed to consider the social consequences of financial policy.

5. IMPLICATIONS

5.1 Democratic Disempowerment

One concerning implication of the crisis is the fact that the Greek people have been democratically disempowered. Firstly, Greece had little choice but to accept the bailout deal, since defaulting on its debt would have been catastrophic (Ardagna and Caselli, 2012, p. 10). It had little bargaining power to debate creditors’ terms (Minda, 2013, p. 256), and the public could not influence the outcome through the democratic process. As Hare (2012, p. 461) concludes, Greece effectively lost its economic sovereignty when it became insolvent.

Secondly, the crisis led to the replacement of democratically elected politicians with technocrats. For example, when then Greek Prime Minister, Papandreou, called for a referendum on the bailout deal in October 2010 he was denounced by other European leaders and replaced by former ECB technocrat Papademos (Hare, 2012, p. 462). Furthermore, the second bailout package included a proposal to appoint a fiscal commissioner over the Greek government with veto power in economic policy, and although this was later withdrawn, an EU ‘Kommissar’ task force was given the responsibility of surveying Greece’s finances (Michael-Matsas, 2013, p. 490).

5.2 European Integration at Risk

The debt crisis has put European integration at risk. One concerning implication of the crisis is that the eurozone’s potential for civic participation in Greece by limiting their trust in EU institutions is falling (Ertürk et al., 5.2 European Integration at Risk

A Greek exit from the EMU could cause the demise of the euro and economic disaster; Schmidt (2011) argues that EMU members would likely default on their debts, and peripheral states’ banking systems would be ruined and inflation would ensue. Furthermore, political and economic separatism could fuel nationalism and inter-state conflict in Europe.

5.3 A Flawed Union

The sovereign debt crisis has highlighted the EU’s inability to deal with financial crisis. The union’s fragmented responses to banking failures and lack of clear recovery procedures undermined investor confidence and market stability (Colnon and Cotter, 2013, p. 2). After administering more than €4.5 trillion of aid to financial institutions during the debt crisis, the EC has now recognised the need for a standard procedure for dealing with banking crises (European Commission, 2012).

The crisis also exposed the defects of the EMU. Since it lacks a central fiscal authority, it is unable to initiate effective responses to financial crises (Randall, 2011), or to enforce fiscal convergence between member states. Countries are also unable to enact strategic monetary policy. Feldstein (2012) believes that bank fragility, widespread unemployment, trade deficits and debt crisis are all inevitable consequences of such an arrangement.

What the EMU needed in order to avoid these problems was a corresponding fiscal and political union. This was omitted from the EMU’s design, however, since member states were unwilling to cede sovereignty to the project. It was hoped that eventually the euro would cause European identities to converge, that this would spur greater political integration (Auerback, 2011), and that fiscal responsibility would shift to a central European bank (Feldstein, 2012). Unfortunately, support for such a union is declining, and although the Fiscal Compact Treaty recently came into effect (a strengthened version of the Stability and Growth Pact), it still relies on domestic enforcement and provides no means for fiscal redistribution across the EMU (Lane, 2012, pp. 62-3).

6. WHERE TO FROM HERE?

6.1 Current Situation

Greece’s economy is showing some signs of recovery. It contracted by 3.7% in 2013, instead of forecasts of 4.2%, and 2014 is expected to yield a return to growth (Hope, 2014). Also, investor confidence is returning, since the EMU-wide recession is over and trade imbalances have lessened (Roubini, 2013).

A number of steps have been taken recently to increase economic stability in Europe. ECB President Draghi created a programme that buys bonds from struggling EMU members (Roubini, 2013), a new Fiscal Compact Treaty promises to improve stability by requiring fiscal targets to be written into each country’s constitutional framework, (European Council, 2011), progress has been made towards a banking union, and the newly created European Stability Mechanism has a permanent €500 billion available to bail out EMU members (Roubini, 2013). Furthermore, the European Commission has adopted resolutions that allow government authorities to intervene in banks’ affairs in order to prevent crises (Colnon and Cotter, 2013, p. 4), and a financial transaction tax will be implemented across Europe in 2018, which could reduce financial market instability and make traders share the cost of fixing economic crises by raising an estimated 57 billion euros annually (O’Donnell and Papachristou, 2012).

A further promising development has been a shift towards prioritising growth over fiscal consolidation. Notably, Draghi called for a ‘growth pact’ to complement Europe’s fiscal pact—the financial analyst Brzeski warns, however, that this proposal ‘does not mean more fiscal stimulus’, but rather structural reform (cited by Kaiser, 2012). Merkel has also been speaking of increasing growth and employment, but remains determined to continue to focus on structural reform and stability, and French President Hollande has supported the use of Keynesian stimulus in the EMU (Kaiser, 2012). In another recent development, German Finance minister Schäuble has decided to allow wages to rise in Germany, which could help solve Europe’s trade imbalances (Süddeutsche, 2012).

However, the extensive changes required to lift Greece and other peripheral states from crisis have yet to be implemented. Roubini (2013) cites a number of persistent challenges: potential growth is low due to ageing populations, low productivity and high unemployment; debt-to-GDP ratios in the EU are growing due to low output; and recent improvements in trade balances have largely been cyclical, rather than being linked to fundamental change. Furthermore, he notes that peripheral EMU states remain competitive, despite falling labour costs, since the euro remains strong; high taxation and austerity continue to be a drag on growth; progress to a banking union has been slow; and economic, fiscal and political unions are still non-existent. Finally, Roubini illustrates that the Third Basel Accord and the EU’s competition rules have ensured that the regulation of the financial sector in Europe prioritises raising capital over financing growth, and the ECB has been unwilling to consider quantitative easing, despite the possibility that this could promote growth in the EMU periphery.

6.2 Further Support

Greece will require further reform and support to be lifted from its crisis. Yannos Papantoniou (2012) advocated for an end to tax rises and wage cuts; increased welfare support; and investment in new possible areas of competitive advantage such as renewable energy. Katsikas (2012) called for an enhanced taxation system to avoid false pension claims. Letta (2013) suggested fostering innovation and manufacturing and allowing the government flexibility to invest in productive public initiatives. These changes would require an extended fiscal deficit reduction period, and heavy investment by European authorities (Papantoniou, 2012). Soros (2013) argued that a write-off of Greek debt is also needed, since this would cause private capital to return to the country and help its economy to recover more quickly.
Growth targeted reforms and debt write-offs would be expensive, however, and they would shift the financial burden to other parts of Europe. This would cause outcry from an already exasperated European public. Nonetheless, the funds could be sourced through a variety of means including a massive debt restructuring and taxing the rich (Rhodes and Stelter, 2011, p. 5, 7), along with a coordinated Europe-wide crackdown on tax evasion (Bofinger and Kapoor, 2012). Furthermore, European authorities may have little choice but to provide Greece with further support, since, as Soros (2013) notes, it will never be able to pay back all its debt, and postponing reform and write-offs could be disastrous if it leads to a default or social breakdown.

6.3 Increased Economic Integration

In order to address the underlying causes of the debt crisis, many commentators have endorsed closer economic integration in the EMU. First, a banking union with ECB or the European Stability Mechanism at its centre could provide stability and financial support for member states through ‘European-level regulation’ and by providing ‘a fiscal backstop capable of stabilizing the financial system’ (Lane, 2012, p. 63).

Second, the creation of eurobonds, which would pool debt within the EMU and insulate peripheral states’ bond markets from speculative attacks (Lane, 2012, p. 64), has been cited as an ‘obvious solution to the root cause of the euro crisis’ (Soros, 2013). Critics argue that eurobonds would facilitate imprudent fiscal policy, and as Lane (2012, p. 64) notes, this risk could be minimised by limiting eurobonds to short maturities so countries would be cut off from funding if they borrow too much, by allowing the purchase of Eurobonds to finance sovereign debt only up to 60% of GDP, and by limiting access to Eurobonds to countries that meet certain fiscal requirements. A third proposal has been to establish a European Monetary Fund. Schulmeister (2013, p. 1) believes such an organisation could overcome the root causes of the crisis by providing financial means to EMU states by selling non-tradeable Eurobonds at fixed rates, and by maintaining stability in EMU countries in collaboration with the ECB and the EC (p. 1).

Economic integration has generally been hindered by a lack of political will, however, and by the complicated legal process it requires. Germany has been strongly opposed to the creation of eurobonds (The Economist, 2012a), and is resisting a banking union due to fears that it would transfer wealth to the EMU periphery and risk to the core (Roubini, 2013). Furthermore, considering the rise of euroscepticism and bailout fatigue in Germany, its government may encounter opposition to contributing to the fiscal backstop that a banking union would require (Mody, 2013). Finally, making the ECB a lender of last resort and having it buy debt from member states is arguably illegal under the current EU treaty (Schmidt, 2011). The application of eurobonds or the creation of a European Monetary Fund would therefore require EU treaty change, which is a highly difficult process requiring ratification by all EU members, including referendums in some countries (The Economist, 2010).

6.4 Political Reform

Other scholars have advocated for political reforms. Ardagna and Caselli (2012) believe that the European Council needs to overcome the conditions that inhibit effective negotiations, such as time constraints linked to the infrequency with which heads of government meet, and bargaining inflexibility due to national interests and domestic electoral risks. Such restraints could potentially be overcome by shifting decision-making from heads of states to directly elected actors, whose mandate is to negotiate optimal outcomes for the union as a whole. Such actors could include, for example, members of the EP or a directly elected EU president.

Ertürk et al. (2012, pp. 50-3) argue that reforms must be made to avoid technocratic rule by making specialised knowledge accessible to the public and scrutinising the work of powerful institutions. These proposed reforms include publicly accessible reports on current issues, the creation of a ‘Contra- Funding Council’ to fund independent and heterogeneous research, and greater scrutiny of both the financial sector and the institutions assigned to regulate it (pp. 50-3).

Political reforms in Greece have also been suggested. Katikas (2012, p. 54) suggests that the way forward is for the Greek government to quit political fighting and form a united vision for the implementation of reforms and enhanced European integration. Rodrik (2011) comments that politicians will need to convince the populace that the painful reforms are being enacted in order to promote recovery, rather than to placate bankers and foreign leaders, and that otherwise the government will eventually be unable to continue implementing reforms as public discontent mounts.

6.5 Financial Sector Reform

Finally, further financial sector reforms have been endorsed as a way to prevent further crises. One such suggestion would be to broaden reliance on private credit rating agencies. The downgrading of Greece’s debt to ‘junk’ status by American agencies, which undermined efforts to calm bond markets (Waterfield, 2010), led to calls for the establishment of a publicly funded credit rating agency under the control of European officials (The Economist, 2010). Other suggested reforms include: removing the Basel Accord, since it encourages risky financial behaviour; creating new banks that only invest in restructured sovereign debt; reducing limits on cross border credit exposure; outlawing mergers that create financial giants; splitting banks into utility and investment types; heavily regulating derivative markets; placing limits on the trading income of investment banks; and capping private salaries (Ertürk et al., 2012, pp. 48-9). Such reforms would aim to reduce instability by disincentivising risk taking.

7. CONCLUSION

The Greek debt crisis arose through a number of interconnected factors, including financial mismanagement, trade imbalances, a flawed monetary union and an unstable financial sector. The failure of the bailout deals reflects their late and mismanaged application, their overly ambitious targets, and their austerity-based reforms. The failure of the Troika to respond effectively to the crisis originates in failed negotiations linked to an ineffective institutional structure, the absence of a European authority designed to respond to crisis, national political considerations and scapegoating.

Several concerning implications arise from this analysis. First, the people of Greece have been demographically disempowered. Second, austerity and continued crisis are undermining social stability and European integration, as well as the public’s confidence in the EU. Third, the EMU was designed in such a way that it is unable to prevent or effectively respond to economic crises.

Europe needs greater political, fiscal and economic cooperation and integration if it is to solve the current crisis and prevent future ones. Greece’s economy is slowly improving, but significant recovery will likely require further support and growth-targeted reforms. Initial steps have been taken towards greater economic integration and financial stability, but more expansive reforms are still required. Such efforts will likely be hindered by a lack of political will and rising euroscepticism, but further integration may be the only way to safeguard the European public against further crises, and will be necessary if the European integration project is to be protected, and its ideals of unity, welfare rights and peace upheld.

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1.1 Introduction

With a growing worldwide population and changing climatic variables, the necessity of assuring food security is becoming increasingly more relevant (Kraukraemer, 1994: 404). Soil quality is a principal factor in ensuring food security, which relies on the long-term availability of quality and access to food (FAO, 2009). To guarantee food security, soil stewardship is paramount. This practice depends on farmers responsible for directly ploughing the fields and growing crops as well as researchers who provide knowledge, data and techniques to improve agricultural productivity and maintain environmental sustainability. Seventy per cent of globally produced food relies on small-scale farming. To maintain high levels of productivity, it is essential to register soil properties (preferably of each plot) and to apply appropriate plant nutrition technologies (IPNI, 2013). Along with water, variables such as soil fertility, soil organic matter content, cover crops, degree of tillage, crop rotations, agro-forestry, climate-smart agriculture and conservation agriculture are paramount to sustain productivity (Doran and Zeiss, 2000: 3). Ultimately soil quality determines plant growth, animal well-being and human health (Doran, 2002: 120). Funding agriculture research is essential to achieving high yields and market stability, while ensuring that sustainable principles for environmental protection are endorsed.

This paper will analyse the importance of food security and argue that it can be achieved, in part, through soil stewardship and bottom up approaches. Additionally, it will consider the role of economics in attempting to solve this socio-ecological issue. The strategy proposed is a three-step process. Step 1 considers funding in the research and development (R&D) sector of agriculture (from both low and high income countries) as an effective measure for achieving food security. Step 2 suggests conducting soil surveys and collect soil data at each plot to guarantee the lowest costs of food production and minimal environmental damage (for example due to over- fertilisation). Step 1 focuses on a macroscopic and international scale of developing R&D, while Step 2 is based on micro-regional analysis based on specific cases. Research results achieved within Step 1 could be implemented in Step 2 as common advanced technologies could be developed and disseminated in soils with similar properties. The combination of these two factors guarantees increased productivity at lower costs.

Step 3 suggests working with the local farmers, valuing their local knowledge by considering the use of native plants and crop growing techniques that incorporate cultural traditions, and merging this wealth of knowledge with modern scientific results deriving from the R&D sector. This process contradicts economic-based strategies currently used, which advocate for comprehensive projects based on the concept of economies of scale (Petsko, 2012: 2). In agriculture this process is not necessarily the most efficient methodology due to the different soil properties even within micro-regions. Efficiency is considered as the least amount of resources used for the highest amount of crop yields. Finally, it is necessary to fully understand the environmental and labour-based impact of small-scale farming, and attempt to work with the farmers to implement sustainable practices (Hitzhusen et al., 2013: 293).

1.2 Importance of Food Security

One billion people are chronically hungry and almost all of these individuals live in developing countries. One-third of children under five are underde-
The burden-sharing model of R&D also benefits rich countries because collaborative research often inspires more innovative ideas and reduces investment costs (Yilmaz et al., 2011: 339). Additionally, collaboration with poorer countries during the development stage of rural development techniques and soil stewardship policies allows HIC to greatly reduce transaction costs, as rural farmers are more likely to adopt methods that complement their own farming practices rather than having to adopt entirely new ones. Finally, this model creates a sustainable food market because it guarantees food security: by working with the local farmers, the FAO also explains that increased investment in the agriculture sector (FAO, 2009: 2). The primary solution is for governments to collectively fund research institutes. Furthermore, this model follows the current neoliberal model of increasing returns to scale, meaning the larger the output the lower the costs. By encouraging LIC to participate in R&D agriculture funding, HIC countries benefit from reduced costs of R&D (it is noteworthy to consider the decline in investments in this sector) while LIC will be able to directly influence policy-making. Because of their direct participation in research-funding, they will be able to influence decisions based on one-member, one-vote principle, and eliminate the top-down approach previously relied upon (Deningier et al., 2011: 95).

The top-down model was based on HIC creating agro-technology strategies which did not work when applied in poorer countries (Gilbert, 2012: 426). The model is not only inefficient, because it requires imposing upon a population sudden cultural shifts which populations are not yet prepared to adopt (such as new food crops and diets) but also not sustainable, because as soon as funding for a certain project ends, the local population is likely to re-enter the food insecurity cycle they previously faced. The burden-sharing model of R&D also benefits rich countries because collaborative research often inspires more innovative ideas and reduces investment costs (Yilmaz et al., 2011: 339). Additionally, collaboration with poorer countries during the development stage of rural development techniques and soil stewardship policies allows HIC to greatly reduce transaction costs, as rural farmers are more likely to adopt methods that complement their own farming practices rather than having to adopt entirely new ones. Finally, this model creates a sustainable food market because it guarantees food security: by working with the local farmers, the new soil stewardship techniques will most likely become part of their farming tradition in the long-term (Gilbert, 2012: 526). Long-term program adoption guarantees high yields, which in turn positively affect markets, as stability is positively correlated with market growth.

1.4 Localized Strategies

Four-fifths of the food needed to feed the world’s population by 2050, estimated to be over 9 billion people, must come from existing land resources through intensification of agricultural production. In 1960 1 ha of cultivated land could only feed two people. By 2050 the same hectare will have to feed five people considering the reduction of land allocated to agriculture (IFDC, 2013). Water will also become scarcer, and climate change impacts will effect biomass primary production, especially in the drylands and perhaps sooner than expected (Pereira et al., 2012: 21). While recognizing the need for mitigation actions to alleviate climate change effects, adaptation would be the final and unavoidable choice as the history of natural evolution has shown. Hence, the most pressing and urgent need for humanity would be to support sustainable land and water management and preserve biodiversity while achieving substantial economic, environmental and social benefits (Seipel, 1999: 416). Sustainable land management (SLM) can increase productivity particularly by improving water use efficiency, optimizing nutrient cycles and their supply for crop production, enhancing vegetation cover, and increasing food security. Healthy soils produce healthy food, support healthy living, and promote a healthy environment (419).

Approaches like EverGreen agriculture as a form of more intensive farming that integrates trees with annual crops to sustain a green cover on the land throughout the year as well as “climate-smart agriculture” that relies on techniques such as mulching, inter-cropping, no-till farming, improved grazing and better water management are proving to be efficient. Indeed, they have been shown to increase income and provide environmental benefits that reduce greenhouse gas emissions and enhance food security (World Bank Institute, 2012). Furthermore, by working with ‘fertilizer trees’ which fix nitrogen in soils, such as the Faidherbia albida, native to Africa, there is no longer the necessity to import seeds from other countries (Gilbert, 2012: 527). This is made possible because the Faidherbia albida eliminates the need to practice crop rotation, such as alternating corn and wheat with legumes (which enrich soil by fixing nitrogen but are labor-intensive and not economically beneficial for farmers with very small plots) (Ibid.).
Trees such as the F. albida fix nitrogen in soil, but also re-fertilize the top layer of soil when the tree’s leaves fall; in the summer its canopy provides shade, reducing evaporation in already dry areas (Ibid.). The Malawian case is an example of HIC R&D development, in situ soil and plant analysis and cooperation with local farmers to help them adopt new strategies while still working within their traditional framework.

It is necessary to understand the importance of localized soil testing to reach higher yields. Soil testing can indicate the type and amount of fertilization needed, thus reducing both costs and the danger of environmental pollution from over-fertilisation. An example of this is in rural communities living next to a large presence of livestock. These communities often add more manure than the crops are able to absorb in terms of nutrients, resulting in excess nitrogen, potassium and phosphorous, leading to water pollution, animal health problems and eutrophication respectively (Hitzheuzen et al., 2013: 294). Lack of scientific knowledge in soil practices is especially harmful in cases where the results are non-reversible, or require costs too high for the community to later be able to sustain. That is why it is so important for HIC countries to work with LIC, to operate a bottom-up form of knowledge-transfer that will ultimately benefit both hemispheres due to the relations between food security and market stability previously mentioned.

There are examples, though, where farmers themselves in rural areas have managed to improve their crop’s productivity without using techniques developed abroad. One such example is Taccouba Sawadogo, a farmer in Burkina Faso. By experimenting with his plot in irrigation techniques, organic fertilizer use and combination of cereal and tree seeds in the same pit, he managed to add 20 ha of green-cover on a previously barren land. The farmer managed to introduce over 60 plant and tree species, making the area one of the largest and most bio-diverse farmer-managed plots in the West African Sahel (Reij, 2005: 132). Taccouba’s case is one often used by the United Nations Convention to Combat Desertification (UNCCD) as a strong example of the power individual farmers hold in assuring food security, and their efforts against continuously decreasing availability of land allocated to agriculture (Ethel, 2012: 41).

While the case is empowering, one must not forget the measures needed to adopt individual success at a macroscopic level to truly combat issues arising from the lack of food. FAO also emphasizes the need to work on three distinct levels: national, regional and global, and the importance of “building upon existing structures and promoting a bottom-up approach based on field-level experiences and developments” (FAO, 2009: 3). This multi-step approach is important because it addresses every aspect of food production under different environmental and social conditions. If one does not take into account the role of culture and tradition, then scientific knowledge will not have much effect because it is highly likely that once funding ends, small-scale farmers will “drop the new green techniques” (Gilbert, 2012: 527).

1.5 Conclusion

Soil stewardship is a fundamental aspect of food security because it ensures sustainable agriculture, higher yields using fewer resources, stable world markets in the trade of foodstuffs. The guarantee of food security also minimizes social unrest due to lack of arable land. Natural resource management policies and institutional frameworks related to food security, rural development, biodiversity conservation, land and water management, climate change adaptation and mitigation and increased energy efficiency have a strong impact on the economic development and environmental quality of every country. These policies require the development and adoption of legislation as well as the elaboration of policies and guidelines addressing country specific conditions.

Further attention should be paid to ways in which agriculture can be enhanced while minimizing its negative outputs (i.e. environmental degradation), especially in the context of climate change, can be minimized. However, considering future developments, and most importantly, population increase, the agricultural sector will continue to play a dominant role in securing healthy and nutritious food for all. This will require that the agriculture development policies and natural resources management advance harmoniously and not at the expense of one another. The recognition that large-scale research, small-scale farming and sustainable practices are inseparable is paramount in guaranteeing food security.

References

An Evaluation of China's Role in the Global Governance of Peacekeeping and Security

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1. INTRODUCTION

Confronted with global economic recession, China still manages to maintain its momentum to stimulate its economy. It was indicated that China has gained 7.7% of GDP growth in 2013 (National Bureau of Statistics of China 2014). IMF reported that the growth occupied 30% of the world economic growth (Qin 2014). Moreover, as World Economic Situation and Prospects 2014 predicted, Chinese economy would maintain a growth of around 7.5% in the next couple of years (UNDESA 2013). As China’s overall national strength enhances, China is assuming more responsibilities to maintain global peace and security. To defend for “China threats” and to enhance China’s international influences, China becomes more willing to take part in global affairs. To enhance its contributions to foreign assistance is one of those strategies. The Chinese White Paper on Foreign Aids issued on 24 April 2011 revealed that from the 1950s to 2009 the volume of China’s provision of foreign aids reached US$38 billion (Government of China 2011). The provision was either given through grants, interest-free loans or concessional loans. According to the white paper, from 2004 to 2009 China’s foreign aids increased by 29.4% per annum. China’s expenditure on foreign aids is increasing. It was predicted that China’s provision of foreign aids in the following five years would exceed that of several global major donors, including France, Germany and Britain (Shimomura & Ohashi 2013, pp.50). Recent years also witness China’s emerging role in dealing with nuclear weapons issues, especially in the Six Party talks. China plays a limited role in the global governance of peacekeeping and security.

2. GLOBAL GOVERNANCE

2.1 Definition

Global governance refers to the aggregation of “institutions” and “processes” that helps to manage and address global issues (Wang & Rosenau 2009, pp. 5). From the perspectives of international institutions, global governance refers to the joint actions of nation-states, international organizations and individuals to achieve common goals and to cope with global challenges. The challenges include the traditional threats for security, such as military conflicts, and modern ones, such as global warming, financial tsunami and narcoterrorism. On the contrary, academics prioritize the importance of the majority of actors and 4 aspects (“rules”, “norms”, “institutions” and “practices”) (Chan et al. 2012, pp. 11-12). Academics consider that without the influence of a global government, actors’ willingness has a dominant role in addressing global issues.

2.2 Sovereignty

Globalization intensifies the influences of global challenges and evokes the pressing needs for collective efforts of state and non-state actors. Against the backdrop of globalization, the notion of sovereignty also witnesses changes. Owing to the rising occurrence of crimes against humanity, the international community recognizes the needs for redefining sovereignty. Since the notion of “the responsibility to protect” was established by United Nations, sovereignty bears dual implications, the state obligation to protect its populace and the international obligation to provide aids or to intervene if states fail to fulfill the former implication.

3. CHINESE PERSPECTIVES ON GLOBAL GOVERNANCE

3.1 Definition

Academics and experts consider that China’s concept of global governance places emphasis on a multiplicity of actors, nation-states and non-state actors; peaceful diplomatic means, such as “dialogues”, “consolations” and “cooperation”; the willingness to achieve common goals; and the actions that are in accordance with international norms and practices (Chan et al. 2012, pp. 26).

3.2 The Role of Nation-State

Starting from the Deng Xiaoping presidency, China has been behaving discreetly when dealing with international affairs. China maintains that developing countries, including China, gain no fairness and benefits from the international system shaped by the Western countries, especially U.S. Sticking with the state-centric view, China restrains the domestic NGOs from touching upon international affairs or contributing to global governance (Wang & Rosenau 2009, pp.14).

3.3 National Sovereignty

Regardless of the globalization tide, China remains committed to the Westphalia concept of sovereignty. China, being afraid of foreign intervention in issues of Tibet, Xinjiang, Taiwan and water territorial disputes, is suspicious of the redefinition of sovereignty and is thus reluctant to accept the notion of “the responsibility to protect”. China places priority on sovereignty equality over humanitarianism and adheres to the non-intervention practice in China’s diplomacy.

3.4 Harmonious World

China believes that respects for sovereignty and for self-governance are the indispensable components in shaping a harmonious world (Wang & Rosenau 2009, pp.20)(Chan et al. 2012, pp. 36-9). The belief is aimed to forge a force to counterweigh the institutions and values promulgated by the Western world. China strives to maintain the primacy of United Nations in governing international affairs to withstand the impacts of the existing international order.

4. THE EVALUATION OF CHINA’S ROLE IN THE GLOBAL GOVERNANCE OF PEACEKEEPING AND SECURITY

4.1 Contributions to UN Regular Budgets and UNPKO

To gain a bigger say in the international arena, China in recent years witnesses the rise of its contributions to UN regular budgets. For 2013, China contributed 5.128% of the total budget, an increase from 3.189% in 2010 (United Nations Secretariat 2012). For the UN peacemaking operation (UNPKO), China in 2013 took up 6.64% of the gross contribution, ranking sixth among contributors (UNPKO 2013). China also contributes personnel to peacekeeping operation. As of November 11, 2013, China has dispatched 1938 police, UN experts and troops to peace operations, topping among the five permanent members (PS) (UNPKO 2013a).

However, for UN regular budgets, China’s contribution is still behind three Security Council permanent members, UK, France and US. China’s share is still less than that in 1974 which reached 5.50% (Chan et al. 2012, pp. 42). In terms of its contributions to UNPKO, China is still behind France, Germany, UK, Japan and US. Although China leads in PS in contributing personnel to UNPKO, China only ranked 17 among all contributors, far behind Pakistan and India (UNPKO 2013a) (UNPKO 2013b). No matter for financial and personnel aids, China has been playing a limited role in peacekeeping undertakings.

4.2 The Non-Intervention Principle

The non-intervention principle further deteriorates China’s efforts in maintaining international peace. US-led developed countries value democracy, liberty, accountability and human rights. To counter those global norms, China upholds the importance of sovereignty and emphasizes that China’s development is
China is reluctant to get involved in intervention in internal affairs. For instance, in Darfur conflicts, China, as Sudan's top investor and trading partner, did not prevent the Sudan government from conducting atrocity towards Sudan civilians (Coile 2007). China adhered to non-interference policy, and ignored the genocide and the human rights catastrophe in Sudan. China also breached the UN embargo sanctions and delivered weapons to Sudan (NY Times 2007) (Asia News 2008). Moreover, since the outbreak of the Syria civil war in 2001, China vetoed repeatedly UN resolutions to sanction Syrian government for slaughtering its civilians. In August 2013, China again employed its veto power to an UN resolution on Syria, after Syrian government was accused of gassing its civilians.

4.3 Foreign Assistance

As for China’s contribution to foreign assistance, the non-interference principle cannot ensure the legitimate utilization of the assistance. The provision is always tightly grasped by the political leaders and bureaucracy in non-liberal countries, abetting the authoritarianism. The subsequent autocracy and tyranny further aggravate the local human rights conditions and suppress the civil rights. Under China’s politically-conditional aid, life equality of local people deteriorates or maintains unchanged. Public discontent towards rulers and regimes gives rise to societal upheavals. Social stability and peace cannot be guaranteed. China’s role in global governance of peacekeeping and security is invalid.

According to the Chinese White Paper on Foreign Aids, China, up to the end of 2009, provided foreign aids to 161 countries and 30 international and regional organizations (Government of China 2011). Among them, Africa occupied 45.7% of the whole distribution, ranking first on the list (Government of China 2011). China’s provision to Africa continues to grow. From 2000 to 2011, the amount of China’s provision of aids to African countries reached US$75 billion (Provest & Rich 2013). The assistance program covered the scopes of hygiene, infrastructure construction and debt exemption. South Africa occupied the largest stake of the assistance program. However, corruption maintains rampant in South Africa. The occurrence of corruptions involving presidents and senior officials prevails (Smith 2013). Unemployment rate remains high. The rate jumped to 25.2% in the first quarter of 2013, ranking first in the world (African Economic Outlook 2013) (STANLIB 2013). The occurrence of societal disturbance is common. Civilians always appeal to government corruption, poor civil service and infrastructure demoliotion.

5. CONCLUSION

As China’s economic strength enhances, concerns about nuclear weapons issues, China does not devote itself to the governance of nuclear weapons and proliferation. For instance, the doctrine of no-first-use of nuclear weapons proposed by China in 1994 gains almost no results. In April 2013, China cancelled the doctrine in Chinese White Paper on Defense where China’s assurance of no-first use nuclear weapons has enshrined for almost 50 years. Moreover, China’s participation in non-proliferation regimes is often undermined by changes in Sino-US relation and China’s adherence of sovereignty. For example, China always ceases or delays to join non-proliferation regimes as a means to counter US weapons sale to Taiwan.

China’s relations with Pakistan and Iran on issues of nuclear facilities and weapons stirs concern in the international society. China was once accused of helping Pakistan to design nuclear weapons and of offering technical nuclear information (National Security Archive 2013). China was also suspected of helping Iran in developing uranium program.

Facing with North Korean nuclear weapons crisis, China does not have the leverage to resume the Six Party Talks and fails to call for collective actions to deal with the problem. China’s ‘shuttle diplomacy’ between US and North Korea fails to bring any hope for the resumption of the Talks. By 2013, North Korea has already conducted three times of nuclear tests. Although China emphasizes the necessity of implementing the 9/19 Joint Statement, there is no progress from US-North Korea negotiation. The two parties argue over the implementation order of obligations. US insists on the primary implementation of North Korea’s denuclearization, followed by energy assistance. North Korea, however, emphasizes the synchronous implementation of both obligations. Although China has been working as an intermediate in US-North Korea relation, China is still unable to employ its influences to pressurize the two parties to fulfill their due obligations. China also fails to integrate powers and influences from the other four countries of the Talks to narrow down the divergence between US and North Korea. The inability makes China a paper tiger in the Talks and in governing nuclear weapons issues.


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Session II: Conflicts: particular examples and ways of solution
The Politics of Compassion:  
Introducing a Humanitarian Imperative into the Distribution of Relief Aid in Conflict Zones  
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1. INTRODUCTION

The new aid paradigm in which contemporary humanitarian actors operate can be characterised, in part, by its tendency to promote "relief over rescue", and to thus prioritise the distribution of emergency aid over that of developmental assistance. This inclination has been criticised for its capacity to prolong scenarios of suffering and conflict, by acting both as a source of funds for belligerent forces, as well as a form of political cover, diminishing the need for appropriate political intervention. Yet so far little analysis has been made of the logical end-point of such arguments, where no humanitarian engagement is preferable to that which may cause harm. This article thus considers the moral and logical fallacies surrounding such a "do no harm" approach to the distribution of aid in conflict zones. In so doing, it first examines the context of the new paradigm in which such a distribution takes place, before investigating the key arguments present in contemporary academic literature surrounding the consequences of this context. Following from this however, the article considers how the adoption of a ‘humanitarian imperative’ into the distribution of relief aid may provide a compromise option between the need to provide humanitarian assistance, rather than long-term development aid, with its accompanying political connotations (Duffield 1997: 539-540). The provision of developmental assistance, with objectives of long-term improvement in the economic, social, and political well-being of communities has thus stagnated. Conversely, the provision of emergency relief, which aims to alleviate life-threatening suffering of individuals and groups, has increased dramatically since the end of the Cold War (Brauman 1995: 10). The contemporary context in which aid is now delivered is thus characterised by an unwillingness to engage politically with the area or peoples receiving said aid.

Explanations as to why this change has occurred focus on the view that the work of humanitarian organisations, rather than being rooted in the independence and humanitarianism they so espouse, is in fact far from altruistic (Schloms 2003: 46). In fact, it identifies a deeper relationship between the ostensibly humanitarian distribution of aid and the actions, structure, and desires of the international community. In this capacity, aid can have the secondary (or even primary) function of acting as ‘political camouflage’, diminishing the need for state-based interventions. Related to this, aid may furthermore act as a proponent of a developed world-driven strategy of containment (Duffield 1997: 530-531). The distribution of relief aid in the new paradigm can, and is, considered a deeply political act. In this way, critics of the new aid paradigm have hence claimed that the main function of such humanitarian actors is in fact not aimed at improving the humanitarian condition of those in need (Feldman 2009: 24). Rather, it fulfils a “prophylactic function” (Belloni 2007: 463); and is part of a control strategy designed to avert the transmission of conflict and chaos from the peripheral world to the developed.

2. THE ‘NEW AID PARADIGM’

The recent period of the post-Cold War era has been characterised by what has been referred to as the ‘new aid paradigm’. Chief amongst the features of this new ideology of aid – and an important point of interest for the purposes of this essay – is an international inclination for “relief over rescue” (Belloni 2007: 462). That is, the institutional preference for providing ostensibly apolitical and immediate relief assistance, rather than long-term development aid, with its accompanying political connotations (Duffield 1997: 539-540). The provision of developmental assistance, with objectives of long-term improvement in the economic, social, and political well-being of communities has thus stagnated. Conversely, the provision of emergency relief, which aims to alleviate life-threatening suffering of individuals and groups, has increased dramatically since the end of the Cold War (Brauman 1995: 10). The contemporary context in which aid is now delivered is thus characterised by an unwillingness to engage politically with the area or peoples receiving said aid.

The suggested changes in the nature of conflict, particularly economic changes (see Kaldor 2007: 72-94), have been instrumental in increasing the visibility, and thus the stakes, of aid in conflict zones. Such relief aid has, over the course of the past decade, been accused of directly contributing to the creation and maintenance of conflict in the post-Cold War era, with criticisms blaming aid for sustaining the political economy of several modern conflicts through its misappropriation by belligerents (Spearin 2001: 24). In contrast to this, many of the major contemporary suppliers of relief aid do not acknowledge or consider the political and economic impacts of the aid which they are responsible for distributing (Boyce 2002: 1032). In fact, many groups, such as the International Committee of the Red Cross (ICRC) and the World Bank, have mandates or charters expressly forbidding the consideration of political influence in the provision of their aid (Belloni 2007: 452). Yet aid undeniably has political impacts, so much so as to become almost an adage within the academic community, with one commentator remarking: “saying that humanitarian action is political is like saying orange is a colour” (Leader 2000: 15). Despite claiming to be apolitical (Schloms 2003: 47), the work of humanitarian agencies can thus not be isolated from the environment in which it occurs (Shearer 2000: 190). In this sense, aid does not flow to ‘countries’ in the abstract, but rather to specific groups and individuals within countries, hence affecting balances of power therein (Boyce 2002: 1032).

Although destined for those in need, aid can thus flow to belligerents, financing and supporting their campaigns (Abiew 2003: 27). Hence in the conflicts surrounding the former Yugoslavia, Serbian military forces in Bosnia were able to acquire roughly 30% of the aid destined for Sarajevo (Jean 1996: 568-569). Problems arise, however, when attempts are made to generalise from such observations. Much of the evidence for the claim that relief aid funds conflict relies on evidence gathered from anecdotes from the horn of Africa, or unique contexts such as that of the former Yugoslavia, which are then ‘universalised’ into a theorem (Shearer 2000: 190). Aid, in reality, is only one part of a wider framework of actors and activities, and the causal mechanisms between it and conflict, rather than being inherent and strong, are virtually non-existent (Duffield 1998: 14). Furthermore, conflicts in which aid has ostensibly played a role have in fact continued without a discernable change in the level of intensity, despite the significant waxing and waning of humanitarian efforts within them. The absence or presence of aid can therefore be said to have a negligible impact on the intensity of a conflict (Shearer 2000: 196).

It is from precisely this position however, from which critics of relief aid make their main arguments. It is such an absence of direct impact that has been said to be the chief cause of aid’s prolonging effect on conflict (Feldman 2009: 30). Arguments of this nature focus on the premise that the suppliers of such relief efforts are not as independent from the affairs of international political manoeuvre as they claim. Terry (1998: 189) demonstrates the implications of this, identifying the capacity of relief aid to act as political “camouflage”, shielding the indifference of political actors to the causes of crises which prompt humanitarian action. Conflicts fundamentally require political solutions, yet political actors (namely states), are often unwilling to become involved unless their own interests are at stake. The concerns of their domestic audiences, however, can require political actors to be seen to be doing something, which the provision of aid (either directly through government bodies, or indirectly through the funding of nongovernmental humanitarian organisations) allows for (Kennedy 2004: 338). The actions of relief agencies can thus act as a substitute for appropriate political engagement (Lischer 2007: 100). Humanitarianism hence becomes “the means to temper public conscience” (Belloni 2007: 456). Such was the case with the Rwandan genocide, where the initial response of the French government was to provide funds for two aid agencies, rather than get involved politically (Terry 1998: 139). The distribution of relief aid, through this capacity to delay or forestall a political response, can thus prolong conflict and hinder the establishment of peace.

Specifically in terms of its distribution in the context of a warzone, relief aid is in this capacity preoccupied with preventing conflicts from escalating, and limiting their international impact, rather than
resolving them politically. Critics to the changed occupation of refugee-centred aid as an example of this. In contrast to past practice, such aid is now focused on supporting displaced persons within conflict zones, bringing safety to the people and not vice versa (Ogata 2005: 90). This is reflective of the overall reluctance of the developed world to bear domestically the costs, both social and economic, of foreign conflicts (Boyce 2002: 1036).

The constraints of the new paradigm thus places the distributors of humanitarian aid in the position of an international “fire brigade” (Ogata 2005: 317). Their focus on relief efforts hence invariably results in an approach aimed at alleviating the immediate symptoms of a conflict, not its root causes (Barnett 2013: 382). Such an eventuality is inevitable, once this method of preventing the escalation of conflict through the sedating of political crises is adopted. The distribution of aid can thus be seen as counter-productive to peace, as a focus on treating the results of conflict, not conflict itself, creates a context in which the activities of humanitarian aid cannot halt the continuation of conflict or unnecessary suffering, only reduce its magnitude (Bradol 2004: 6).

The suppliers of such aid, contrary to their assumed position as a fire brigade, are thus “not always like water”, able to “extinguish” a conflict (Boyce 2002: 1025). Rather, through delaying political intervention, they function as oil, prolonging a conflict.

4. INTRODUCING A ‘HUMANITARIAN IMPERATIVE’

It is, however, important to examine the implications of reaching this conclusion. Contrary to Schloms’ (2003: 40) aforementioned concept of a shift to development-centred assistance in order for relief aid to “do no harm”, the current paradigm creates a situation in which such humanitarian action indirectly does cause such harm, through delaying effective political engagement (Barnett 2013: 386).

A finding like this, however, may risk the suggestion of a logical ‘end-point’ where no engagement by humanitarianism is preferable to that which may cause harm. Such an utimatum-focused view, however, is subject to a moral and logical fallacy. That is, demonstrating that the consequences of relief aid do harm is not the same as demonstrating that the absence of such aid would not do harm itself (Anderson 1998: 138). As such, it is appropriate to question the implication of the question on the effect of the distribution of aid may have in either assisting or hindering peace. Fundamental concerns thus exist over whether the principles of humanitarian action are even compatible with the objectives of peacebuilding (Schloms 2003: 41). The aims of humanitarian aid even within the new aid paradigm, such as providing emergency assistance to ensure the survival of individuals and communities, should – as maintained by the suppliers of such assistance themselves – be separated from political concerns, so as not to create a context in which those in need do not receive support due to their political context (Abiew 2003: 27).

Humanitarian compassion, therefore, should not itself be seen as a means to an end. Rather, it should exist as an end in itself (Vaux 2001: 45).

The fundamental apolitical nature of relief aid that its distributors so espouse can therefore exist independently from its role in international political machinations (Feldman 2009: 25-26). Commitment to a “humanitarian imperative” over political concerns or agendas can thus trump debate on the consequences of conflict. Suppliers of humanitarian aid should, however, be aware of the effect that they may have upon peace processes, specifically that of prolonging conflict through delaying true political engagement and intervention. Such knowledge may improve the transparency and accountability of the motives of the humanitarian sector as a whole (Boyce 2002: 1043). Furthermore, an awareness of the role they play in perpetuating a politically-driven strategy of containment originating in the developed world may make these important actors more resilient to this political influence, and partially avert their negative impact on peace (Belloni 2007: 468-469). Such an area of research therefore remains a valid occupation. Its findings, however, should not influence the fundamental humanitarian objectives of relief aid. A commitment to a humanitarian imperative can thus serve to strike a balance between the apparently conflicting necessities of both providing for those in dire need of humanitarian assistance, as well as protecting them from further conflict. In so presenting a compromise option between the various dilemmas facing both the recipients of relief aid in conflict zones as well its providers in the international community, such an imperative could ensure that humanitarianism continues to play a key role in global compassion, whilst acknowledging, and thus creating the opportunity to avoid, the potential negative impact of relief aid.

5. CONCLUSION

The so-called new aid paradigm in which contemporary humanitarian actors operate has been characterised, in part, by its tendency to promote ‘relief over rescue’, and to thus prioritise the distribution of emergency aid over that of developmental assistance. As this article has investigated, such an inclination has been criticised for its capacity to prolong scenarios of conflict, by acting both as a source of funds for belligerent forces, as well as a form of political camouflage, leading to a neglecting of appropriate political action or intervention. The conclusions of such arguments has not however received much attention. This article has thus examined the moral and logical fallacies surrounding a “do no harm” approach to the distribution of aid in conflict zones, an inevitable result of inquiries into the negative impacts of relief aid in war. In order to do so, it first looked at the context of the new paradigm in which such a distribution takes place, before investigating the key arguments present in contemporary academic literature surrounding the consequences of this context. Following from this however, an analysis was undertaken into just how the adoption of a ‘humanitarian imperative’ into the distribution of relief aid may provide a compromise option between the need to provide humanitarian assistance to those in need, whilst also acknowledging the often negative impact of this assistance. Commitment to such a humanitarian norm may lead finally to the understanding that compassion, and not the politics surrounding its implementation, should be a defining aim in itself.

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Global Surveillance in the Digital Age: 
An Arena of Political Conflict

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1. Introduction

Global surveillance has been a topic of debate over the past few years following document leakage by ‘whistleblower’, Edward Snowden, who released sensitive information from the National Security Agency (NSA). The documentation provided evidence of the global surveillance activities of some of the power nations, particularly the United States and the United Kingdom. The evidence has suggested that global surveillance is conducted in a way that is arguably immoral and unethical. However, nations have come forward with statements of justification as to why they participate in these activities, arguing their necessity. For the purposes of this paper we look at global surveillance from a world politics and international relations perspective, focusing predominantly on motives and impacts of the state. Based on theories of world politics and journal articles this report aims to firstly examine the key motives behind why nations participate in activities of global surveillance. The two main motives which are discussed include national security and political power. The current impacts as a result of these activities are also explored, focusing on topics of debate such as impacts on human rights and privacy and international conflict and tension. As a result, the research conducted shows that there is a need for conflict resolution where a framework of governance and regulation needs to be developed in a cooperative manner by all sovereign states involved.

2. Background

Global surveillance is a topic of current debate in the arena of world politics, which has come to fruition due to the rapid development of the internet. Following NSA data leakage on the 5th of June, 2013, by ‘whistleblower’, Edward Snowden, the extent of global surveillance operations undertaken by nations has been brought into public awareness. The documents released gave evidence of data collection systems capable of acquiring extensive amounts of personal data at a level never before seen. The systems involve the use of technology and the internet to mine vast amounts of data which can be monitored, collated, stored and later retrieved to form meaningful information for use by the state. With the NSA documents leaked it provided evidence of the US, and some of its allied nations, mining data across borders from different countries as well as partaking in targeted surveillance on state leaders and other individuals in positions of authority and power (Ball, 2013). There were many surveillance systems released within the documentation however there is some debate and confusion surrounding their true scope and magnitude, which has in turn sparked debate over national security versus privacy issues. In one of the articles published by The Guardian it stated that documentation detailed that the NSA has had access to “both stored communications as well as real-time collection of raw data for the last six years” (Hopkins, 2013). Furthermore, these data collections were executed without the knowledge of users who still believed their exchanges remained private. On the 6th of June there were releases of a surveillance system known as PRISM which detailed the claim of the NSA having direct access to the servers of large internet giants such as Google, Facebook and Apple, among others. The system enables access to an individual’s “search history, the content of emails, file transfers and live chats” (Greenwald & MacAskill, 2013). XKeyscore is another system discovered that has the capabilities of obtaining a wide reaching amount of intelligence data from the internet, claiming that the program can report on “nearly everything a typical user does on the internet” (Greenwald, 2013). As the various surveillance operations were exposed all nations became knowledgeable on what was being carried out. This has since resulted in many impacts and conflicts on...
international relations and begun ongoing debates on how the operations of global surveillance should be deployed in the future.

3. Global surveillance motives

A nation’s participation in global surveillance is driven by motives. The changing environment and capabilities of technology have enabled its utilization to be considered as a weapon in some forms (Baylis, et al. 2011). Therefore, although it may be too far to consider it an act of war, the motives behind its use can be likened to the same generic drivers. Richard N. Lebow identifies “…fear, interest, standing and revenge” as four generic motives that have led nations to initiate war (2010). From these basic motivations, when put into the context of international relations, we have identified national security and political power to be the two leading motives behind why nations participate in acts of global surveillance. These motives are further explained with the application of theories of world politics.

3.1. National security

National security refers to the protection of both the interests of the state, as well as its citizens. Barry Buzan (as cited in Baylis et al., 2011) defines that “In the case of security, the discussion is about the pursuit of freedom from threat.” Global surveillance gives nations the ability to use technology to detect and monitor possible threats, and thereby provide them with the opportunity to eliminate the threat before it occurs. To further understand the drive for national security through global surveillance, theories of world politics can be applied. The theory which best enlightens the actions of global surveillance and the use of technology is that of realism. Within the theory of realism are nations encouraged to make appropriate and necessary decisions in order to preserve the state when faced with a hostile and threatening environment. This assumption can be applied to the environment of technology whereby it is regarded as an area of immense development and an arena of opportunity and uncertainty. As with any great levels of opportunity there are also the same levels for potential threats. Therefore, with this knowledge it is expected that nations feel that the capabilities and possible actions within cyberspace pose as a threat of concern. This concern is then further amplified due to the fact that cyberspace still remains an extremely volatile and uncontrolled environment. As a result, nations have been operating global surveillance systems and pushing the boundaries of whether their actions are justified, by claiming interests of security. These behaviours can be aligned with three key elements of realism as outlined by Baylis et. al which include: isivism, survival and self-help (2011). Statism refers to a state representing the needs and wants of its people with sovereignty (Baylis et. al.). The point at which statism becomes relevant to the arena of cyberspace is when states begin to represent and make decisions externally. Within the international domain there is no central or governing authority which sits above the sovereign states in the realm of defense. This means that there is an absence of order and limitation, and a means by which nations should be conducting and implementing security measures. Therefore, because the capabilities of technology and the internet allow them to do so, sovereign states have taken the decision that there is a need to ‘spy on’ and monitor the actions of their enemies as well as their allies to maintain national security. The second element is that of survival, and the notion that it is the end goal and paramount above all else (Baylis et al.). Survival became a key element especially after the terrorist attacks of 9/11. This event has driven a lot of motive and justification for the lengths all nations deem necessary to go to for the fulfillment of national security (House of Lords, 2009). The final element as part of the realism theory is self-help. Within the theory it is suggested that no sacrifice of a state’s own self-interest should be made in order to adhere to the notion of ethical conduct (Baylis et. al.). Consequently, although there is much debate over the morality of conducting global surveillance, nations will still deem it necessary in order to increase defenses and reduce insecurities. These three elements go further to support what is termed as a dual moral standard, whereby there is a separate moral standard for individual citizens versus a moral standard for the state when participating in external relations (Baylis et al. 2011). This notion requires there to be an understanding by citizens that with the changing times, and in certain situations, a state may need to take action that in most cases can be perceived as unethical. As part of a surveillance report released by the House of Lords (2009) in the UK, Vernon Croaker MP stated that “different times require the appropriate response to that particular time … Times change, technology changes… An important point is to say this: society should respond in the appropriate way to the threat that it faces at that particular time, always having regard to the need to balance national security with human rights, and the judgment of where that line should be drawn will vary from one age to the next.”

3.2. Political power

Political power is an ongoing struggle between nations, and with the use of technology and global surveillance another opportunity is provided for nations to attempt to maximize their national interest (Baylis et. al., 2011). Political power consists of controlling the behaviours of others at both a domestic and international level (Morgenthau, 2005). For the purposes of this paper, we will focus on international political power that exists amongst the sovereign states. As political power is something constantly sought after by nations, it poses as a strong motive when it comes to the extent of global surveillance operations that a sovereign state chooses to participate in. Through their operations nations are able to obtain, analyse and monitor data and information which results in the acquisition of great lengths of knowledge of matters of interest. Furthermore, as part of the capabilities of global surveillance, states now have the ability to search vast quantities of personal data which can be targeted towards individuals of other states who hold authoritative positions, and therefore who exchange sensitive information leaving it open to be marshaled by global surveillance systems. This form of surveillance was exposed during the 2009 G20 summit meetings in London where delegations of foreign nations were monitored in order to gain advantage in the matters discussed in meetings (MacAskill et al., 2013). The motives of political power can be further explained once again through theories of world politics. One of the notions presented by Morgenthau is that “political power is a psychological relation between those who exercise it and those over whom it is exercised.” The psychological concept of this notion can be a result of the beliefs of an expectation of benefits and/or the fear of disadvantages (Morgenthau). Within the domain of global surveillance there is a common belief that a nation participates in global surveillance they will gain benefits from choosing to partake. However the latter belief of the fear of disadvantage holds as a stronger motive. If a sovereign state feels that their enemies, as well as their allies, are retrieving and monitoring data that can enable them to better govern their state and promote their interests the assumption is that they will feel the need to also participate. In the political arena, especially in today’s globalized environment, when taking part in negotiations and making decisions externally, nations prefer to do so whilst maintaining a level playing field. In the event of inequalities between nations, the situation will include one nation possessing more leverage and bargaining power than the other resulting in an unfair distribution of benefits and limitations. The theory of realism goes further to support the struggle for political power through the notion of the balance of power. The balance of power is commonly referred to as a mechanism which maintains order in the system of world politics (Baylis et. al., 2011). The mechanism illustrates that sovereign states will behave and act in ways that will prevent domination by any one state (Baylis et al.). Thus, as long as one nation continues to operate global surveillance systems all other nations will be motivated to follow suit to ensure that a large gap of political power does not form.

4. Current impacts

Nations resorting to the use of global surveillance systems for their various reasons has led to certain impacts on societies and the political arena. The emergence of the NSA’s morally conflicting information has caused a large impact on individuals and societies when they consider how nations are operating their global surveillance systems. In this paper there will be two effects covered, the first being the impact on human rights and privacy. Within this area there are multiple changes that have occurred over time, mainly due to technological advancements, which has resulted in certain human rights and privacy issues arising. The other impact covered in this paper is international conflict and tension. These conflicts occur mainly due to certain differences between nations. These impacts are further explained with the application of theories of world politics.

4.1. Human rights and privacy

The impacts that global surveillance systems have had on human rights and privacy have been ex-
tensively discussed in the past few years. The main theme to come out of these discussions is that in the arena of human rights and privacy, when it comes to global surveillance, there is a need for updated regulation and guidelines for the technological era we are living in today (Taylor, 2014). This theme comes as a result of four components which have been identified to rationalize on the impacts on human rights and privacy. The four components include data traffic volumes, technological advancements, human fear of social control and resistance.

The volumes of data traffic that move through the networks of the internet have increased exponentially over the last decade. This comes as a result of individuals and businesses integrating intimately with technology. An individual’s personal information is now online with online banking, online shopping sites, social media accounts and many other types of online transactions and data depositories. Furthermore, not only has data volumes changed, but the frequency of flows, including both commercial and government related data, across national borders has also drastically increased (Lyon & Zureik, 1996). Therefore technology is seeing individuals beginning to maintain online usage patterns and behaviours which are becoming easier to data mine and convert into meaningful information. With the use of global surveillance systems data and information can be picked up from many different channels and collated together to form a complete depiction of an individual or organisation. This type of capability is one of the main concerns when it comes to privacy and it raises the question whether or not it is acceptable for a state to do so if it is not for a targeted purpose.

Technological advancements have also contributed to how global surveillance systems operate in regards to their capabilities. As described by Lyon and Zureik, “…new technologies facilitate some major magnification of surveillance power…” (1996). Some of these technology enablers include the networking of databases and so-called information superhighways. As parts of the NSA documents were leaked, certain global surveillance systems were exposed which demonstrated capabilities that can infringe on an individual’s privacy tremendously. The global surveillance system Prism was one that could collect an individual’s email content, search history and file transfers (Greenwald & MacAskill, 2013). XKeyscope was described by NSA documentation as being the most “widest reaching” system which could search through databases to obtain an individual’s emails, online chats and browsing histories without any prior authorization (Greenwald, 2013). These types of system capabilities are what really stirred the discussions on the privacy of citizens because they were unaware of its activities. As a result they did not consider that new regulation needed to be adopted to protect and ensure the privacy and human rights of individuals remain intact.

The element of social control stems from the fear of the individual, and causes the individual to need to be knowledgeable on what is occurring for peace of mind (Lyon & Zureik, 1996). Lyon and Zureik put forward that individuals want to “know which technologies are deployed for what purposes and with what results”. Essentially, individuals want to have control over what information about themselves is known to others and what information is open to surveillance (Humphreys, 2011). As outlined by Gandy (cited in Humphreys, 2011), it leads people to believe that if their information is being used or sought after without their knowledge or consent there is the possibility that it is being used for discriminatory purposes. In the case of global surveillance systems, NSA documents that were leaked indicated that personal information was collected and stored in a ‘blanket fashion’ rather than a justified targeted one (Taylor, 2014). This form of operational strategy can be considered to impose on the rights of human individuals, especially when the data collected is of individuals from another nation. At the end of the day, citizens of a nation want transparency from their sovereign and in a democratic state of affairs they should ultimately receive it.

The final element identified is that of the resistance people have towards the operations of global surveillance systems. Resistance to surveillance stems from varying sources, which can include consumer groups, computer professionals, civil rights activists or other individuals (Lyon, 2004). The most famous individual resisting global surveillance is of course Edward Snowden, the former employee of Booz Allen Hamilton, contracted by the NSA. With the element of resistance still at large it fuels the debates around the morality of surveillance and whether it infringes on privacy and human rights. Therefore, it can be said that those who resist global surveillance do not accept that the relationship between security and privacy is balanced appropriately. Without a standard that defines what situations may constitute the need to operate certain global surveillance systems there will continuously be resistance because there is the impression that it is operated in unjust conducts.

4.2. International conflict and tension

The emergence of the extent of the operations of certain global surveillance systems has sparked much debate and conflict between nations. The main debate involves the balance between privacy versus national security (Margolis, 2013). Sparking this debate are certain areas of conflict which already occur between certain nations. The main areas of conflict, for the purposes of this paper have been identified as the difference between nations’ standard of moral conduct, the difference in the types of principles and strategies a nation adopts in their external dealings and finally the varying technological capabilities from one nation to the next.

A nation’s standards of moral conduct are influenced primarily internally in their domestic surroundings. It is preconditioned in line with an individual’s opinions, views, culture, religion and attitudes (Iliev, 2013). Therefore, because each nation holds differing moral standards, the situations they experience as a result of global surveillance operations are also perceived differently, resulting in conflict. Baylis et al goes further to explain that international ethics involves a further distinction between “insiders and outsiders, applying different standards accordingly” (2011). It is often questioned whether it is right to make such a distinction, and as a result of this uncertainty not all nations apply these distinctions at the same levels. CONSEQUENTIAL ethics is a moral theory that best aligns with the situation being experienced by nations in the realm of global surveillance and cyberspace. It argues that ethical and moral standards being applied to decisions of global surveillance are being made with the desirability of the outcome in mind, rather than taking into consideration human duty and obligation (Baylis et al.). The theory of pluralism goes further to describe that with the variety of national cultures there is no one set of ethics that can be applied universally, and thus clarifies the source of conflict that exists (Baylis et al.).

Moving beyond ethics, nations make decisions on how to conduct their global surveillance activities based on strategy and the end goals they have in place. Conflict arises between nations when others do not approve of certain strategies that have been adopted by a sovereign state, especially when it is at the expense of others. Strategies of surveillance and collecting data from people across the world, and particularly those in authoritative and powerful positions, have caused conflict of duties and personal freedoms among nations (Ball, 2013). Furthermore, it has caused sovereign states to question the intentions of their fellow states bringing about the notion of a security dilemma (Baylis et al.). The security dilemma depicts the insecurity nations have of not knowing whether global surveillance systems are used for defensive purposes only, or whether they are in place for offensive purposes (Baylis et al.). Evidence on global surveillance already suggests that countries have in fact used their surveillance systems for offensive purposes. This is supported by leaked NSA documentation, described by The Guardian, on how the calls of 35 world leaders were monitored as a targeted strategy (Ball, 2013). If this is indeed the case, nations are now subject to factual conflict, as described by Ramsbotham et al. as a battle over “competing interests or power struggles of political or criminal factions” (2011).

The final conflict identified is the varying technological capabilities across nations when it comes to global surveillance systems. Ventre explains that not all countries can “develop both defensive and offensive capabilities, with equivalent means” when it comes to cyberspace (2012). When the question was put to various nations, most states stressed the dependence required on a society built on technology in order to be able to operate in the cyberspace arena, and thus develop effective global surveillance systems and defenses against them (Ventre, 2012). Unfortunately, some countries have a more sophisticated technological framework than others which puts some at an advantage whilst placing others at a disadvantage. Therefore, the conflict arises in the lack
of an equal accessibility to technological skills and resources, which determines whether a sovereign state can deploy and operate surveillance systems as well as defenses against cyber-attacks.

5. Conflict resolution

From the research conducted as part of this paper in the areas of motives and impacts of global surveillance, there is a realization for conflict resolution to take place among all sovereign states. The outcome desired from undertaking conflict resolutions should be to develop regulations and a governance framework around the operations of global surveillance, as well as other conflicting areas of cyberspace. It should also be kept in mind that due to the characteristics of the cyberspace environment, resolutions involving technological matters need to be built on a basis of global partnership in order for peaceful resolution to be constructed (Ramsbotham et al., 2011). The current state of the global surveillance conflict can be examined through the stages of the hourglass model of conflict, along with the conflict resolution techniques for each stage (Ramsbotham et al., 2011).

If these aspects are taken into consideration during conflict resolution it is likely that the conflict will be resolved as it is the organizations who deal in personal information repositories and traffic that know the best possible solutions.

6. Conclusion

Within the space of global surveillance operations and systems there is no doubt that there is a need for governance and regulation to be developed in order for the conduct of sincere activities. It is important however to understand that the motives behind why nations choose to operate global surveillance systems in order to appropriately assess its impacts and draw accurate conclusions on the next steps to be taken. The motives of national security and political power demonstrate that the political arena is complex, and within it there are many differing views and cultures which all play a part in the impacts surveillance systems have on society and other sovereign states. The current impacts on the state of affairs within the surveillance domain is bearing witness to many debates surrounding human rights and privacy as well as other international conflicts resulting in high tensions. However despite tensions these debates need to be brought forward into negotiations amongst sovereign states in order to move the globe forward with the technological times and keep up with developments. Conflict resolutions in the area of technology will continue to require a level of cooperation between states in order to reach problem solving solutions. With the beginning of endeavoring to develop regulations surrounding global surveillance, it will begin to pave the way for future regulations on other matters within cyberspace.

References

Natural Resources and Violent Conflicts in Africa: Some Policy Proposals to Dealing with Resource-related Conflicts

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Introduction

The origins of many intra-state conflicts in the developing world, especially Africa, have been linked to natural resources interests, involving either domestic groups with vested interests, or external actors. There are strong correlations between natural resources and violent conflict. Natural resources such as land, timber, diamonds and other precious minerals have been at the center of deadly conflicts across the African continent and have been linked to the causes, prolonging, and resolution of violent conflicts in countries such as the Democratic Republic of Congo (DRC), Angola, Sierra Leone, and Liberia. All these countries have been plagued with violent and bloody conflicts over the past five decades that have been connected, in one way or the other, with the presence of natural resources. Why are these civil conflicts highly likely in areas with abundant deposits of mineral and other types of resources? Evidence suggests that there is a negative relationship between natural resource abundance and economic growth, and by extension, peace.1

A wide literature has emerged to explain the endemic nature of violent conflicts in resource rich regions and states. The abundance of natural resources is connected to the cause of armed conflicts in many African states. Described in popular parlance as ‘resource curse,’ the contention is that the abundance of natural resources considerably curbs economic development and increases the risk and occurrence of violent conflict. Thus, far from being a blessing for resource-rich countries in fostering economic progress, natural resources bring about the opposite effect (resource-curse). Resource-rich countries in Africa especially, tend to have less economic growth and are worse-off in terms of economic development, compared to countries with fewer natural resources.2 Several reasons have been identified including government mismanagement of resources, and weak, ineffectual, unstable or corrupt institutions (which allow incompetent governing elites to perpetuate their time in power).3 The natural resource curse argument is rooted in the causal mechanisms underlying the ‘paradoxical development characteristics of resource abundance,’4 which explains conflict and underdevelopment by drawing correlations between resource abundance and its prevailing negative outcomes, providing both the justification and evidence for this argument.5

The resource abundance-violent conflict connection can also be explained by greed on the part of rebels, which serves as motivation for armed revolt. This explanation is more in line with mainstream economic theory. Natural resources present rebels with the control of certain natural resources. In its milder form, fighting may be sustained by parties to a conflict relying on revenue streams that derive from the control of certain natural resources. The presence of natural resources serves as incentive for conflict precisely because economic gains to be made from these natural resources provide the motivation for its instigation. According to De Soysa, the notion that a “honey pot”6 of benefits exists from the availability of natural resources leads to violent rent seeking behavior in the form of armed conflicts inspired by greed.7 The role of a honey pot can be interpreted in two forms. In its milder form, fighting may be sustained by parties to a conflict relying on revenue streams that derive from the control of certain natural resources. Its stronger form, the honey pot may trigger, not simply sustained, but also increased, and prolonged conflict.
Thus, the presence of natural resources can be the ultimate incentive explaining the motives of certain actors for their engagement in violent conflict. In this regard, rebel groups may base their justification for starting an insurgency on the notion of bad governance, corruption, increasing economic hardship, growing civil strife and, possibly, the victimization of some part of the population. The revolt is then seen as a protest movement, driven to the extremity of violence by the extremity of the conditions that the people in the country face.

It must be clarified here that “absolute and ultimate” links are not predictable. This paper does not attempt to suggest that the connection between natural resources and violent conflict is an outcome of clearly determinable and predictable cause and effect. Rather, natural resources are central elements among other contingent factors that bring about violent conflict. Thus, the paper examines how the effective management and control of natural resources can lead to a reduction in resource-related violent conflicts.

This paper contends that there are no direct correlations between natural resource endowment and violent conflicts, but rather, the connection lies with the structures, processes and actors associated with the control and management of these resources. Where there are no credible natural resource management structures and practices, issues surrounding natural resources become an issue of violent contention.

Efficient and effective natural resource governance practices and institutions will be crucial in dealing with all natural resource conflicts, especially if all post-civil war African countries are to remain peaceful. Key issues such as the politics of revenue allocation, the process of distribution of benefits from the natural resource sector, the role and provisions of national constitutions with regards to the management of natural resources are therefore crucial to peace. Others include international efforts such as the Kimberly Certification Process and the Extractive Industries Transparency Initiatives designed to curb illegal exploitation of natural resources by criminal groups.

To put discussions into perspective, the paper discusses briefly what civil wars are and examines plausible connections natural resources have with violent conflicts. Finally, propositions as to how best resource-related conflicts can be tackled in Africa are made.

Civil wars

Statistics point to the fact that for the past three decades, most wars have been intra-state rather than interstate. Between 1816 and 1992, there were 152 civil wars and 75 interstate wars. Similarly, 80 per cent of all wars recorded in 2012 were intra-state wars. This was an increase from the previous record of 303 to 314 in that year.12 According to COW, there were only 23 inter-state wars between 1945 and 1997 as opposed to 108 intra-state wars within the same period.13 In their dataset on wars, the Peace Research Institute of Oslo (PRIO) reported that the period between 1946 and 2002 witnessed 163 intra-state wars and only 46 interstate wars.14 These numbers demonstrate that for the past three decades or so, most wars have been intra-state rather than inter-state.

Most civil wars are endemic in the developing world of Africa, Asia and Latin America.15 Rwanda, Democratic Republic of Congo, Somalia, Cambo-dia, Nicaragua, Cambodia and Peru are a few examples. This contrasts pre-1945 patterns of war in which the overwhelming majority of civil wars were fought predominantly in Europe.16 Up until the collapse of the Soviet Union in the early 1990s and the upsurge of civil wars amongst its disintegrated constituents, Europe largely was peaceful after World War II.17 Even though there were no wars in Europe, the major European powers were involved in revolutionary wars in their colonies in Africa, Asia and Latin America, where people were fighting for an end to colonisation. For instance, the Indonesian struggle for independence from the Netherlands (1945-1950), the Vietnamese war against France (1945-1954), the nationalista takeovers in Egypt (1952) and the struggle between Guinea Bissau and Portugal (1963-1974).18 The post-Cold War period has seen an increasing number of civil wars. Even though scholars as Gurr have seen a decline in new wars,19 recent intra-state wars in Libya, Mali, Ivory Coast, Sudan, Syria and the Central African Republic (CAR) point to the fact that civil wars are not going away anytime soon.

Fearon defines civil wars as “a violent conflict within a country, fought by organized groups that aim to take power at the centre or in a region or to change government policies.”20 Civil wars always have the state involved as one of the belligerents, fighting off a challenge to its control by a group or groups with members predominantly recruited from within the population.21 To be considered a ‘war,’ the conflict must go beyond mere skirmishes or isolated acts of violence.22 Civil wars entail political goals and outcomes in a form of an armed contest between and among governments, factions, and groups wanting to gain political control of the state.23 Civil wars are thus, at the upper end of a violence continuum and involve a sustained combat between relatively organized forces. The core of the argument is that civil wars must entail both sides engaging in just more than sporadic fighting, regardless of the tactics used.24 To this end, civil wars are not mere skirmishes. The violence must necessarily go beyond isolated clashes.

Small and Singer in the Correlates of War (COW), defined civil war as an armed conflict that involves a sustained military action within the state, the active participation of the national government, an effective resistance by both sides and a total of at least one thousand deaths during each year of the war.25 This definition is mainly concerned with the intensity and number of casualties emerging in a conflict. The problem with this view is that, in a low intensity conflict, significant number of deaths may occur, but it is only considered a war if the casualty level goes to one thousand battle related deaths. For instance, in a community of one thousand people, the death of six hundred in a conflict would seem like a huge loss to the members of the community despite COW’s definition of a thousand battle related deaths.

There is also a concern with what is, and can be described as a ‘battle-related death’. It is no secret that in countries ravaged by internal conflicts, insecurity, displacement, deprivation and disease become part of citizens’ daily existence and these cause death. Certainly, such victims should be counted as casualties of the conflict. They cannot just be considered as collateral damages. Clearly, adopting the COW definition for civil wars- a minimum of a thousand battle related deaths- is too costly. Besides, it is difficult to explicitly know what to consider battle related death and what not to consider such. For instance, a family who died of hunger because they could not go out to the farm or market to buy food due to the war must be considered as battle related death. Their death is as a result of the war, even if indirectly, but going by the COW dataset; these sorts of casualties are ignored. This makes the COW definition a tad problematic.

Other definitions of a civil war have been postulated, taking into account the aforementioned weaknesses of the COW definition. Regan, for instance, has defined a civil war as violence against a government with at least two hundred battled related deaths during a year.26 This definition significantly reduces the casualty rates, compared to COW’s definition. PRIO separates internal conflicts and civil violence in terms of intensity; armed conflicts with twenty-five to nine hundred and ninety-nine battle related deaths per year are considered ‘minor conflicts’, while conflicts with a thousand battle related casualties are considered wars.27 These definitions have indeed broadened the scope of casualties, which makes for easy recognition when conflicts break out.

Natural resources and civil wars

Natural resources have the potential to promote and consolidate a country’s economic development. As an important source of foreign exchange and an avenue for job creation for many countries, income from valuable natural resources- when well-man-
The mere presence of natural resources can be detrimental to peace. Short sighted and inefficient management of these resources can plunge a country into civil conflict, thereby derailing its developmental process. Often, these resources lead to deep-rooted corruption and patronage, with resources as the focus of violent disputes, and in some cases, providing funds for groups that seek to cause violent insurrection.

As a result of the above, there has been growing interest in the links between natural resources and civil wars for the past two decades. Research undertaken by scholars suggests that developing countries that are heavily dependent on natural resource commodity face a higher risk of bad governance and civil wars. Incomes from lawful and unlawful exploitation of natural resources, especially loottable ones such as gold, diamonds, and timber, have financed civil wars in several countries across the world. Rebels are able to extort the resources and fund their supporters. The argument is that even in cases where states with abundant natural resources initially succeed in preventing civil wars, rents from these resources weaken state structure and capacity with the long-term effect of bringing about rebellion, which eventually leads to civil wars.

Different types of resources have varied effects on conflict. Some natural resources may be associated with conflict while others may not. Types of resources associated with conflict are those that are likely to have negative impacts on a peace process since continued conflict may be more profitable to the belligerents than a situation of peace. Thus, easily accessible (loottable) resources are more likely to have negative impact on peace. These resources are easily mined, transported and/or turned into cash. Examples include non-alluvial diamonds, ivory, gold from open pit mining, and copper.

The importance of natural resources to politics and inter-group relations cannot be overemphasised. Throughout history, various groups have fought wars with natural resource as the main motivation or consideration. The literature surrounding natural resources and conflicts makes it obvious that the subject does not lend itself for easy comprehension. Research on the subject has yielded ambiguous evidence relating natural resource endowment to the susceptibility to conflict. The practical proof supporting the natural resource-conflict connection is therefore more mixed. It is difficult to establish causality between natural resources and violent conflicts or civil wars, even in wars in which there appears to be obvious linkage. Usually, the relationship between natural resources and civil wars can be traced in three distinct but interconnected ways: first, natural resources can be the direct or remote causes of conflict; second, they may fuel or sustain the conflict when it erupts; third, natural resources can come into consideration in resolving violent conflicts.

Surrounding the link between natural resources and conflicts, three broad linkages are made. First, environmental scarcity, which hinges on the ownership, control and management of vital natural resources as freshwater, fisheries, and forests is very crucial in the resource-violent conflict discourse. Continued depletion of these resources and the subsequent inability to satisfy demands could lead to violent conflict. The main concern here is with the quantity and quality of availability of these vital natural resources and the demand for them. Many poor people are hardest hit in developing countries as a result of significant dependence on these resources. The depletion of these resources continues to reduce individuals’ quality of life, as the ratio of demand for the resources is greater than the environment’s ability to supply them. Continued environmental scarcity fuels pre-existing grievances such as ethnic, economic and social discrimination, especially in poor countries, and this could lead to violent conflicts.

However, it is not easily established that environmental scarcity induces violent conflict. In fact, majority of countries in the world experience some form of environmental scarcity. Evidence from Hauge and Ellingsen conclude that environmental scarcity does not lead to violent conflicts (even though in some instances low intensity conflicts may erupt and this may mainly be as a result of other pertinent factors as economic and political rather than environmental scarcity). They argue that the level of economic development and type of political regime are more decisive factors in bringing violent domestic conflicts about instead of factors related to the environment. Hauge and Ellingsen conclude that the severity of such conflict is determined by military expenditure rather than by environmental degradation, poverty or non-democratic rule.

Second, economic considerations of individuals in resource-rich, resource dependent states could be a cause of conflicts. Greedy individuals usually aim to control these natural resources due to the large rents that can come from their extraction and sale. This is especially crucial as a source of finance for violent action and serves to sustain it. Natural resources considerations would then be crucial in resolving the conflict. Paul Collier argues that rebel leaders justify their rebellion with grievances against the government. Rebel leaders also attempt to recruit fighters with the promise of addressing these perceived injustices. However, the promise of addressing wrongs, grievances and injustices by the rebel leaders, often fails to attract and retain people to bear arms in fighting against the government.

Collier enumerates three reasons as an explanation. First, people would not want to endanger their lives in partaking in a rebellion when they can choose not to participate and still benefit from the victory of the revolt if it succeeds. ‘Free riding’ is definitely a more attractive option since one avoids harm and still gets to enjoy the benefits from the struggles of others. A new political order, a more equitable economic system, new and more equitable social arrangements that could result from the revolt are public goods.

Second, the fact that a rebel group can easily be defeated by the state’s army could discourage potential recruits from participating in the rebellion since the dangers/risk involved in participating are high. Third, there are no guarantees that the rebel group, once it defeats the government, would act any differently and keep their promises. It might actually be worse than the incumbent government it seeks to overthrow.

Collier argues that this makes grievances an inadequate motivation for participation in a rebellion. He contends that economic gain provides a better understanding why individuals participate in a rebellion. To him, conflicts come about as a result of the “silent force of greed” rather than the ‘loud discourse of grievance’. This is especially so in impoverished countries where other economic opportunities are either limited or non-existent. These countries are usually characterised by high illiteracy levels with a corresponding high unemployment rate and endemic poverty.

Collier and Hoeffler raise three distinct factors crucial to the greed/grievance hypothesis: the level of per capita income; the rate of economic growth, and if the economy is dependent on primary commodity exports. They argue higher per capita income, increasing economic growth and lower dependence on primary/mineral commodity exports reduces the risk of conflict. On the other hand, endemic poverty and worsening standards of living and dependence on primary/mineral commodity export increases the prospects of civil wars. This connects loottable natural resources to the outbreak of civil wars. Where rebels have access to loottable natural resources such as diamonds, ivory and gold, they generate enough income to pay for arms and recruits (which serves as major motivating factor) for both rebel leaders and recruits. Access to these resources contributes significantly to bringing about the war and helping to sustain it.
Finally, state weakness serves as an opportunity for rebellion. Resource dependent states tend to be rentier in nature and rulers encourage patron-client relations. Lack of sound management of natural resources thus characterizes such states. This is especially so when the state is captured by a ‘minority dominant’ class. This hugely decreases state effectiveness and efficiency. Citizens then lose confidence in the state’s ability to address their needs and may resort to violence. State ineffectiveness in governance can lead to conflict, and state weakness may be a decisive factor in explaining the onset of conflicts. Individuals and groups aggrieved by the state may see an opportunity to topple the government if it is perceived to be weak. No matter the grievances groups and individuals possess in a state, unless the opportunity arises for them to express them violently, dissent is always kept low. In this regard, states that adopt rent-seeking policies are especially vulnerable since these states are associated with weak institutions. Resources can motivate conflict, especially in the form of violent revolts. Rebels not only claim poor management of the resources, but also that national authorities are discriminating and misusing the money from these resources.

Bannon and Collier argue that many resource dependent states have an increased risk of conflict simply because they are usually associated with bad management of natural resources, poor governance, high levels of corruption and poor economic performance. David and Gagne concur, arguing that resource-rich and dependent states are usually rent seeking in nature, resulting in weak institutions. The result usually is slow growth, corruption, and authoritarian political order. These make for unstable domestic polities and greatly increase the risk of conflict. Furthermore, resource dependent states finance themselves with revenue from resources and citizens are usually not taxed. This diminishes their right to demand accountability in governance, which is usually denied them, including the opportunity to speak and be heard in the political sphere.

Because the resource rich-dependent state is increasingly less accountable to the people, it fails to invest in such important sectors as education, health and other social programs. The armed forces, the police and other security apparatus are neglected while investment is made into the resource sector. These states also neglect the development of state institutions for effective state administration. This has the cumulative effect of weakening the state’s control over the entire country. Countries that are rich in lootable natural resources, but with a majority of the population poor, tend to develop governance problems and weak institutions, due to high dependence on export of these resources.

There are also few economic opportunities outside the resource sector for citizens. Being rentier in nature, resource dependent states tend to be repressive and offer few avenues for citizens to express their grievances.

Subsequently, the gap between the people and government leads to increased grievances that are not redressed. Rebel and opposition groups are able to mobilise support due to state weakness and eventually rise up against the government through violence in order to topple it. Fearon contends that the main factors determining both the secular trend and the cross-sectional variation in civil violence in this period are not ethnic or religious differences or broadly held grievances but, rather, conditions that favour insurgency. No matter what the grievances may be in a state, once the opportunity for rebellion is non-existent, civil violence/rebellion is unlikely. Hence fiscally, organizationally, and politically, weak central governments render rebellion more feasible due to poor economic performance, weak local policing, incompetent, corrupt security practices, or a combination of these factors.

Natural resources have powerful political, economic, and social effects on civil wars. Resource abundance can create low-capacity states that are vulnerable to rebel challenge. Grievances such as poverty and discrimination and the presence of natural resources do not in fact generate conflicts. It is the interplay of this factors and the state’s effectiveness in dealing with these issues that determine the onset of civil wars.

Proposals to dealing with resource related violent conflicts in Africa

Central to the link between natural resources and violent conflict is the issue of natural resource governance. Natural resource governance here refers to the system of values, policies and institutions by which a society manages its natural resources. It therefore includes the capacity of the government to effectively manage its natural resources and implement sound policies. The absence of effective natural resource governance arrangements in resource-rich states in Africa especially, explains the occurrence of conflicts over natural resources. Hence, any attempts at curbing/reducing the chances of natural resource conflicts must be tackled through effective governance of these resources. This paper argues that an effective resource governance policy offers the potential for conflict prevention, management and resolution, and provides multiple opportunities to improve human security in producing countries by generating broad benefits for all. Natural resource governance in Africa must therefore be examined and tackled from three levels: national/domestic, international and civil society.

National/Domestic Level

The ineffective management of natural resources affects millions of ordinary citizens through poor economic growth, high inequalities, corruption, authoritarianism and violent conflicts. Some actions needed to prevent civil wars must come from governments of these resource-rich states themselves. The challenge is to adopt policies that harness the potential of natural resources to bring about development. Thus, transparency, accountability and fairness in the distribution of revenue from natural resources must be a top priority for any government in Africa seeking to avoid resource conflicts. Transparency and accountability requires making sound policies and building strong institutions that reflect local interests.

This means that governments of resource-rich nations must have the political will and a strong interest in ensuring that resources bring about improvement in living standards of its population. This also means that governments must ensure credible scrutiny of resource revenues they receive, how they are budgeted and how they are spent. However, merely accounting for revenues and showing they have been well utilized may not be enough. Governments need to establish credible independent processes of verification. Governments must endeavour to report all sources of natural resource revenue and make sure that they are easily tracked as they pass through the budget. There must also be the creation and strengthening of anti-corruption institutions and oversight agencies. These internal measures are necessary simply because rebel movements are greatly bolstered by acts of corrupt leadership that siphons the country’s revenue rather than use them in a transparent manner. These acts of mismanagement of revenue from natural resources provide justification for rebellion.

Thus, everything centres on the state to have credible structures in place to handle natural resource governance and prevent violent conflict. Governments must abide by four principles in the governance of resource revenues. First, there must be clarity of roles and responsibilities of the various institutions within the state. This means that the relationship between and amongst the various institutions and agencies of government must be specified and clarified in relation to other aspects of the economy to avoid ambiguity and confusion. Second, there must be public availability of information. It is absolutely important for governments to publish comprehensive fiscal reports pertaining to earnings from natural resources at specified times/periods. Third, governments of resource rich countries must ensure open budget preparation, implementation and reporting and also assure the public of their integrity by providing quality fiscal data and allowing for independent scrutiny of information provided on earnings from the resource sector. Fourth, governments must ensure government transparency, responsibility, accountability and responsiveness to the needs of the population. Fourth, there must be the participation of local interests/people and most importantly, benefits and opportunities from natural resource wealth must be distributed and managed in ways that benefit the citizens. Governments therefore must provide the following: leadership in terms of vision and strat-
egy; rules and legislations; control of the industry by, for instance, setting and defining standards and issuing resource extraction licenses, concessions and permits; and finally enforcement of the rules and sanctioning those who break the laws.

However, even states that make the attempt at effectively managing natural resources and acting accountably face several obstacles. One of these is the sheer volume of resource revenue and the scale of rent relative to the economies of these states makes it very difficult to effectively track and absorb large revenue flows. This is not to make excuses for, or to accept the endemic corruption in most resource rich states in Africa, but rather it is to make known the fact that even resource-rich countries willing to do the right thing need help from the international community.

International Level

The international level comprises international organizations such as the UN and its agencies, IMF and the World Bank. It furthermore includes international regional bodies such as the African Union, ECOWAS, and other similar bodies. The role of these organizations mainly pertains to their influence in the conduct of affairs of their members over issues regarding the governance of natural resources. One such influence is the creation and integration of an international or regional template for the acceptable governance of natural resource revenues to which resource rich countries can subscribe. These frameworks must provide a generalized standard so as to allow for appropriate scrutiny and international comparability. If successful, these measures and frameworks may exert pressure on those governments/states that do not manage their resource wealth efficiently.

The Kimberly Certification Process Scheme, designed to make it increasingly difficult for rebel movements to sell rough diamonds in global markets, is an encouraging sign that this type of international action is a possibility. Such global efforts/actions must be strengthened. Other global initiatives such as the joint IMF/World Bank’s Code of Good Practices on Fiscal Transparency and its related ‘reports on the standards and codes’ (ROSCs), is another coherent attempt to set frameworks of international standards to guide fiscal conduct and policy. The code was first adopted in 1998 and is used to measure a country’s fiscal transparency. It includes a supporting manual providing guidelines for implementation, a questionnaire and a summary self-evaluation report. Although the IMF/World Bank initiative does not directly address resource revenue, it emphasizes acceptable conduct related to every important source of income/revenue. Hence, if revenues from a country’s resources are significant, the ROSC will likely focus attention on it and highlight the need to be transparent in handling these funds by suggesting how data on revenues from these natural resources should be reported. This particular initiative is based on the assumption that over time, fiscal transparency will result in good governance and equitable distribution of a country’s wealth and revenue.

Another international initiative that should be encouraged and strengthened in resource-rich countries is the Forest Law Enforcement and governance Ministerial Process (FLEG). This initiative was launched by the G8 in conjunction with the World Bank’s Forest Governance program and aimed at increasing the amount of rent from forest resources that accrues to governments. It is also to discourage and reduce the illegal appropriation of such rent including illegal logging. Similar initiatives can be undertaken for other types of natural resources by instituting systems that encourage responsible behaviour and deter criminal and corrupt conduct. It would also provide consistent, accurate and timely information to monitoring organizations and help develop and implement a transparent and participatory approach to allocation of exploration rights.

In most cases in Africa, even the best scrutiny and information on the dealings of corrupt officials and politicians may fail to have any effect. Leaders and politicians might be resistant to moral pressure or place themselves above their country’s laws, and fail to adopt any of the initiatives described above. In these instances, the international community needs to impose some penalties that target these figures and their associates, while minimizing the effects on ordinary citizens. Thus, smart sanctions as developed by the UN can be used effectively for such targeted punishment of offenders. These sorts of sanctions should be strengthened and internationally supported so as to encourage transparency and accountability of governments in resource rich countries in Africa.

In addition, there is a need to analyse, institutionalize, and make available the understanding and lessons learned from the investigations and conclusions of consecutive panels of experts constituted by the United Nations Security Council on specific regions such as Angola, the Central African Republic, the Democratic Republic of Congo, Liberia, Sierra Leone, Somalia, and Sudan. This can be very useful for other resource rich countries in the region and the world at large. A committee should also be established by the UN to follow up on the findings and recommendations of the panel of experts in fragile economies recovering from natural resource conflicts in order to prevent them from falling back into chaos. Thus, countries as Liberia, Sierra Leone, and Angola amongst others can stand a chance of remaining peaceful in the long term.

The cooperation of other countries, especially neighbouring countries within the immediate region of resource rich states, is essential at the international level. Countries in the region should improve their border controls and tighten security. This is helpful in preventing resource conflicts in a number of ways. First, tightening borders by neighbours discourages and reduces smuggling, as illegal dealers in natural resources will not find ready markets in these countries. Second, it prevents the easy transfer of weapons to armed groups across the borders to perpetuate violence. Third, effective border control/security discourages persons of questionable character (such as international criminals and terrorists) that such uncontrolled borders tend to attract.

Thus, there is a need for a geographical and regional approach to dealing with illegal natural resource exploitation. The geographical approach will help focus on the trans-border nature of most illegal exploitation as well as generate international and interstate cooperation among African countries in improving border control. Here, regional bodies such as the AU, ECOWAS, and the South African Development Community must serve as anchors to regional initiatives to curb illicit natural resource extraction and trade. Member states of these regional bodies must thus commit themselves to criminalizing and penalizing all illicit trade and activities in natural resources.

In order to respond to new dynamics and opportunities arising from globalization, many regional and global cooperative programs have begun over the past decade to enhance border controls, modernize customs operations, harmonize trade practices, expand worldwide non-proliferation efforts, and to update export controls. The objective behind these efforts is both enhanced security and economic gain. Therefore, it is likely that these efforts can provide insights and lessons learned that would be helpful in broadening border security efforts in future conflict areas/regions.

Civil Society Level

The civil society level comprises international non-governmental organizations, industry, and consumers of these natural resources. Their role involves their activities and influence with regards to the management of proceeds from natural resources. The organized expression of diverse groups and interests within society and the global community at large is essential to natural resource governance processes, and to democratizing politics and decision-making processes in resource-rich countries. These are vital to the process of articulating interests and building social cohesion. With regard to governance, non-governmental organizations (NGOs) and corporations in the natural resource industry have an important role to play, which includes generating legitimate demands, monitoring government policy making and implementation, and enabling people to participate actively in the governance of the resources in society.

The extractive industries have a duty to set guidelines and regulations in their operations to help resource-rich states in Africa achieve sustainable development. This is important because in the absence of supplementary regulation, routine extractive activities can fuel conflict dynamics, often in ways that are...
legally problematic. For instance, lack of full disclosure of concession payments, royalties and bonuses paid by companies to host governments creates incentives for actual corruption, reinforcing predatory elites, while denying affected citizens critical information by which they might hold their leaders to account. Thus, there is a need to improve corporate conduct in resource rich countries.

Initiatives aimed at improving the conduct of the extractive industry in resource-rich countries such as UN sanctions and legal prosecution must be combined with measures as voluntary codes of responsibility corporate conduct for extractive firms operating in fragile settings/countries. Although voluntary codes and other forms of industry self-regulation suffer from self-selection and weak enforcement, they can continue to provide important guidance and even a niche for progressive companies seeking to improve business practices in many resource rich states that are vulnerable to conflict. Problems with voluntary codes (self-selection and weak enforcement), however, can be addressed with the creation of appropriate statutory and legal regulations or fiscal inducements with a supportive incentive structure that rewards responsible and conflict-sensitive corporate conduct while penalizing poor performers. There is need for international initiatives such as the UN General Assembly’s Resolution on the Extractive Industries Transparency Initiative to be established as an international best practice to serve as a guiding framework to which all responsible corporations can subscribe.

Conclusion

Natural resources, the role they play in a given society and their susceptibility to bringing about violent conflicts come down to the socio-economic and political factors of such a society in terms of laws, structures and practices guiding the management of these resources. Crucial is how the privileges, opportunities and benefits from these resources are distributed by the state, and not necessarily the circumstances or nature of the resources. The argument here is that there is no direct link between natural resources and violent conflict beyond the structures, processes and actors directly responsible and involved with the management, control and distribution of these resources. Implicit in this argument is the fact that people will most likely fight over natural resources where there are no properly organized means of distributing benefits and opportunities from them. In situations where citizens feel they do not have ownership over their country’s natural resource endowment, and where existing political structures are not adequate in redressing citizens’ grievances, they are more likely to resort to violence.

The issue of natural resources and violent conflicts must be treated as a governance issue, and must be addressed at the national, regional/international and civil society levels. Natural resource governance must be participatory, transparent and accountable. It must involve development strategies and efficient and effective economic management including systems of revenue and expenditure management.

It must be emphasized however that transparency and good governance alone will not be the solution. Resource wealth must necessarily be beneficial to the citizens in the country or else the risk of violent conflict continues. In this regard, minimum standards for the governance of natural resources are directly relevant to the entire continuum of conflict prevention - management, resolution and post-conflict reconstruction - as well as the broader peace, security and development agenda in resource rich countries.

References

Why There Is Recurrence of Territorial Dispute

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In October of 2008, there was a serious fight between Thailand and Cambodia over the sovereignty of Preah Vihear Temple, located at the border between two states, and its surrounding area. Although the dispute over Preah Vihear Temple was addressed by the International Court of Justice in the June 1962, there has still been a series of fights between Thailand and Cambodia over the subsequent half centur. Simultaneously, there was a recurrent dispute on Hala’ib Triangle between Egypt and Sudan since 2009. In 1958, the Nasser Government withdrew Egyptian Army from this triangle and there came a peaceful period between two states. However, as the speedily growing ascensionism in Sudan plus other states’ investigations in the Triangle area, the contradiction on the sovereignty of the area intrigued a drastic dispute between two states once more. In September of 2012, the government of Japan adopted the proposal of Shintaro Ishihara (the governor of Tokyo) and declared a plan to nationalize Diaoyu/Senkaku Islands. China and Japan had reached an agreement to put Diaoyu/Senkaku Islands Dispute aside in 1972 when two states established their diplomatic relations. Nonetheless, the dispute has not been settled down since then and even become more intensified these years. In addition to the cases above, there are a number of territorial disputes have suffered recurrence after transient peace and cannot be solved in a long period.

Why there is recurrence of territorial dispute? What factors intrigue the recurrence of territorial dispute among states? These are the questions need to be answered here. To answer these questions, I will make a comprehensive review to the previous literature, which focuses on territorial dispute and conflict management firstly. Then, in the second section, an introduction to the theoretical basis for the conflict resolution will be arranged at first and some hypotheses based will be raised follow. Thirdly, a case study section, which contains two cases, will test hypotheses that are put forward in the section above. Fourthly, a conclusion about why territorial disputes break up recurrently will be given, also with some limitations and implications about this research.

1. WHY SOME DISPUTES ARE MORE LIKELY TO RECUR?

There is a relatively weak study focuses on the recurrence of territorial dispute in previous literature. Moreover, the study about this topic enjoys highly close relations with the analysis of dispute process and the assessment of dispute results. Based on these relationships and existing studies, we can classify these literatures into four parts and they are the regime type and the probability about the recurrence of dispute, the way and its influence to the recurrence of dispute, the third-party intervention and the recurrence of dispute. In addition to these three parts which emphasizes the general features of the recurrence of dispute, the forth part is on the literature explores the recurrence in civil war and their implications to the recurrence of territorial dispute.

1.1 Regime type and the recurrence of territorial dispute

Zeev Maoz and Nasrin Abdolali published their paper “Regime Types and International Conflict, 1816-1976” on the Journal of Conflict Resolution in 1989, which enjoys great influence to the issue of recurrence. According to their research to the conflicts broke up between 1816 and 1976, Maoz and Abdolali emphasize that democracies bring not only less wars but also less conflicts. Since then, the study on the dispute and conflict enjoys a growingly close relationship with regime type. The connections between eruption and escalation of dispute recurrence and regime type have become the core issue of this research.

Arie M. Kacowicz raises an idea in his paper “Explaining Zones of Peace: Democracies as Satisfied Powers?” that there is a low probability to the dispute recurrence between democracies when compared with other regime types. In order to support this idea, Kacowicz uses two pieces of arguments: firstly, as the level of institutionalization in democracy is much higher than other types of regime, its domestic institutions offered a strong support to the dispute mediation. Moreover, the democratic states are more likely to obey the rules in dispute mediations, and this will increase the probability to resolve the dispute thoroughly. Secondly, democratic states always have the most powerful ones in a region, and they are the regional leaders in maintaining rules and order. Upon this logic, if any dispute happens among democratic states, it will be solved in the framework of institution, which is settled by democracies. Based on Kacowicz idea, Sara McLaughlin Mitchell and Brandon C. Prins make a further test to the disputes, which erupted between democracies from 1946 to 1992. Through the test, they find that only two disputes escalated to the military disputes while the rests settled peacefully. Besides, Kevin Morgan, Todd L. Alle and Paul Huth demonstrate the similar view from different points.


However, there are many doubts on the view that democratic states would not have recurrence of dispute. Firstly, this kind of view reverses causal relationship between democracy and territorial dispute from the point of Douglas M. Gibler. According to the past experience, Gibler thinks that only after territorial issue has been resolved, could peace and democracy achieve and constructed. Secondly, through some researches on the recurrence of dispute, the correlations between regime type and the recurrence of dispute are too little to make any sense. Patrick James, Johann Park and Seung-Whan Choi do a comprehensive research on the dispute based on the database of CICW, and they come to a conclusion that democracies have very little influence on the eruption, escalation and recurrence of dispute. Apart from previous two critiques, Joseph M. Grieco emphasizes the limitations of influence from regime type to the dispute recurrence. By utilizing Cox proportional hazard model to test 67 disputes among states, Grieco concludes that, comparing with other regime types, there will be more challenges when democratic states fall into dispute and this situation will surely increase the state’s hazard in experiencing dispute recurrence. Nonetheless, if the dispute happens between democracies, the hazard of recurrence to the disputants will relatively low and the risk of democratic state to fall into recurrence will decrease as well.[12]

1.2 The results of mediation, national interests and their effects to the recurrence of dispute.

In the existing research, there is an idea that disputant’s target, the mediation of dispute and its result have different level of influence to the recurrence of territorial dispute.

In the paper “Charting a Course to Conflict: Territorial Issues and Interstate Conflict, 1816-1992,” Paul R. Hensel raises a view that the way and its re-
sult to mediate dispute will influence dispute recurrence greatly. Firstly, through a test with the COW database, Hensel finds that the probability of territorial dispute recurrence (71.5%, 569 cases out of 796 cases) was much more than the probability of recurrence of non-territorial dispute (57.5%, 1294 cases out of 2250 cases). Then, Hensel makes a comparison between states, which have recurrent experience and dispute which did not have recurrent experience. This comparison reaches a conclusion that there will be no recurrent experience if the disputant agrees to mediate dispute with a decisive statement. Otherwise, if the disputants mediate dispute with a stalemated or compromised statement, there will be different times of experience of recurrence. Soon after the analysis, Hensel conducts a study about territorial dispute breaks up in Latin America, and he finds that if the compromised statement reached by one or more than one part’s rejection to give in, with the rest parts’ acceptances to give in, then this type of dispute is more likely to recur because of its unfair commitments. On the other hand, if the compromised statement agreed by all parts’ acceptances to compromise, the probability of recurrence will decrease.15

No matter the statement is a compromised one or stalemated one, it is goal to maximize state’s interest. In addition to the influence of regime type, Kacowicz also emphasizes the close relationship between state’s interest and the escalation and recurrence of dispute. In the Peaceful Territorial Change, Kacowicz suggests that the level and range of interest will lead to various level of probability of recurrence. To the territorial dispute that contained state’s core interest or threatened states’ survival, it is hard to mediate and enjoy high probability of recurrence even if the dispute is settled. To the territorial dispute which just contained state’s subordinate interest or had no threat to the state’s survival, it is relatively easy to compromise and reach a “peaceful change”. 17 The method to predict evaluate the probability by assessing the level and range of state’s interest enjoy high prevalence, Gibler,18 Tamar Meisels19 and Matti Fritsch20 have various discussions on this view as well.

1.3 Third-party intervention and its influence to the recurrence of dispute

There exists close relationship between the third-party intervention and the trend of dispute, and the trend of dispute has direct relations to the probability of dispute recurrence. In order to make a further analysis to this view, we should answer three questions comprehensively.

1.3.1 The time for third-party to engage in dispute.

There are two ways to intervene dispute when we use time as a standard to classify third-party interventions. The first kind of intervention is to intervene at the beginning of dispute. This kind of intervention is almost armed one. The second kind of intervention is to engage after the failure of mediations, and this kind of intervention is military intervention as well. Through an analysis to 129 disputes, which had experienced mediations and happened between 1950 and 1990, Huth finds that 41% of disputes are solved by mediations, 44% of disputes are stalemated after the failures of mediation and the third-party’s military intervention would lead the trend of disputes. 19 Apparently, the second kind of intervention is more probable to escalate dispute, while the first kind of intervention has diverse outcomes as its characteristic to intervene at the beginning of dispute.

1.3.2 The results of third-party intervention.

The result of intervention has decisive influence to the recurrence of dispute, and the existing research primarily concentrates on two backgrounds of intervention. Relative capacity, relationship between disputants and the results of intervention. From the point of the factors, which influence the results are relationship and relative capacity between disputants. In terms of relationship between disputants, we should consider if these two parts are allies or not. If there is an alliance between disputants, then they will surely share some strategic targets, and these common targets would decrease each other’s enmity and intensity of dispute. Simultaneously, the probability of third-party intervention will be relatively small and it is more probable that the dispute will be solved even if intervention taken place. However, if there are no alliances among disputants, and there are seldom targets they share, there will be more probable for third-party intervention and the dispute recurrence would much more likely to take place. To sum up, the key point to evaluate the probability of third-party intervention is to check the common targets among disputants, and it is the common targets, which influence the intervention and the subsequent recurrence of dispute.

In terms of relative capacity, military vulnerability and economic vulnerability are the critical factors in calculating which part is stronger. If the challenger in the dispute is stronger, then the probability of third-party intervention is more likely to take place in order to assist the defender in the dispute. In the part, because of the unfair help from third-party, the recurrence of dispute is more likely to happen even if the challenger loses the advantage at last. Conversely, if the defender in the dispute is stronger, the probability of third-party intervention would relatively little and the dispute is less likely to recur because of the deterrence of power from defender. 23

1.3.3 The relationship between disputants and third-party and the resolution of dispute.

This part is related to three variables, and these are past experience, relative capacity between disputants and third-party, plus with whether the third-party is bound by disputants. Past experience is the experience of third-party in tackling with similar issues. If the past experience is a successful one, then the third-party is more likely to engage in a dispute and it has enough confidence to solve dispute peacefully. If the past experience is an unsuccessful one, then it is less likely for third-party to join in another dispute. In addition, because of its scarcity in relevant experience, the third-party’s way to intervene is more likely to re-intrigue dispute. 24

For relative capacity, when the gap of capacity between disputants and third-party is greater (the third-party is the stronger one), the probability that dispute would be solved by third-party intervention is greater. As in an international structure, which power and security become all states terminal targets, only stronger state can play as a successful third-party. 25 In terms of status of third-party, if the third-party builds up its connection with disputant by agreements or commitments, we can define this kind of connection as bound one. Settled in this relationship, it is more likely that the third-party military intervention will take place. On the other hand, if there exists no connection defined by agreements or commitments, then the third-party is not bound by disputant and its strategy in mediating dispute will be more versatile. 26

1.3.4 External factors which influence third-party intervention and recurrence of dispute.

Apart from disputants and third-party, there are other external factors, which have critical influences on the occurrence of third-party intervention and
recurrence of dispute. By summing up previous literature, we list geographic proximity and advanced degree of weapon as the most influential factors to intervention and dispute recurrence.

According to the view of geographic proximity, the distance between third-party and disputants will have decisive effects to the occurrence of third-party intervention. Frederic S. Pearson concludes third-party interventions happen from 1948 to 1967, and reaches two conclusions: first, great power is more likely to intervene in dispute farther distance from its mainland; second, instead of geographic proximity, weak state focuses much more on benefit analysis. Based on these conclusions, Pearson thinks that only when third-party is a great power, could geographic proximity be a critical factor in determining whether to intervene.

Besides geographic proximity, the advanced degree of weapon will influence the occurrence of intervention as well. Herbert K. Tillema makes a specific discussion about the probability of state’s military intervention in unclear weapon era. After the observation to 591 military interventions happened between 1945 and 1985, Tillema thinks the great powers such as Soviet Union and United States who have suppressing nuclear weapons are more likely to play as a third-party to intervention dispute. As the incomparable quantity in nuclear weapons, Soviet Union and United States have enough power to intervene a dispute. Comparing with these two great powers, France, Britain and China have relatively little military capacity. Therefore, although there exists relative sporadic and they lack systemic chain to analysis, this paper will utilize implications from other fields to answer the question "why some territorial disputes are more likely to recur" comprehensively.

1.4 Research on the recurrence of civil war and its implications on the study of territorial dispute.

As the leading edge and relatively centralized area in the field of conflict recurrence, the study on the recurrence of civil war is more abundant than other sub-fields. By concluding some universal principles in the study of civil war recurrence, we can draw out some critical implications to the territorial dispute recurrence.

Jason Michael Quinn, T. David Mason and Mehmet Gurses do a research on the civil wars break up from 1944 to 1997, and he find that: firstly, when rebels win the civil wars, the probability of recurrence of civil war will relatively low, and it will increase when the government wins the civil war. Secondly, the level of economic development is higher; the probability of recurrence of civil war is lower. Thirdly, in the situation without third-party intervention, the gap of relative power is greater; the probability of recurrence of civil war will be lower. Fourthly, comparing with revolutionary conflicts, secessionist conflicts enjoy much more probability of recurrence of civil war. Håvard Hegre goes on a research about the relationship between the duration and termination of civil war, and he concludes that if the duration of previous civil war is longer, the probability of next civil war’s eruption is higher. Furthermore, Hegre thinks that there exists inverse ratio relationship between the re-eruption of civil war and the level of state’s economic development. Astri Suhrke and Ingrid Samset raise an idea on the recurrence of civil war by evaluating the interval time, and say that the winner in previous civil war is more likely to re-erupt next civil war.

In the study of factors which intrigue the recurrence of civil war, we can use some discussions which have similarities with recurrence of territorial dispute to analyze the questions raised at the beginning of paper. For instance, based on comprehensive power of states and without third-party intervention, does the greater gap of capacity between states lead to lower probability of recurrence of dispute? While terms to economic interdependence, what are the relationship between economic interdependence and probability of territorial dispute recurrence? Although Kacowicz, John R. Oneal, Bruce M. Russett and Mark Souva have discussions about these factors from different angles, their ideas still have two apparent problems: first, they mainly utilize these factors as universal ones but not specifically to the issue of territorial dispute. Second, from their points of view, these factors are not cardinal ones even though they mention them. Therefore, although there exists relevant research on the factors which intrigue recurrence of territorial dispute, they are just sporadic discussions without systemic organization.

To sum up, the existing literature on the recurrence of territorial dispute is relatively low, most of research focuses on the analysis about the process and result of territorial dispute. Furthermore, the previous discussions about the recurrence of territorial disputes are relatively sporadic and they lack systemic chain to answer the questions put forward here, so their explanatory power is relatively weak in answering questions. In allusion to these problems in existing discussions, this paper will utilize implications from other fields to answer the question "why some territorial disputes are more likely to recur" comprehensively.

2. RESEARCH DESIGN

Based on previous discussions about dispute recurrence, we can find that third-party intervention has the most important influence on the trend of dispute. When there is a third-party intervention, the factors, which intrigue recurrence of territorial dispute, will be mainly determined by the time and way of intervention. When there exists no third-party intervention, the factors which intrigue the recurrence of territorial dispute mostly come from disputants themselves. For instance, economic interdependence and relative capacity are significant indications to evaluate and predict relationships between disputants when there exists no third-party intervention. Moreover, when a third state participates in a dispute, the existing relationships between disputants will be changed in different levels. Even if disputants have high level of interdependence or great gap of relative capacity, the third state’s intervention can increase the probability of recurrence of territorial dispute notably.

Therefore, as an important sign to classify the types of territorial dispute, we use the third-party intervention as a standard to raise hypotheses.

2.1 Territorial dispute without third-party intervention.

In the territorial dispute without third-party intervention, the objects we need to analyze are just disputants, and the relationship between disputants is the most important factor in determining whether the territorial dispute would recur. In this part, we will raise two hypotheses.

Hypothesis A: While the gap of relative capacity goes larger, the territorial dispute is less likely to recur while the gap of relative capacity goes smaller, the territorial dispute is more likely to recur.

The relative capacity among states is the comparison of state’s comprehensive capacity, and the comparison of state’s comprehensive capacity contains factors from the fields of economy, politics to military. As the scarcity of completely effective data and the manipulility for evaluation, this paper will utilize the calculation of state’s GDP to judge the gap of relative capacity among states. In order to define what is the large gap of relative capacity and what is the small gap of relative capacity, this paper will introduce the concept of “asymmetry” to make a precise definition and distinguish the capacity gap among disputants. Shuping Tang and Joey S. R. Long make a definition on the concept of “asymmetry” as follow: the evaluation of the asymmetry comes from the calculation of the product of a state’s GDP (in billion International Dollars of 1990) and the GDP Per Capita (in International Dollar of 1990). When the product of the
When there exists relatively high level of economic interdependence, the states will be aware of the economic influence on development of themselves and they do not want to cost too much on the dispute. Upon this situation, the territorial dispute is less likely to recur. When there exists relatively low level of economic interdependence, the influence of territorial dispute on economic development will small and the cost will relatively low. Therefore, the policy makers of a state will tend not to take the cost of dispute as the most important factor, and the probability of recurrence of territorial dispute will relatively increase.

### Hypothesis B: While the economic interdependence among states is higher, the probability of recurrence of territorial dispute will be lower; while the economic interdependence among states is lower, the probability of recurrence of territorial dispute will be higher.

The level of economic interdependence is always a significant indication to evaluate relationships between states. According to the analysis of Solomon William Polachek, economic interdependence could influence the eruption and escalation. Barieri tests mutual relationships between economic interdependence and interstate dispute, and she finds that economic interdependence among states have remarkable influence to the interstate dispute while interstate dispute has relative less influence to the economic interdependence. To the standard settled by Oneal, we can define the economic interdependence as high one if the state ranks top 10 in the value of mutual trade between states. Moreover, the level of interdependence will decrease if the state's ranking is out of top 10.

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<th>Military intervention</th>
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<td>Neutralized</td>
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According to the four combinations of these two variables, we can reach four different probabilities about the recurrence of territorial dispute. What we should note here is that if a dispute intervened by third-party with militarized approach, then there must have armed conflicts between disputants. In addition, if the dispute is mediated in a peaceful way, then there may exist armed conflicts, but it may not have as well. Here, we will elaborate the situation of four different combinations above.

### 2.2.1 Non-neutralized military intervention.

Non-neutralized means that third-party is biased, and it shows preference and gives a hand to one or more parts in the dispute. This kind of intervention will mostly lead to dissatisfactions of parts which are not preferred by intervener. In this case, no matter the dispute is solved with the triumph of the parts supported by intervener or the parts without intervener’s help, the unfair solution will be apt to intrigue another dispute. Something needs to be noticed here is that most non-neutralized military interventions come from the support of strong allies in the alliance.

### 2.2.2 Neutralized military intervention.

In neutralized military intervention, the third-party holds a neutral standpoint in the dispute, and it does not offer biased support to any disputing part. Under this circumstance, most of the interventions are aimed at terminating armed conflict among disputants. Although the probability of recurrence is less than non-neutralized military intervention, neutralized military intervention still enjoys relatively high risk to make territorial dispute recur. As the dispute has probably escalate to armed conflict, there exists great difficulty to pacify dispute and it will recur once intervention failed.

### 2.2.3 Non-neutralized mediation in a peaceful way.

Non-neutralized mediation in a peaceful way is the biased mediation. In the process of mediation, the third-party will support one part through suppressing other parts. This unfair intervention will no doubt intrigue some disputants’ enmity, and is hard to make the mediation successfully. Furthermore, even if the mediation is successful, there exists high probability of recurrence of territorial dispute as well.

### 2.2.4 Neutralized mediation in a peaceful way.

Neutralized mediation is the mediation without any biased standpoint in the dispute. Once the neutralized mediation is successful, there will be relatively low probability of recurrence of territorial dispute. However, as the uncertainty of intention between disputants and third-party, not every disputant will treat the third-party as a fair intervener. Hence, the neutralized mediation is always misunderstood as the biased mediation.

### 3. CASE STUDIES

#### 3.1 Territorial dispute with third-party intervention: The Diaoyu/Senkaku Islands issue between China and Japan

There exists long-standing dispute between China and Japan on the issue of Diaoyu/Senkaku Islands, and this dispute becomes even more drastic in recent years by the "nationalized action" of Japan. In 7 July 2012, Shintaro Ishihara, Governor of Tokyo and Japan’s most important ally, the standpoint of the U.S. Department of State declared its attention to the Japanese project of purchasing. Simultaneously, the department emphasized that Diaoyu/Senkaku Islands "is belong to the administration of article five of The Treaty of Mutual Cooperation and Security between the United States and Japan.

and Japan. Besides, the U.S. department of state avoided to manifest its standpoint on the press conference with the day that Japanese government decided to purchase the Diaoyu\Senkaku Islands. Besides, the U.S. government refused to assess the influence of Japanese government purchaser project.

In 19 September, after the non-periodical military exercise “Valiant Shield 2012” in Guam, the U.S. navy did not withdraw its fleet. Instead of it, the USS John C. Stennis CVN-74 was sent to Guam and this action aroused public opinion that American would support Japan in the Diaoyu\Senkaku Islands dispute. Although the deputy secretary of state said that American would not be a mediator of Diaoyu\Senkaku Islands dispute, it still had no effect on this issue, neither, the report of U.S. Pacific Fleet criticized that Chinese government utilized economic ways to suppress Japan because of territorial dispute between two states. In October, the Japanese media outflow a message that American and Japan would have a unitized military exercise contained a drill on seizing the island which belonged to Japan back. Following the exposure of this news, the U.S. department of state and the ministry of national defense verified this message and declared that the united military exercise would be hold on 26th of October. On February 3rd, when met with Japanese foreign minister Fumio Kishida, the new U.S. secretary of state John Kerry declared the adaption of Diaoyu\Senkaku Islands issue to the The Treaty of Mutual Cooperation and Security between the United States and Japan once again.

Up to now, the territorial dispute on Diaoyu\Senkaku Islands between China and Japan is still in stalemated status. Furthermore, because of the actual intervention from the U.S. government, there is no trend that the dispute could be solved in a short time. In this case, as the non-neutralized third-party intervention from U.S., the government of Japan tends to be tougher than before. Moreover, the government of China, without biased support from U.S., showed its dissatisfaction to the way of U.S. intervention and Japan’s tough attitude on the issue. In this situation, no matter which side, China or Japan, gains more interests in the dispute, it is no doubt that it will be faced with revenge from other side. Hence, this dispute will enjoy a relatively high probability of recurrence even if it reaches transient peace in the future.

3.2 Territorial dispute without third-party intervention: The Hala’ib Triangle issue between Egypt and Sudan

The dispute of Hala’ib Triangle between Egypt and Sudan originated from the colonial days in 19th century. In 1899, the British government signed an agreement with the government of Egypt, and agreed to set the 22 degrees north latitude as the boundary line between Egypt and Sudan. According to the agreement, the north area of the line belonged to Egypt and the south area of the line belonged to Sudan. However, in the year of 1902, a line, which was farther north than the previous line, was settled by the British government again without any notification to the government of Egypt. According to the agreement in 1899, the Hala’ib Triangle was belonged to Egypt. Nevertheless, this triangle was belonged to Sudan if based on the line settled in 1902. As the new boundary line damaged the interests of Egypt, the government of Egypt refused to commit the existence of this line and this contradiction became the cardinal factor, which intrigued the territorial dispute between Egypt and Sudan.

In 1958, the government of Egypt dispatched its army in the area of Hala’ib Triangle and it received a strong against from Sudan, a newly born state who needed enough area to develop. Although the Egyptian army withdrew from Hala’ib in a short while, this action triggered the sharp vigilance of Sudan. In the coming decades, in spite of incessant protest from Egypt, the Hala’ib was always in the control of Sudanese government. This situation changed in 1992 when a Canadian oil company authorized by Sudanese government for oil drilling in Hala’ib. The authorization met forcible against from the government of Egypt, which asserted that Egypt would annex Hala’ib promptly. Negotiations began, but the company pulled out of the deal until sovereignty settled. In January 2000, Sudan withdrew its own forces from the area, effectively ceding control of the Hala’ib to Egypt, whose forces have occupied the area ever since.

In the issue of Hala’ib, no third-party intervention take place all through the process and we can define this dispute as the dispute without third-party intervention. However, why there is a long period dispute recurrence from 1958 to 1992 between these two countries but a relatively peace since 1992? In this case, we can make an analysis based on the evaluation of relative capacity and economic interdependence. According to the database of World Bank and World Trade Organization, we can calculate the relative capacity between Egypt and Sudan by the product of GDP and GDP per capita in 1990 international dollar. By calculation, the gap between Sudan and Egypt met an enormous increase from 1958, and the product of GDP and GDP per capita of Egypt was always 2 to 3 times higher than the Sudan’s and it showed that the relationship between them is an asymmetric one. This gap was even greater since the 1990’s and more than 7 times of the product of Egypt comparing with Sudan’s in 2010. In terms of the level of economic interdependence, the volume of mutual trade between Egypt and Sudan never ranked top 10 in both countries. Hence, there did not exist high level of economic interdependence between Egypt and Sudan.

By the evaluation of relative capacity and economic interdependence, we can see that the relationship between Egypt and Sudan are asymmetry with a low level of economic interdependence from 1958 to 2010. As the gap was not that much before 1990’s, both countries had confidence to win the other side in territorial competition. Plus, as the level of economic interdependence was relatively low, both sides worried little about the cost of economy even if they fought against each other. Therefore, the probability of recurrence of territorial dispute was relatively high from 1958 to 1992. However, as the gap of capacity grew dramatically since 1990 and the constantly low level of economic interdependence, Egypt took the advantage in 2000 and controlled the Hala’ib ever since.

In 2005, as the second civil war in Sudan ended with Comprehensive Peace Agreement, the Sudanese government faced with chaotic situation of country’s division. On 9 July 2011, with the establishment of an independent country, South Sudan, the former Sudanese government became the history. During these years, as the serious civil war, the Sudan government paid less attention to the sovereignty of Hala’ib Triangle and it gave Egypt more chances to administrate this area. In the coming days, if the status remains, and the gap of capacity grows larger plus the constantly low level of economic interdependence, there will be relatively low probability of recurrence of territorial dispute between Egypt and Sudan on Hala’ib Triangle.

4. Conclusion

Why there is recurrence of territorial dispute? What factors intrigue this phenomenon? These are the questions we answer here. According to the previous literature on the recurrence of dispute and the implications from other fields, we discuss the influence of the time, regime type, effects of mediation and third-party intervention to the recurrence of territorial dispute. Based on these existing researched, we put forward a new framework of analyzing by combining relevant field’s implications. We use the existence of third-party intervention as a standard to distinguish different kinds of interventions. Furthermore, in allusion to the different kind of interventions, we raise correspondent hypotheses. At last, through the case of Diaoyu\Senkaku Islands issue and Hala’ib Triangle’s issue, we test the hypotheses above. As an empirical research on the recurrence of territorial dispute, we can not only improve the relevant research on dispute and conflict recurrence, but also strengthen the prediction to the trend of territorial dispute. However, the hypotheses raised in this paper are aimed at analyzing simple bilateral disputes and the factors we raised as well. It means that the framework we constructed here has relatively weak explanatory power when faced with complex dispute with more than two disputants.
Xinjiang, the New Frontier: Radicalization of Minorities

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Xinjiang is China’s most Northwestern region and home to Uyghur, Han, and other ethnicities including Mongols, Kazakhs, Tajiks, Hui, and Kyrgyzs. Uyghurs are an Islamic ethnic group that established in Inner Asia and East Turkestan 850-1250AD. Until recently, Uyghurs constituted the titular majority of inhabitants of the Xinjiang autonomous region; however, recent government estimations note that increasing Han migration to the west will soon leave Uyghurs outnumbered. Uyghurs speak a common Turkic language and have been influenced by many neighboring areas due to their proximity and mercantile activities on China’s ancient Silk Road. Uyghurs have a long history of resistance, but were conquered and encompassed into the Chinese Empire under the Qing dynasty and then formally annexed by the new People’s Republic of China in 1949. During the Cold War Uyghurs were split by the Sino-Soviet conflict and encompassed into the Chinese Empire under the Manchu dynasty.

China’s economic expansion towards the country’s west has brought waves of Han Chinese to Xinjiang causing discrimination issues, where differences between the two ethnicities jump to sight not only in their physical remarks, but architecture and commercial activities. Uyghur culture has stronger ties to Central than to Eastern Asia, furthermore Xinjiang’s polarized wealth is evident and, even though Uyghurs reside in a province with a booming economy, abundant oil and China’s largest source of gas, they have been forced to relocate or compete with better prepared and wealthier Han immigrants.

When compared with the very much alike case of Tibet, Xinjiang Uyghurs have failed to attract global awareness and support for their cause. Uyghurs have expressed that after being granted the title of Autonomous Region, they were promised the right to self-ruling, but thus far it has not become effective. In recent years, with the increase in Han population, Uyghurs have been marginalized and discriminated. Uyghurs claim that their territory represents one sixth of China’s total land area and that the real Uyghur population is closer to 20 million than to the 9.5 million reported by the PRC.

Groups of Xinjiang Uyghurs demand they should be granted independence or an immediate improvement of their rights. Uyghurs disapprove of strict Chinese ruling on religious practices, management of Mosques by the government, and allowing only the usage of state-approved Koran copies. It has become a heated issue since officials made the placing of Chinese flags inside the temples mandatory. Uyghurs have also denounced low career ceilings and discriminatory policies at work, problems to request passports and citizen documents, and the switch from a bilingual (Turkic-Mandarin) education system into a Mandarin-only system which defies Uyghur’s heritage.

Imprisonment and mistreatment of Uyghurs opposing the PRC has exalted the feeling of repression and empowered radical groups which have reverted to more violent means for the purpose of attracting greater media coverage and speaking up for their cause. China has also imposed harsher sanctions and exposed Uyghur groups as dangerous and extremist, citing national security and counter-terrorism as the cause for such measures.

After 9/11, China implemented more severe measures to prevent and punish any attempt to revolt; religious and opposition gatherings are closely monitored. Many also suggest that the sole purpose of the relocation of Uyghurs from Kashgar’s old city into modern apartment buildings is to facilitate the official control over individuals. Officials have refuted such statements pointing out that these actions were necessary due to the latent risk of earthquakes, deeming the old structures were unsafe. The government has also revealed the existence of direct links between Uyghur groups and extremist fronts in Pakistan and Iran that support Jihadi measures, thereby comparing Uyghur groups to Al Qaeda.

Throughout the years, groups of Xinjiang locals have used violence to pursue the independence of East Turkestan (also referred to as Uyghuristan) - a name that they ambition the global community will recognize them for. Violence has now expanded beyond Xinjiang.

Tiananmen Attack:

On October 28th 2013 at the heart of Beijing in Tiananmen Square, a Uyghur man carrying his wife and mother drove directly to a crowd of visitors killing himself; his passengers and injuring 40 tourists, resulting in the death of two of them. The East Turkistan Islamic Movement (ETIM) assumed responsibility over the act and called for a Uyghur uprising, pointing at the centralized government as the common enemy. There’s speculation on whether or not the female passengers were attackers as well and if it was a planned retaliation for a crackdown executed by the government in which one of ETIM’s leaders was killed.

Kunming Attack:

On March 1st, 2014 at the very ethnic diverse city of Kunming in Yunnan province, over 140 people were wounded and 29 killed by attackers with knives that associated themselves with the Uyghur cause. Many Uyghurs residing in the area were sent back to Xinjiang and held as suspects.

The escalating violence worries the government deeply; some theories have even linked Uyghur individuals as suspects in the missing Malaysian Airlines MH370.

International authorities have stated that the increase in China’s political and economic influence should go along with a significant growth in human rights. Uyghurs are seen as a threat by Han Chinese and prosecuting widely for publicly opposing the central government.

Not all is violent in the Uyghur separatist movement. Some important figures have arisen such as Rebiya Kaïdeer and Shiralijan Muhtar which have displayed their...
Rebiya Kadeer is an exiled Uyghur business woman who made it to the Chinese People’s Political Consultative Conference as a Uyghur representative, and was imprisoned for six years and removed from her position due to her strong stances on Xinjiang. After her release from prison she has dedicated her days to attend international forums to express the wide discomfort and abuse Uyghurs are supposedly exposed to. Kadeer is perhaps the public figure the movement requires for dialogue and international political aid.

Shiralijan Muhtar is a basketball player for the Xinjiang Flying Tigers that gained notoriety after expressing his rage with a fist sign at the crowd at a match against the Beijing Ducks after racial slurs were chanted at him, becoming an internet fad.

The Xinjiang problem illustrates what lack of dialogue and compromise can unleash. If the differences of a minority are not acknowledged, but silenced it can backfire and result in great losses. The Uyghur struggle did not start overnight and it certainly has escalated in the past half century. The early detection of the radicalization of minorities can save all parties involved great pain and the spilling of blood.

An alternative to the Xinjiang tension, that can also be widely applied to deal with the uprising of minorities, was explained by David Tobin:

“If we want to take security seriously, then a more pertinent question is how to make Uyghurs feel more secure and to give them channels to express their insecurity so that they do not feel the need to turn to violence… the more the Chinese government focuses on “security,” meaning surveillance of Uyghurs, the more insecure Uyghurs are supposed to feel, and the higher likelihood of further violence. The best way to address this security issue would be to listen to those who feel most insecure in Xinjiang and deal with their concerns. These voices can offer perspectives on the issue beyond relying on lazy essentializations of Islam to frame an as-yet entirely unexplained act of violence.”

Cultural differences in a society should be celebrated but not force-fed to smaller groups by the ruling hand. Repression causes fear, and fear causes counter-reactions.
South Koreans said that the costs of unification will be bigger than its benefits, 31.8% answered the other way around, and 15.5% answered both will be alike. More specifically, while 57.2% forecasted that reunification will make a profit to South Korea, 66.8% said it will not make a profit to an individual. It implies that even after several generation shifts since the division of Korea, many still sympathize with the necessity and appropriateness of reunification. However, the high costs expected make more people take cautious approach especially since North Korea’s economy is in such dire condition. Moreover, media has been intensively covering the costs and side effects of German reunification, raising even more skeptisms.

3.2 The Case of Germany

German reunification was only a partial success indeed. Sudden, unprepared reunification brought about harsh aftereffects. To provide capital for the newly integrated administration, a solidarity tax has been levied, collecting 200 billion euros until 2010, and is due to stay on the books until 2019. A study by IWH institute showed that 1.3 trillion euros were transferred from the west to rebuild the east over the last 20 years (1990 - 2009) and social security expenditure accounted for about half (49.2%) of the total amount. Expenditure to balance the budget of East and West accounted for another 23%. Apparently, while a large portion has been used for social welfare, only 19.5% has been invested in economic construction. Dirk Dohse from the Kiel Institute for the World Economy said, “Maybe too much money went into social programs, like the work creation program ABM.” That partly explains why German reunification produced less economic benefits than expected.

Although Germany has undergone economic burden, it does not necessarily mean that Korean unification would be likewise. Dr. Eberhard Holtmann of Martin Luther University of Halle-Wittenberg said that reunification of the two Koreas will be a ‘great adventure’ but also a ‘tremendous chance.’ In order not to repeat the same mistakes found in German case, Korea needs to prepare itself in advance. Fortunately, Korea has more time to prepare, since Korean government seeks to achieve unification in a gradual and phased approach. “Suddenly Change” in North Korea will not end up in an abrupt unification, but rather in ‘two-region system’ which will gradually move forward from an inter-Korean economic community to political integration. This kind of model is said to reduce the unification costs by half or even by a third.

3.3 The Validity of Unification Bonanza Theory

Although estimates vary from scholar to scholar depending on which unification scenario they postulate, the majority of reports present a rosy future. The Asiatc Research Institute (ARI) of Korea University estimated that the reunification costs will be 3,111 trillion – 4,746 trillion won and benefits will be 4,909 trillion won until 2050, assuming economic unity in 2015 and complete reunification in 2025. The institution stressed that the more gradual the process will be, the more net benefit Korea will get. Korea Institution for National Unification (KINU) also reported that “unless we choose an abrupt, hasty reunification, benefits will always exceed costs.”

4. POLITICAL STANDPOINT

4.1 Two Koreas with Two Ideologies

The two Koreas have undergone entirely different path with different ideologies for almost 70 years. Thus, how to combine two ideologies in a peaceful way is a significant issue. Particularly, North Korea has a unique political system, represented by Kim family’s hereditary succession of power. Current leader Kim Jong-un is the grandson of the country’s founder Kim Il-sung and is the one who legitimized the power succession in 2013. If the unification means immediate end to his hereditary dictatorship, it is hard to expect hospitable response from the North.

On top of that, international antipathy towards the Kim’s regime is at its peak due to substantial media coverage on atrocities and brutality of Kim’s family and accompanying North Korean human rights problem. Lately, the Commission of Inquiry (COI) on Human Rights in the Democratic People’s Republic of Korea has released the report that accused North Korean government of crimes against humanity including murder, enslavement, torture, rape, forced abortions and persecution on political, racial and religious grounds. Many even argue that Kim Jong-un should be brought to trial at the International Criminal Court (ICC) for prosecution. Public sentiment against him explains the defensive attitude of the Kim Jong-un regime toward reunification. Although Kim should not be allowed to get away with the crimes, stressing harsh punishment will only prompt the North regime to strengthen its dictatorship. Thus, legal experts and North Korea experts need to collect opinions on this matter and find a way to reach mutual consent with the North without corroding in atrocities.

4.2 Unitary State or Federation?

South Korea assumes that a united Korea will be a unitary state. On the other hand, the North proposed a federation, called “Democratic Confederal Republic of Koryo,” in which the respective ideologies and political systems of North and South remain. The late Kim Il-sung once said, “If the North and South each independently seek to achieve an absolute recognition of their own ideologies and systems and impose them on the other side, this would inevitably lead to confrontation and conflict, which in turn would lead to a further deepening of the split.” In other words, while Korea virtually assumes the end of the North Korean regime and its territorial and political incorporation into South Korea, North Korea, whose ideology is relatively on the defensive, aims at maintaining the regime. Practically, two Koreas have no will to relinquish their current ideology and political system.

Indeed, from the South Korean perspective, unification should be the integration of two ideologies into the South Korea’s capitalism and democracy. However, uncompromising attitude toward ideological issues will only stimulate the North, making a dialogue with the North even harder. Moreover, experts say that the confederation is a realistic form of initial unification, on the condition that we would never accept unification through communization and that we ultimately aim for a unitary state. Unification by absorbing the North is what North Korea has been dreading for most. International society including South Korea should be cautious about insisting on the collapse of Kim regime and severe punishment for atrocities. For a great cause of national unification, South Korean government needs to make it clear up to what point it can yield to the North, and should not use the anti-North Korea sentiment for its political aim. While conservative political parties often try to put different opinions from progressive parties as rumor mongering by “North Korean sympathizers” and brand some liberals as a “commie,” such anti-North propaganda would only intensify the ideological conflicts in South Korea and strain South-North relations.

5. DIPLOMATIC APPROACH

While economic and political issues are those that need to be studied and resolved mostly within Korea, diplomatic issue is one of the most challenging and complicated dilemmas that cannot be solved without the cooperation of even a single nation. North Korea is an international issue and many different interests are entangled in this case. Although there will be no country free from the North Korean issue, six countries that are most commonly mentioned are the United States, China, Russia, Japan, and the two Koreas. Most agree with the significance of denuclearization and the improvement in human rights in North Korea, whereas each takes quite different positions about details. On the other hand, except for the two Koreas, many, if not all, prefer a status quo than a reunified Korea. Particularly, China and the U.S. will take the matter more sensitively, since they directly involved in the armistice agreement.

Every country gives a priority to its own interests and it is the same for the peninsular case. Therefore, Korea cannot enforce unconditional support for a reunification from international society, even if it has a righteous cause. Instead, Korea should convince
others that a reunification will be a bonanza for the international society by providing a detailed plan and proposal. Without doubt, Korea’s diplomatic pow-
er will play the key role here. Delicate diplomacy is needed to correct the widespread stereotype that a reunification will be a loss to neighboring nations. At the same time, international attention and cooperation are also required. Surely, in the long run, reunification will bring about astronomical value to Northeast Asia and the whole world, considering that it will eliminate unstable factors surrounding the North. Korean government needs to guarantee that it will share the benefits with the world, if international society moves away from national egoism and allows some time to the two Koreas.

6. CONCLUSION

As a South Korean student who was born in a di-
vided nation, I have experienced the constant chang-
es in the state of South and North relationships. Gov-
ernments, scholars and international society have en-
deavored together for the peaceful resolutions to the complicated North Korean issues. While Presi-
dent Park’s recent remark and proactive attitude to-
wards the reunification give many a positive outlook, it is high time that thorough and elaborate research should be made.

Economically, the government and the academ-
ic community must put their effort in underpinning Unification Bonanza theory and building public sup-
port. By closely examining other countries’ cases, re-
searchers need to show as precisely as possible how much costs will be needed and how much benefits the unification will bring. Since Korea has time to prepare itself, it should make the best use of the time and come up with the best possible scenario that will minimize the costs and maximize the benefits. Politically, de-
tailed implementation plan need to be suggested in order to wisely integrate different ideologies without armed conflict. Last but not least, international com-
unity allows two Koreas to open the new era of harmony, reunification will bring them back more prosperity and new possibilities. 2015 marks the 70th anniversary of the division of Korea and the aspiration towards reunification still holds today. As our national folk song goes, “our wish is unification, even in our dream. We want it from the bottom of our hearts. The unification that revives the people. The unification that revives the nation. May the day of reunification come quickly.” - A national folk song “Our Wish”

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fication.

1. INTRODUCTION

The concept of ‘BRICS’ refer to the five develop-
oping countries — Brazil, Russia, India, China and South Africa. All five are G20 members. Due to the fast-growing economics and the increasing influence on international affairs, BRICS is seen as a new force in the world which could not be ignored. People even call them the ‘Golden BRICS’ to refer to the bright future that they will bring to the world.

However, the problems and conflicts can also be seen within the BRICS. In my paper, I will try to figure out the main goals that the five countries want to achieve through the BRICS. To compare the differences and common in their goals, this paper will figure out the core interests of each country and explain why the problems and conflicts among five BRICS countries are hard to overcome.

2. RESEARCH METHOD AND RESULT

When we want to know what core interests that countries hold in the BRICS, we should go to see what goals they want to achieve. In order to do this, the most important thing is to find an accurate information source to analyze. The opening speeches which were addressed by each head of state at the BRICS Summit would be a good resource to figure out the national goals that each country wants to achieve through the BRICS. This paper tries to trace the transcriptions of speeches from the official website from every BRICS state. For some which could not be found on the official site, I will use the transcriptions from the authoritative media or mainstream media, such as Peoples Network, Xinhuanet to make sure the truth and accuracy of the information resources.

In my research, I will choose the text analytics to organize my research. In my opinion, the text analytics will be a better way to reflect each BRICS countries’ perception of the national goals as much closer to the reality as possible. Based on the analysis of these effective samples, I want to find out what national interests that every countries wants to achieve in the BRICS and commons and differences among them.

This paper believes that, the more one issue is mentioned by the BRICS countries in the speech-
es, the more important this issues is for BRICS. The same method also could be applied to the individual countries in BRICS; the issue which is raised by the state mostly is the most important to it. So it is neces-
sary to find out the frequency of each kind of issues that the states mentioned during the speeches.

The Cracks on BRICS: the Different National Goals

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<table>
<thead>
<tr>
<th>Categories</th>
<th>Content</th>
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| Reform interna-
tional monetary and financial systems | Reform the International Monetary Fund and World Bank | 14 |
| Reform interna-
tional political governance | Reform the United Nations Security Council | 9 |
| Promote environment-
mental and sustain-
able development | Pursue ‘green’ growth; Develop clean energy sources; Participate in Climate Change Negotiations | 8 |
| Respect interna-
tional principle and Contribute to International Security | Respect the international principle and laws; Responsible to protect, etc. | 8 |
| Communicate and Cooperate in Civil Society | Education; Culture; etc. | 6 |
| Cooperate with other states or institutions | United Nations; the developed countries, etc. | 6 |
| Counter Modern Threats | Terrorism, Extremism and Intolerance; Information and Internet Security | 6 |

Table 1. Frequency and Content of different issues considered as the goals of BRICS (2009-2013)
In order to compare the commons and differences, I also do the count about the frequency of the goals of every BRICS countries that they mentioned during the summits. For making the research more cohesive, I will just list the top three goals which are most frequently mentioned. The issues which are raised by individual countries but hardly mentioned by other countries I will make it in bold to show the differences with others.

3. ANALYSIS OF TYPICAL CASES

We already knew the common goals of the BRICS and the goals of each country’s ranking. This paper will analyze two typical cases—reform the international monetary and financial system and reform the international political governance, which also are the hottest topics in every BRICS Summit. To study these two cases, I want to illustrate the idea that, because of the differences in goals, what the BRICS have in common are hard to be achieved further and what the BRICS have less in common have difficulties to be achieved. How the different ranking of goals causes the obstacles in the cooperation of BRICS countries will be discussed.

3.1 Reform International Monetary and Financial System

All BRICS countries cared about the reform of the international monetary and financial system. Like other emerging countries the BRICS want to have better representation in IMF and WB, these two organizations which plays the core role in the international monetary and financial order, to get the rid of the dominance of the Western countries and make the global economic governance more democratic. This idea was cleared showed in the address of the president of Russia Dmitry Medvedev at 2012 BRICS Summit, he said ‘we are all interested in reforming the outdated global economic and financial system...This system still disregards the global economic role played by the BRICS nations, as well as other countries with emerging markets.’ As this goal being the most important one that every countries concerned, they put much effort in this and really got some progress. In 2011, IMF Board approved the Far-Reaching Governance Reforms which showed that the BRICS redefined the quotas and voting rights in the International Monetary Fund. There are 6 per cent of quota shares shifting to the under-represented member countries (Zaki, p.624). After that, China becomes the third largest member country in the IMF, and Brazil, India, China, and Russia, four from the BRICS rank in the 10 largest shareholders in the Fund. Before that, only China and Russia could rank into the top 10 (World Bank, 2013).

However, although the progress was been made, the differences in the ranking of goals make it hard to the BRICS to make further progress, just like what happened in the election of the head of World Bank in 2012. Although the BRICS stated that they will cooperate to have a candidate from the developing countries to be the head of the World Bank before the election, the result was not like that. India, Russia and China lined with European countries and the United States to support the Korean-American Jim Yong Kim, while Brazil and South Africa supported Okonjo-Iweala, the Finance Minister of Nigeria. Finally, Kim got the position (Zaki, p.625). Actually, Okonjo-Iweala was formally nominated by South Africa. A candidate who was nominated by one member of the BRICS couldn’t get the full support from the BRICS, which shows the lack of the coherence in the BRICS. Although the reason why the BRICS countries came out the different decisions won’t be stated to the public, it is still reasonable to make deduction that in the situation of less possibilities for Okonjo-Iweala to win and as the first and forth borrower from the world bank, China and India would prefer to support Kim as a privilege to the United States and Europe. According to the ranking of China’s goals (Refer to Table 5), the one ranked into the second is solving the North-South imbalance in development through achieving the Millennium Development Goals. Actually, three of five speeches of Chinese leader in the BRICS Summit had mentioned the importance of the assistance and support from the developed countries. As a receiver which still needs to rely on the developed countries to develop, it’s no need to go against with them on this kind of issues. China and India may think as that, but miss a chance to get the BRICS together to reform the World Bank.

According to the result that I listed, we could find that every BRICS countries has raised the reform of the international economic and financial systems as its top goals and tries to make it achieve through the BRICS. When we come to the second goal——reform the international political governance, we could see that, although it ranks into the second in the frequency to be mentioned, it could not get into some countries’ top three goals. There are huge differences in the perception of the importance of these goals. We also could see that some countries raised the goals that we couldn’t see in the goals of BRICS. There are the goals that the individual countries want to achieve through the BRICS, but it couldn’t get much support from other countries. The different rankings of each country’s goals reflect the differences in each country’s interest. This lays down problems in the cooperation of BRICS countries and prevents them to achieve common goals. I will illustrate this idea with cases in the section below.
Although the BRICS make a success on the reform of the quota in the IMF, they fail to have joint candidates to charge the IMF and the World Bank. Their dream to reform the international monetary and financial system couldn’t touch the substantial content.

3.2 Reform the International Political Governance

Although the reform of international political governance has been showed in the Joint Statement from the BRICS Summit, it suffered huge differences in treatment among the BRICS countries. India and Brazil are ‘crazy fans’ to support the reform of international political governance, especially in the reform of the United Nations Security Council (Refer to Table 2 and Table 4). They are looking for the permanent membership of the UN Security Council. The Prime Minister of India, Dr. M. Mamoham Singh (2012) even said ‘while some progress has been made in international financial institutions, there is lack of movement on the political side.’ However, Russia and China, the two permanent members of the Security Council remains cold to the appeal. According to their five speeches on the summits, Russia only raised the problem of UN Security Council in one speech and just emphasized on the mutual trust and cooperation within it. Although Russia also said that it supported India, Brazil and South Africa as strong candidates for membership in the UN Security Council, it never talked about the permanent membership. As for China, some scholars said that China is the one of the biggest obstacles to the reform of the Security Council permanent membership (Harsh, p.100). The attitude of China proves this kind of opinion. China never talked about this problem in the five speeches among the summits (Refer to Table 5). Even the term of ‘Security Council’ didn’t be mentioned.

Russia and China didn’t say no to the reform, but at least they did not hold the positive attitude towards it. So there should be no expectation to these two countries’ contribution. The different voices approaches to the global issues make the two countries dare not to support the rest of the BRICS members get the permanent position. For them, it’s better to remain the current situation and do not introduce the X factor to bother their decision-making. The vote on the UN General Assembly Resolution 253 on 16 February 2012 could be an example. This resolution strongly condemns the violations of human rights by the Syria Authorities. Russia and China voted against to the resolution, while Brazil, India and South Africa voted for it (Zaki, p.627). Although this resolution is non-binding, it shows the differences in the attitudes towards the global issues. The differences of the attitudes may root in the differences of the political systems and ideology among the countries. Brazil, India and South Africa have the multi-party democratic systems, while China and Russia are one-party and more authoritarian systems. The former would treat the issues of human rights as one of their core interests, while the latter wouldn’t see in that way. The issues about the human rights such as the “Responsibility While Protecting” could be included into the declaration of IBSA (India, Brazil and South Africa) Summit, but we couldn’t see it in the BRICS joint statements (Oliver, 2012).

As one Indian diplomat saying that the BRICS don’t see eye to eye on many international issues, there is no common cementing principle among them (Zaki, p.615). The divergence of the rank of national interests make the BRICS couldn’t respond consistently in the global governance. China and Russia wouldn’t let the power go, and Brazil, India, and South Africa are hard to get room in. So in the goals what they have less in common are very difficult to be achieved.

4. CONCLUSION

We see that the goals that individual countries pursue are different among each other. Russia really wants to make BRICS as a key element in the global governance system which could counter the power of western countries (Refer to Table 3), while its colleagues want to maintain stable relationship, even more friendly relation with western countries. Brazil wants to expand its market (Refer to Table 2), but it have amount of conflicts in processed product industry and monetary exchange rate with China. South Africa wants to achieve its development through promoting the BRICS-AFRICA cooperation (Refer to Table 6), but whether it will be more partners or more competitors is the conundrum in its heart. The differences of the goals come from the national interests which root in the divergence of political system, economic development among the BRICS countries. That makes the goals what they have in common are hard to take a further step, and what they have less in common are difficulties to be achieved. That is why there are cracks on the on BRICS.

The cracks on the BRICS also are hard to be repaired. They all put the sovereignty as the core principle in their foreign policy. As the Prime Minister of India (2011) addressed that the cooperation between the BRICS is neither directed against nor at the expense of any one. This idea is shared by all the BRICS members, so they would skip the conflicts and sensitive topics. It’s really good to keep the friendly relationships, but nothing to do with the contribution to what they want to achieve. There could not be a successful organization without sacrificing some individual states’ authority. If the BRICS countries just stick at what they get for their own, the cracks will remain there or even go bigger.

REFERENCE

Recognizing and Removing the Barriers to Social and Educational Inclusion of Youth with Disabilities in the Third World: A Collective International Responsibility

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INTRODUCTION

The objective of this paper is to highlight and examine the structures that create barriers for persons with disabilities to access services and opportunities in society. It is the result of an exploratory study done with participants especially persons with disabilities from various parts of Africa. The paper is intended to highlight on conditions that such persons, especially youth with disabilities, face in Africa. The main focus will be on the social and educational inclusion and/or exclusion of such persons with disabilities. It begins with a discussion on the definitions of the concept of disability. The myths, perceptions and superstitions that surround disabilities in parts of African society will then be discussed. This will be followed by the theoretical framework which was utilized in analysing the data from the study. The methodology that was used in collecting the data for the study will then be presented followed by a discussion of the findings from the study. It will conclude with recommendations for policy formulations and the removal of the barriers to social and educational inclusion of youth with disabilities in the Third World, and especially in Africa. This is cast as a collective international responsibility.

Social exclusion that is adopted or viewed by mainstream policy agendas mean something different to young people in Third world countries, especially in Africa. For young persons in Africa, social exclusion means being shunned to the margins of society. The situation becomes dire for youth with high levels of needs especially those with cognitive disabilities. The experiences of marginalization, exclusion, concerns and needs of this group of youth are not being heard in the corridors of power or in areas where policies that may impact their lives are developed. This situation means that their needs are not being met by the very powers that are responsible for ensuring that young people with disabilities do not grow into adulthood with their disabilities serving as barriers for inclusion.

Conceptual Models and Classification of Disability

The concept of “disability has multi-dimensional aspects with objective and subjective characteristics. In many countries, especially in Africa, “Disability” is interpreted as an illness or impairment. In this context, disability is seen as fixed in an individual’s body or mind. This is what is known as the impairment perspective (Michailakis, 2003). The impairment perspective which considers disability as a health problem or abnormality, is best expressed by the medical model which views disability in terms of disease, illness, abnormality and personal tragedy. The medical model assumes that disability is an intrinsic characteristic of individuals with disabilities. In this sense, therefore, any person whose ability to function in a “normal” manner is limited in any way by visual, cognitive, physical, or environmental factors is classified as having a disability. In this sense therefore, society assumes that anyone with a “disability” has abnormalities and/or defects that need to be “fixed” or treated. This model ignores the role of the social and physical environment in the disabling process. It also assumes that the person may be defined as defective, abnormal and by extension biologically or mentally inferior. However what is now gaining currency around the world now is the interpretation and seeing “disability” within a social construct. This perspective views disability in terms of the socio-economic, cultural and political disadvantages resulting from an individ
ual’s exclusion from the opportunities, privileges and resources in society. This view is termed as the social model of disability which asserts that it is the social and economic structures of society that create disability (Michailakis, 2003; Anatasious & Kaufmann, 2011; WHO, 2011). When disability is interpreted as a social construct, it is seen in terms of the socio-economic, cultural, and political disadvantages resulting from an individual’s exclusion (Government of Canada, 2003).

The International Classification of Impairments, Disabilities and Handicaps – ICDH – by the World Health Organization (WHO, 1980) which was revised to the International Classification of Functioning, Disability and Health (ICF), defines disability as “the outcome or result of a complex relationship between an individual’s health condition and personal factors, and of the external factors that represent the circumstances in which the individual lives” (WHO, 2001; Barnes & Mercer, 2004). It must be borne in mind that disability can affect anyone at any time in their lives regardless of their age, culture, ethnicity, gender or social class. It is for this reason that disability should be seen as something that does not only happen to a few people in the world, but rather recognized as a universal human experience.

For the purpose of this paper, a person is defined as having a disability if he or she has difficulty performing certain functions (seeing, hearing, talking, walking, climbing stairs and lifting and carrying), or has difficulty performing activities of daily living, or has difficulty with certain social roles (doing school work, working at a job or around the house). A person who is unable to perform one or more of such activities, or who uses an assistive device to get around, or who needs assistance from another person to perform basic activities, is therefore considered to have a disability (Agbenyega, 2003; Avoke, 2002; Michailakis, 2003).

The Social Construction of Disability

For the purpose of this paper, a look is taken at disability as a social construction; focusing on the actions of society that contribute in erecting barriers and structures that limit the ability of certain persons in society to function “normally”. These barriers have the effect of also limiting the ability of such persons to access the opportunities, privileges and resources that are available in society. These barriers include, not only physical barriers, but organizational and attitudinal barriers (Culham & Nind, M., 2003). These barriers prevent such persons from having equal access to education, information, public transport, employment, social/recreational opportunities and housing. This means that when society allows certain types of physical, architectural, transportation, and other structures to remain in place that limit their access to those with certain types of impairment, it is society that is creating handicaps that oppress individuals with disabilities. Put simply, it is not the inability of a person with physical disability to walk or his/her inability to sit that prevents that person from entering a building unaided. It is the existence of long stairs with no access for wheel-chair users that makes access to such buildings impossible.

Public attitudes and perceptions on disabilities in Africa

For the purpose of this paper, a look is taken at disability as a social construction; focusing on the actions of society that contribute in erecting barriers and structures that limit the ability of certain persons in society to function “normally”. These barriers have the effect of also limiting the ability of such persons to access the opportunities, privileges and resources that are available in society. These barriers include, not only physical barriers, but organizational and attitudinal barriers (Culham & Nind, M., 2003). These barriers prevent such persons from having equal access to education, information, public transport, employment, social/recreational opportunities and housing. This means that when society allows certain types of physical, architectural, transportation, and other structures to remain in place that limit their access to those with certain types of impairment, it is society that is creating handicaps that oppress individuals with disabilities. Put simply, it is not the inability of a person with physical disability to walk or his/her inability to sit that prevents that person from entering a building unaided. It is the existence of long stairs with no access for wheel-chair users that makes access to such buildings impossible.

In many communities in Africa, derogatory labels and degrading treatment are meted out to persons with disabilities. Some of these treatments are justified with the belief that the disability was the result of punishments placed on the person from the gods, for committing offences against the community or the gods (Avoke, 2002). These public attitudes and perceptions about persons with disabilities in Africa have therefore created situations that lead to the further isolation and stigmatization of persons with disabilities. It is this stigmatization and marginalization of persons with disabilities and their damaging effects that were the basis of this study.

Models of disability

In many communities in Africa, derogatory labels and degrading treatment are meted out to persons with disabilities. Some of these treatments are justified with the belief that the disability was the result of punishments placed on the person from the gods, for committing offences against the community or the gods (Avoke, 2002). These public attitudes and perceptions about persons with disabilities in Africa have therefore created situations that lead to the further isolation and stigmatization of persons with disabilities. It is this stigmatization and marginalization of persons with disabilities and their damaging effects that were the basis of this study.

Theoretical Framework

This study utilized some components of the sociocultural theory and critical disability theory as the theoretical framework that guided the study and used as the anchor of analysis. These theories were helpful in responding to the research questions posed and interpretation of the data that was generated (Hosking, 2008). Critical disability theory (CDT) provides a broad perspective for addressing disability issues in contemporary society. It strives to explain what is wrong with current social reality, and identifies the actors in society who are capable of change (Bohman, 2005). Some of the elements of critical disability theory propounded by Hosking (2008) that were utilised for this study included models of disability, human rights, and language use. These elements were selected because they help to understand the realm of factors such as societal perceptions which routinely influence attitudes towards persons with disabilities. It also provides a basis for establishing the roles that various actors in society can play towards removing the barriers that lead to the stigmatization and marginalization of persons with disabilities in African societies.

Critical disability theory thus propounds the need to consider both personal and social factors when trying to understand disability, without making one aspect dominant over the other. The fact that disability results from the interaction between persons with impairments and attitudinal and environmental barriers that hinder their full and effective participation in society on an equal basis with others implies that disability is not only an attribute of the person (United Nations, 2006; WHO, 2011). Removing barriers that hinder the day-to-day lives of people with disabilities therefore critical to improving their social participation (WHO, 2011).

Human Rights

Another important element of critical disability theory concerns human rights of people with disabilities. The theory recognizes that people with disabilities have rights to autonomy -individual rights, as well as rights to full participation in society (Hosking, 2008). There have been several human rights legislations which have been enacted around the world which recognizes the rights of persons with disabilities. Some of these are the Universal Declaration on Human Rights; the UN Convention on the Rights of the Child and the UN Convention on the Rights of Persons with Disabilities. All these legislations clearly established that persons with disabilities have the same human rights as other members of the societies they live in. Discrimination on the grounds of disability is therefore prohibited under such legislations. The Salamanca Statement and Framework for Action (1994) as well as UNESCO’s Education for All (EFA) agenda
also affirm that children with disabilities should have the same rights to education as their peers without disabilities. Critical disability theory also emphasises the fact that human (and legal) rights are indispensable tools that are needed to advance the equality claims of people with disabilities and to promote their full inclusion into all aspects of their society (Hosking, 2008).

Relating the rights perspective of the theory to this study, which seeks to establish roles that social workers can play in inclusive education efforts, Hiranjandani (2005) posits that the profession of social work among other things has a mission of social justice, empowerment, self-determination, and commitment to marginalized populations. Stemming from the critical disability theory therefore is the roles that social workers can play, which is to advocate for the educational rights of children and youth with disabilities, especially those with intellectual disabilities on the basis of promoting social justice.

Influence of Language

The effect of language use is also a critical component of critical disability theory. This aspect of the theory addresses how language use and terminologies affect the concept of disability and the status of people with disabilities (Hosking, 2008). Other authors like Kress-White (2009) posits that “the language of disability, and the definitions and symbols that attach to societal lexicon, can be significant disablers” (p 53) for many persons in society. Language as used in critical disability theory is seen to be inherently political and includes “both the words used to describe people with disabilities and the words or images used to portray disability” (Hosking 2008, p 14). In essence, most of these words or images portray negative attributes, which invariably influence societies’ attitudes towards persons with disabilities. For example, Hosking (2008) points out that regardless of one’s cultural context, people with disabilities are portrayed as “deficient, pitiable, wicked or malignant, dangerous or valueless... negative attitudes are revealed through a discourse of personal tragedy with disability rendering individuals powerless, vulnerable and dependent” (p 14).

In Ghanian society in West Africa the language used in depicting persons with disabilities confirm what critical disability theorists such as Hosking (2008) and Kress-White (2009) reveal. The pejorative labels surrounding persons with cognitive disabilities in West Africa are well documented (Avoke, 2002; Agbenyegah, 2003; Anthony, 2009b). Using the critical disability theory, the study examined how languages used in reference to cognitive disabilities in West African societies perpetuate negative societal perceptions and attitudes toward children with cognitive disabilities. Particularly regarding intellectual disabilities, Avoke (2002) documented the following: For example, among the Akan (the most dominant tribal group), people with ‘mental retardation’ are ... referred to as ‘Newaninyagyanadwene ho’, which means ‘the one who is retarded’ or ‘the one who has outgrown his other brain’. Among the Ewees, people with ‘mental retardation’ are referred to as ‘Susuddivi’, meaning the child with reduced mental functioning, and ‘Asovi’, meaning a fool or an idiot, and descriptively as ‘Taghomadetowo’ suggesting reduced intellectual abilities. The Gas, another tribal group in Ghana simply calls them ‘bulu’, which means ‘fool’ (Avoke, 1997). In some areas in Ghana, other labels such as ‘mental’, ‘mentally impaired,’ ‘slow learner’, ‘mental impairment’ are generally used alongside ‘idiots, morons, fools’, without reservation or any sense of guilt (p 773).

In summary, critical disability theory provides useful perspectives for analyzing disability issues, and is well-suited for examining the stigmatization, discrimination and marginalization that are routinely endured by persons with disabilities in African societies. The three elements highlighted: models of disability, human rights, and language use, provide useful dynamics for addressing the dimensions of inequality that results from acts of stigmatization and exclusion of persons living with disabilities.

The sociocultural theory, propounded by Lev Vygotsky (1896-1934), also posits that human cognition and learning is influenced largely by social and cultural factors rather than individual characteristics only; and that parents, teachers, peers, and the community play a crucial role in defining the types of interaction occurring between children and their environments (Koulzin, et al. 2003). The sociocultural theory posits that a child’s development depends on the interaction between the child’s individual maturation and a system of symbolic tools and activities that the child appropriates from his or her social and cultural environment (Kozulin et al, 2003, p. 5). The uniqueness of the theory lies in the perception of disability as a sociocultural developmental phenomenon (Gindis, 2003). The ideas presented in the theory reflect a social constructionist perspective of disability, more popularly known in contemporary disability studies as the social model of disability (Anastassio & Kauffman, 2011). This model emphasizes the fact that the expectations, attitudes and the spiritual atmosphere created by society influence how children living with disabilities can have access to knowledge, experiences and opportunities to participate in shared or joint activities with their peers in the social and cultural context of their communities.

Research Methodology

This study utilized a qualitative research approach because it falls in the realm of phenomenology which, according to van Manen (1990), is the study of lived experience. This study is about the lived experience of its participants: persons with disabilities in African societies. The context of the issues within which this study falls, include questions about how social life is organized, and about the ways in which individuals and groups (persons with disabilities) make sense of their lived experiences within their societies of residence (Miller &Dingwall, 1997; Cresswell, 2009). The research design and methodology therefore positioned the study’s participants (persons with disabilities) as expert knowers in their own lived experiences.

The study participants were selected from a number of focus group discussions and series of interviews with persons with disabilities mostly on the streets in urban and rural areas in some selected countries in Africa. It also involved interviews and interactions with other “abled-bodied” persons from the communities surveyed. A large pool of potential participants was developed out of which the final number of two hundred and fifty participants was selected through a random selection process. This consisted of one hundred and fifty persons with disabilities, fifty parents, care-givers or family members of children with disabilities, and fifty persons consisting of so-called “abled-bodied persons” who are teachers, social workers and other public officials working in the areas which provide services to persons with disabilities.

The different data collection methods used in the study, which are personal interviews, and focus group discussions and a survey, are for the purpose of triangulation. Triangulation refers to the use of more than one approach to the investigation of a research question in order to enhance confidence in the ensuing findings (Bryman, 2004). According to Mathison (1988) good research practice requires the researcher to triangulate, that is, “to use multiple methods, data sources, and researchers to enhance the validity of research findings” (p 13). In this study, the use of triangulation is based on the premise that the weaknesses or flaws of one method will be compensated by the strengths of another (Denzin, 1978, in Johnson, Onwuegbuzie & Turner, 2007). Thus, the findings obtained from the different methods used, will be corroborated to strengthen the validity and reliability in the study.

Research Questions

The study was conducted around the following research questions:

- How do persons with disabilities perceive themselves in African society?
- How do persons with disabilities think about the ways the general society perceives them?
- How do these perceptions affect the general well-being, self-worth and self-esteem of persons with disabilities?
- How difficult or otherwise is it for persons with disabilities to access services, resources and opportunities in African societies?
- How do these societal attitudes limit the ability of children and youth with disabilities from accessing educational opportunities in African societies?
- What progress, if any has been made by governments and Africa societies generally in removing barriers that limit the access of persons with disabilities to services and opportunities in society?
Data Collection process

The data collection process for this study was mainly through face-to-face interviews with the study’s participants. It involved both informal conversations with persons with disabilities that were identified in public spaces in some selected urban centers in five African countries. Many of such persons, both children and adults, with disabilities were found begging at street corners of the urban centers to eke out a living. The objective was to get a general idea on how persons with disabilities perceived their situation and how they think the general society perceived them. It was also meant to get an idea on what bring them to the streets as their places of livelihood.

We also examined various laws and legislations that have been designed to correct misconceptions about disability as well as to protect the rights of people with disabilities in these countries. One of the major international instruments working toward these objectives is the United Nations Convention on the Rights of People with Disabilities (CRPD, United Nations, 2006). In Ghana there is the Persons with Disability Act (Act 715), passed in 2006, which seeks to protect the rights of people with disabilities in the country.

The second stage of the data collection process involved organizing of focus group discussions with some of these persons. We invited some of the persons we had encountered earlier at street corners and public places for meetings at the offices of some organizations that provide services for persons with disabilities. The sites chosen for these discussions were purposeful to assure the subjects of their safety and comfort in the premises of organizations that provide services for persons with disabilities. The sites chosen for these discussions were purposeful to assure the subjects of their safety and comfort in the premises of organizations that provide services for persons with disabilities.

Contending with the issue of stigma

The issue of stigma and labeling were the first major finding from this study. It concerns the way those African societies surveyed for the study stigmatize persons with disabilities. Aghenyega (2003) describes stigma as the negative and prejudicial ways in which persons living with disabilities are labeled and portrayed. A number of factors contribute to these stigmas. They range from lack of knowledge and empathy about disabilities, superstition/ignorance, old belief systems, myths and fear of people who look different and appear abnormal to other members of society (Avoke, 2002). Many of the study’s participants alluded to the stigma that is attached to persons with disabilities. The participants with disabilities as well as other key informants all alluded to this issue of stigma which, they contended, have resulted in people stereotyping those living with disabilities. It leads to fear, embarrassment and other avoidant behaviors towards persons with disabilities. As a result of the stigmatization and labeling of persons with disabilities, some of the study’s participants who are parents of children with disabilities alluded to the fact that they hide their children from public view. They do not send their children to school because of the fear of what teachers and other children will do to their children in terms of avoidance and other negative attitudes. This stigmatization, they contend, prevent them from seeking help or services that can make some difference in the lives of these children.

Examples of disability stigmas in West Africa

Persons with disabilities are generally referred to in some West African countries with various derogatory labels which borders on stigma. In Ghanaian society persons with disabilities are referred to as Ayrepfo (sick people). Persons with Autism and Down syndrome are referred to as Kwasase, Kwasea, Gyimi, Gyimi (stupid person, imbecile). In Nigeria persons with hearing impairment are referred to as, “Mumi”(dumb). Those with mental illness are referred to as “Obodafuso” (Mad Person).

Effects of Stigmatization

Stigma results in stereotyping, fear, embarrassment, anger, and avoidant behaviours, among others. Self-stigma can also occur when persons with disabilities and their families internalize society’s negative attitudes towards them, leading to self-blame and low self-esteem.

Aside from being personally painful, stigma is dangerous in a number of ways: It can prevent people from seeking help; can lead to feelings of hopelessness when in fact persons with disabilities can function “normally” when societal barriers are removed. It can impede individuals from advocating for services that may ultimately have an impact on social policies and laws. The study participants were unanimous in their assertion that the stigmas attached to having a disability was making life difficult for them since they could not access services and opportunities.

Discrimination against persons with disabilities

Discrimination refers to the way persons with disabilities are treated, intentionally or unintentionally, due to the stigmas referred to above. Persons with disabilities are often treated with disrespect. This show of disrespect and discrimination lead to societal exclusion, bullying, aggression, ridicule and devaluation of the self-worth of the person. Such discrimination meted against persons with disabilities results in oppression against them in all areas of life including their ability to obtain housing, maintaining regular employment, access education, engage in meaningful relationships and enjoy the quality of life afforded to all citizens. This situation can therefore be likened to a situation of systemic societal barriers that lead to the oppression of persons with disability in African society (Mulally, 2002). A comment by a participant sums up this feeling of oppression felt by persons with disabilities:

We have no respect in here Ghana. People treat us as less human. I believe the resources of Ghana belong to all of its citizens and that include us, those of us who have disabilities. But we cannot find work; nobody will employ us even when we have the necessary skills or qualifications. We cannot take buses because we cannot climb the steps to get inside the bus. We cannot go to government offices that have all these long steps. Even if we go to hospital we are not treated with any respect. Life is really hard for us.

Educational exclusion of persons with disabilities

It is widely recognized that the means to developing human capital, improving economic performance, and enhancing people’s capabilities and choices through formal education (OECD, 2011). In this vein therefore it is the responsibility of governments to make the necessary investments in education that will provide the best standards of skills acquisition for its citizens (Porter, 2001). There is currently no available research support the fact that persons with disabilities, including children, are ‘non-educable’ (Culham & Nind, 2003; Reiter & Vitani, 2007; Porter & Smith, 2011; Maul & Singer, 2009). The United Nations estimates that the school enrolment rates of children with disabilities in developing countries are as low as 1 to 3 per cent. This situation implies that approximately 98 per cent of children with disabilities do not go to school and are therefore illiterate (United Nations, 2007).

A colonial relic or throwback from the colonial structures in Africa is the establishment and current existence of segregated or “special” schools for persons with disabilities. There are a number of “schools for the Blind”, Unit Schools for the Deaf” and vocational institutions for persons with physical disabilities in the various countries that were surveyed for this study. These schools and institutions “train” persons who end up with some form of graduating diplomas that fit them nowhere in the mainstream economic system (Turnbull, et al, 2007). One of the study’s participants who is visually-impaired made the following comment which was collaborated by many of the study’s participants as well:

I am a full trained teacher with a diploma from one of the top Teacher Education Colleges in Ghana. In my teacher training program, I studied with students who had sight, but since I graduated with my Educa-
It is painful to see people making fun of you all the time because of the way you are, through no fault of your own. I did not ask to be born this way. When people see me begging on the streets, they mock me. I cannot work because I was not allowed to go to school because of my disability so I don’t have any skills to look for a good job. The only way I can get some little money to buy food is to come to the bus station or sometimes the streets to beg. I don’t cause trouble to anybody. Because I am begging for help, some people insult me all the time. They say all kinds of dirty things about me as if I am not a human being. It really hurts

From another participant:

Regardless of the areas where we live or work, it is very likely that at some point, we will come into contact with persons with some forms of disability. In order to overcome or avoid stigma and discrimination faced by our neighbors, friends, family and co-workers with disabilities, we must take action, challenge and provide a voice for those affected by stigma in their quest for wellness and quality of life free from stigmas and discrimination. More importantly, we must change the way we perceive, and the way we speak about our persons clients who have disabilities. We should avoid using stigmatizing labels on such persons. Most importantly policy makers should take into consideration the urgent need to formulate policies that are principally aimed at dismantling the societal barriers that hinder the participation of persons with disabilities in meaningful aspects of society that affect their lives. These are national and by extension, international responsibilities that should be taken seriously.

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Necessity is the Mother of Invention: Developing Countries Taking a Proactive Approach against Burden of Disease

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OVERVIEW

1. Burden of disease

Disease burden is the impact of a health problem as measured by financial cost, mortality, morbidity, or other indicators. It is often quantified in terms of quality-adjusted life years (QALYs) or disability-adjusted life years (DALYs).[1][2][3]

DALYs = number of people with the disease × duration of the disease (or loss of life expectancy in the case of mortality) × severity (varying from 0 for perfect health to 1 for death). These are mainly focussed on chronic diseases (HIV, hypertension etc.) and not acute episodes of this like bacterial or viral infections.

The World Health Organization (WHO) has provided a set of detailed guidelines for measuring disease burden at the local or national level, for example, years lost due to disability (YLD) (or years of potential life lost – YPLL) measures the years of what could have been a healthy life that were instead spent in states of less than full health. The environmental burden of disease is defined as the number of DALYs that have been a healthy life that were instead spent in non-communicable diseases (the environmentally-mediated disease burden is much higher in developing countries (see Fig 1), with the exception of certain non-communicable diseases, such as cardiovascular diseases and cancers, where the per capita disease burden is larger in developed countries. Out of the 102 major diseases and injuries, 85 classified by WHO are due to environmental factors.[4] Children have the highest death toll, with more than 4 million environmentally-caused deaths yearly, mostly in developing countries. The infant death rate attributed to environmental causes is also 12 times higher in developing countries.

According to WHO data on the global burden of disease and the distribution of diseases among countries, communicable diseases contribute more to the total disability-adjusted life years (DALYs) lost in developing countries than in the world as a whole. [8] Low income countries currently have a relatively higher share of deaths from: (i) HIV infection, TB and malaria, (ii) other infectious diseases, and (iii) maternal, perinatal and nutritional causes compared with high- and middle-income countries and will face a higher probability of death from non-communicable diseases as a cause of death.

2. Distribution of Burden

The “environmentally-mediated” disease burden is much higher in developing countries (see Fig 1), with the exception of certain non-communicable diseases, such as cardiovascular diseases and cancers, where the per capita disease burden is larger in developed countries. Out of the 102 major diseases and injuries, 85 classified by WHO are due to environmental factors.[4] Children have the highest death toll, with more than 4 million environmentally-caused deaths yearly, mostly in developing countries. The infant death rate attributed to environmental causes is also 12 times higher in developing countries.

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In addition to high burden of infectious diseases in low- and middle-income countries, development, industrialization, urbanization, investment, and aging are drivers of an epidemic of non-communicable diseases (NCDs). Africa bears a significant proportion of the global burden of chronic diseases, along with poor countries of Asia and Latin America. The World Health Organisation (WHO) projects that over the next ten years the continent will experience the largest increase in death rates from cardiovascular disease, cancer, respiratory disease and diabetes.[10] Developing countries thus face a double burden of non-communicable and infectious diseases. Malnutrition and infection in early life increase the risk of chronic NCDs in later life, and in adult life, combinations of major NCDs and infections, such as diabetes and tuberculosis, can interact adversely. Because intervention against either health problem will affect the other, intervening jointly against non-communicable and infectious diseases, rather than competing for limited funds, would be an important policy consideration.[11]

Many African health systems are under-funded and under-resourced and struggle to cope with the cumulative burden of infectious and chronic diseases. [12,13] Historically, formal healthcare in Africa has developed in response to acute communicable diseases and diseases of environmental degradation and pollution.[14] Therefore most health systems prioritise training and expertise in communicable disease, with poor countries of Asia and Latin America. The World Health Organisation (WHO) projects that over the next ten years the continent will experience the largest increase in death rates from cardiovascular disease, cancer, respiratory disease and diabetes.[10] Developing countries thus face a double burden of non-communicable and infectious diseases. Malnutrition and infection in early life increase the risk of chronic NCDs in later life, and in adult life, combinations of major NCDs and infections, such as diabetes and tuberculosis, can interact adversely. Because intervention against either health problem will affect the other, intervening jointly against non-communicable and infectious diseases, rather than competing for limited funds, would be an important policy consideration.[11]

In decades to come there will be dramatic changes and transitions in the world’s health needs as a result of epidemiological transition. At present, lifestyle and behavioural impact are linked to 20-25% of the global burden of diseases. The global burden of disease methodology shows that the epidemiological transition is already well advanced, suggesting that public health policy in poor countries, with its traditional emphasis on infectious disease, will need to adapt.[15]

Three examples of health transition are: (i) The burden of mental illnesses, such as depression, alcohol dependence and schizophrenia, has been seriously underestimated by traditional approaches that take account only of deaths and not of disability, (ii) adults under 70 years of age in developing countries actually face a triple burden: communicable disease, non-communicable disease and socio-behavioural illness.

Sub-Saharan Africa is the only region of the world in which infectious diseases still outnumber chronic diseases as a cause of death.

The current perception is that as countries develop, non-communicable disease replace communicable disease as the main source of ill-health, however, there is now evidence that the poorest in developing countries actually face a triple burden: communicable disease, non-communicable disease and socio-behavioural illness.

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expected to kill more people than any single disease, even HIV/AIDS.

Although disease patterns change constantly, communicable diseases remain the leading cause of mortality and morbidity in least and less developed countries. Despite decades of economic growth and development in countries that belong to the World Health Organization most developing countries still have a high burden of communicable diseases. This raises some urgent concerns. The first is that despite policies and interventions to prevent and control communicable diseases, most countries have failed to eradicate vaccine-preventable diseases. Second, sustainable financing to scale up interventions is lacking, especially for emerging and re-emerging diseases that can produce epidemics. Finally, in the present global economic and political context, it is important to understand how international aid agencies and donors prioritize their funding allocations for the prevention, control and treatment of communicable diseases. Prioritization on international and local level is critical if the global burden of disease is to be sufficiently addressed. [16, 17]

3. Drug development and Research

Despite progress made in the basic knowledge of many infectious diseases, many of these have continued to cause significant morbidity and mortality. [18] Some drugs are available for treatment of these diseases, however, many have and still are developing resistance to the present drugs. Chloroquine, for example, which was the most cheap and effective anti-malarial drug for many years is now obsolete in most malaria endemic countries. [19] Alternative effective drugs are expensive and are unaffordable to poor majority of these countries, thus causing malaria to kill many people especially children under five years and pregnant women. There is also the looming threat of development and wide spreading antimicrobial drug resistance by most pathogens. Thus, many treatment agents for infectious and parasitic diseases are becoming ineffective. New diseases of public health significance like HIV and Ebola have emerged and no effective drugs for cure of the diseases have been obtained. These disappointing health trends call for renewed strategies on treatment and prevention of infectious diseases. One key strategy among many is discovery and development of new efficacious and affordable drugs.

4. Economics

Despite the need and opportunities developing countries have, there has been no significant development in drug discovery and development except for a few cases of drug leads and drug candidates, predominantly sourced from indigenous knowledge systems. Thus, the majority of these countries still rely on drugs developed by pharmaceutical firms in developed countries. However, the driving force for drug discovery and development by these pharmaceutical firms has been the foreseeable profit from drug sales. Since infectious diseases prevail more in developing rather than developed countries, and the fact that people living in these countries have poor purchasing power, make the market for anti-infective drugs unattractive to pharmaceutical firms. As a result, very few drugs for tropical diseases are emerging in the current markets. [20] Recent information has revealed that pharmaceutical research and development of new drugs in the period of 25 years (1975-1999), provided a total of 1,393 new drugs that entered the market and only 16 (0.01%) were for tropical diseases and tuberculosis. [21] This imbalance has a lot of negative effects and a big challenge to third world countries. Funding for research allocated to development for drugs to treat disease burden experienced in developing countries has risen from US$0.3-0.5 billion to around US$3.5 billion, mainly due to contributions from private foundations, governments, and charities. [22] In Europe for instance, research and development through individual purchasing power and purchasing through government run health insurance cover 70% of drug costs for 80-100% of the population as opposed to 35% in Latin America and less than 8% in Africa. [23] With public spending on drugs at around $239 per head per annum in countries belonging to the Organization for Economic Cooperation and Development, the pharmaceutical industry has a strong incentive to develop drugs for diseases common in this drug market. By contrast, most developing countries spend less than $20 per year per head on all health programs and less than $6 in sub-Saharan Africa, including drug expenditures. [24] Thus, developing countries have to put deliberate efforts to find solutions to the existing problems that hinder drug discovery and development.

5. Novelty

Developing countries should enable themselves to acquire knowhow and technology to participate more actively in the development of the products they need.

Additional problems exist in independent drug development in that several regulatory authorities in developing countries do not have a system to deal with new chemical entities. Only products that have been developed, reviewed and registered elsewhere are considered. Local regulations may require a clinical trial to be repeated in a developing country when a new compound is submitted for marketing authorization. Thus, clinical researchers often do only studies of secondary importance and limited scientific interest on drugs that have already been researched. [25] Such an approach is clearly inadequate. Ethical aspects related to research in the developing world have no easy solution. Fortunately, there are some notable exceptions in the field of research into communicable diseases: China, India, Malaysia, Thailand and South Africa, for instance, have been contributing pivotal studies of drugs for malaria.

Developing countries do not need to conduct small clinical trials to duplicate information that already exists to provide reassurance to the legislators as part of regulatory practice on drugs which are being considered for registration. Instead, these countries should contribute quality information which is relevant to the establishment of optimal treatment and guidelines applicable to the disease burden. [26, 27]

6. GMP, GMP quality guidelines

As a first step, countries should create and support national guidelines and centers of excellence. For example, production of national good clinical practice (GCP) guidelines and is organization of courses to promote them at various levels and centers of excellence to carry out clinical trials of drugs. Many such institutions are available in developing countries e.g. South Africa. These centers can then become potential sites for various types of clinical trials, including preregistration (phase I, II and III) studies.

Similarly, emphasis has been placed on good laboratory practice (GLP). Some phase I and phase II studies in malaria have been conducted jointly between Malaysia and Thailand, building mutually upon the assets and facilities of both countries. Provided the ultimate products are affordable, commensurate activities will benefit both industrialized and the developing worlds.

7. Innovation

Measures developed by health economists to guide short term health resource allocation decisions under-estimate the long term society-wide value derived from medicinal and allied innovations. Because of the economics of their development the supply of new medicines typically become, after the expiry of IP rights, low cost resources for long periods of time. This is a powerful reason for continuing to invest in innovative research in order to improve established treatments and create fundamentally new opportunities for the relief of suffering, the elimination of diseases and the enhancement of life. [28]

One of the common features of developing countries in terms of pharmaceuticals is the lack of ability to generate independently the drugs that they need. Generics are often produced and used in the developing countries when proprietary compounds outrun their patent restrictions. With few exceptions, drugs are researched and developed by the pharmaceutical industry of industrialized countries for the diseases prevalent in those countries, and their profiles are tailored to their own customers, including dosage, acceptability, and probably most notably, pricing. Western pharmaceutical industries have produced only a negligible number of so-called “orphan drugs” for tropical or “neglected” diseases. [29]

8. Intellectual property and patents

Taxpayers and governmentally funded institutions often play a key role in discovering new inventions, with the pharmaceutical companies obtaining the patent and reaping the financial rewards after the basic discovery. [30] These institutions are now becoming more reluctant to unconditionally hand over their research. In December 2000, a dispute between the US National Institute of Health (NIH) and Bristol Meyers Squibb became public. NIH is demanding
$9.1 million in royalties from the overseas sales of didanosine, used in the treatment of HIV/AIDS.[31]

Following concerns about the cost of and access to new HIV medicines, some commentators question the value of intellectual property rights (IPRs) such as pharmaceutical patents because they increase the prices of recent therapeutic developments. Without intellectual property rights private investment in high risk biomedical research would be very unlikely to take place. This would almost certainly have negative ‘knock on’ effects on public funding for fundamental research. There is little realistic possibility that alternatives such as state or private donor backed development of therapeutic innovations could ever fully substitute for patents and regulatory data exclusivity-based approaches to maintaining private investment in biopharmaceutical innovation. However, initiatives like the recently proposed Health Impact Fund, Advanced Market Commitments and the examples set by organizations such as the Gates Foundation may usefully augment IPR based provisions.

If access to new ‘essential’ medicines is to be enhanced in ways that do not undermine innovative capacity, well designed national and international intellectual property protection must be available to health technology innovators.

Government organizations should seek to clarify the definitions of essential medicines and public health emergencies.

There are uncertainties as to how robust intellectual property rights should be in order to sustain on-going investments in high risk research. Under-investing in research for the future would harm the interests of future generations in resource discovery processes. There is little realistic possibility that alternative systems will have infinite impact on resource availability. Each government needs to identify the disease burden appropriate to their population and channel funding initiatives in those directions. Feasible outcomes from research generated in target areas needs to be developed further and products generated locally. The South African Medical Research Council (MRC) has established the Indigenous Knowledge Systems [Health] (IKS). It aims to promote, develop and protect indigenous knowledge systems and its innovative systems of health through education, research and development, systems research and through policies that would be beneficial to all, in line with the mission and vision of the MRC. The IKS mission is to promote and advance indigenous knowledge systems through research, research and development by making it a valued health model in the global environment and to redress health traditions, which until now have neglected health priorities and issues.[32]

2. Promoting public health needs through the private sector

Provision of drugs through the private sector may conflict with principles of equity (both availability and affordability), rational use and drug quality, safety and efficacy. Government has a range of instruments that it may use to promote public health principles in the private sector. These include instruments that: affect the market structure (such as licensing and registration) of information and education (such as setting standards, directly providing information and regulating promotional practices); -control prices (both producer and distribution prices, and retail margins); set incentives (financial and otherwise); address financing (such as community drug schemes and health insurance schemes). However, in the case of developing countries such efforts may be negated by international concerns and financial pressures. Government owned pharmaceutical production of essential medications will allow direct control of all these factors.

Major multinational pharmaceutical companies could form partnerships with researchers in centers of excellence in developing countries to carry out both drug development and trials. These partnerships will benefit both the industry (by enhancing acceptability and approval by local regulatory authorities, increasing the rate of recruitment, and broadening the genetic diversity of the population exposed) and researchers (who will be seen to be contributing significantly to new drug development).

3. Pharmaceutical production

Although governments’ objectives in establishing state production of drugs are often commendable, few governments have been able to realize these objectives. Proper management of government owned pharmaceutical enterprises, using IP (intellectual property) generated by government institutions such as universities and government funded research should allow access of affordable drugs to the population.

4. Essential state responsibilities

Government intervention is required for pharmaceutical markets to function effectively. Minimum functions for which government must take responsibility in the pharmaceutical sector are:

- Professional standards (education and licensing standards for pharmacists, doctors and other health professionals, developing and enforcing codes of conduct);
- Access to drugs (subsidizing essential drugs for the poor and for communicable diseases, supplying drugs through government health services and ensuring universal access);
- Rational use of drugs (establishing standards, educating health professionals and supporting public and patient education).

The South African government currently supports a number of initiatives relating to health concerns of the public and medical research as a whole. These include a variety of programs including by the South African National Research Foundation, Department of Science and Technology, MRC SHIP (Strategic Health Innovation Partnerships), Technology Innovation Agency (TIA), Council for Scientific and Industrial Research (CSIR) and iThemba Laboratories to name a few.

5. Case study – DST/NWU Preclinical Drug Development Platform (PCDDP)

Based on the discovery of a lotion for psoriasis by MeyerZal, Pheroid® drug delivery technology was discovered and research furthered by Prof Anne Grobler and colleagues. The unique attributes of this carrier system led to purchase of the IP by the North-West University, South Africa and patented applications. In recognizing the potential of Pheroid® products, the continued research of the system was subsidized by the Technology Innovation Agency’s Innovation fund. Enduring successes have led to an independent department within the university named the PCDP. The preclinical drug development platform was branched into a number of focus areas including: (i) the vivarium (preclinical testing facility), (ii) diagnostics (especially TB and Parkinsons), (iii) Bio-analytical facilities, (iv) Pheroid® Formulations (vaccines, pharmaceuticals, neureuticals, cosmeceuticals, veterinary medicine and agricultural applications) and (v) preclinical drug studies (efficacy, toxicity etc.). The platform has now branched into clinical trials. Although a flagship for academic industry the platform relies predominantly on third stream income to support research efforts. Outcomes in terms of
of human resource developments include a number of Post-doctoral fellowships, ten Ph.D students and five masters students. Additional funding from TIA for the commercialization of Pheroid® is proceeding. The various sections, specialties and diverse people of the platform allow drug development from inception, through optimization, preclinical and clinical trials, with successful completion of the commercialization initiative, right through to product available to the public. Allowing further government support of research activities and investment in production, especially with regard to neglected diseases, to alleviate the pressure of profit from drug research could lead to tangible outcomes for the people of South Africa.

Such incentives will have additional benefits in development of “third world” countries both economical and social. Human resources (education, collaboration and production of professionals), employment opportunities, infrastructure and public service will be further developed within the available infrastructure, with resource wastage minimized. The potential must be adapted, managed and supported to provide executable solutions to the continuing health barriers associated with developing countries. Research funded and promoted by local government should prioritise the health requirements of the people. In so doing drug development may be enhanced by local knowledge, indigenous remedies and a sense of urgency. Knowledge gained through such endeavours needs additional management, outcomes should be monitored and resource wastage minimized. The potential must be identified and developed. Potential medicines must be further developed within the available infrastructure which is often available in bridging institutions. Pre-clinical and clinical trial facilities are found in a number of developing countries and if a gap is found in development, infrastructural investment and human resource training must be addressed. Finally and most importantly, this newly gained knowledge should be utilised and medication produced locally for local disease. As these advancements have been funded through existing lines the most expensive exercise in drug discovery i.e. research and development has been addressed the cost of providing subsidised health care will be dramatically reduced. Empowering governments to produce drugs discovered and developed through national funding, in institutions of higher learning by professionals already employed within the public sector.

CONCLUSION

Existing infrastructure (industry), institutions (tertiary education and research centres) and funding programs (government and international) may be adapted, managed and supported to provide executable solutions to the continuing health barriers associated with developing countries. Research funded and promoted by local government should prioritise the health requirements of the people. In so doing drug development may be enhanced by local knowledge, indigenous remedies and a sense of urgency. Knowledge gained through such endeavours needs additional management, outcomes should be monitored and resource wastage minimized. The potential must be identified and developed. Potential medicines must be further developed within the available infrastructure which is often available in bridging institutions. Pre-clinical and clinical trial facilities are found in a number of developing countries and if a gap is found in development, infrastructural investment and human resource training must be addressed. Finally and most importantly, this newly gained knowledge should be utilised and medication produced locally for local disease. As these advancements have been funded through existing lines the most expensive exercise in drug discovery i.e. research and development has been addressed the cost of providing subsidised health care will be dramatically reduced. Empowering governments to produce drugs discovered and developed through national funding, in institutions of higher learning by professionals already employed within the public sector.

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Why Are We Still Hitting Our Kids?  
A Case for Action on the Use of Physical Punishment on Children

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INTRODUCTION

When evaluating the arguments for and against the physical or corporal punishment of children, the judgement is surely based upon the effectiveness of this form of discipline, whether it achieves its’ goals, and at what cost. On these metrics, physical punishment is not justified and government injunctions against its use warranted. Article 19 of the UN Convention on the Rights of the Child recognises this, affirming a child’s right to be protected from all forms of physical violence. Yet of the G20 member nations, only one, Germany, has enacted legislation which makes the physical punishment of children illegal. This paper will articulate why this issue should be on the agenda of G20 member nations as an opportunity to advance the welfare of children, reduce the incidence of mental health problems in adults, and achieve improvements on a range of other indicators.

Physical punishment is a common method of disciplining children (Gershoff, 2002, Baumrind, 1996, Larzelere and Baumrind, 2010). Social learning theorists have warned against the adverse effects of adult modelling of violence (Straus, 1994, as cited in Simons & Wurtele, 2010) and Grusec and Goodnow (1994) are similarly concerned that physical punishment does not facilitate the moral internalisation of appropriate behaviours. Recent meta-analyses in the field have reached contradictory views as to whether physical punishment leads to adverse outcomes for children, and highlighted methodological limitations in the design and data collections of many of the studies investigating physical punishment (Gershoff, 2010, Larzelere and Baumrind, 2010). Studies have suggested that cultural normativeness may shape the effects of physical punishment on children and that this should be considered when evaluating the arguments for and against physical punishment across different cultural contexts (Lansford et al., 2005).

It is necessary to define the terms used throughout this article, as this often confounds debate in this field (Baumrind et al., 2002). Physical punishment describes non-abusive corporal punishment, that is aimed to alter behaviour, is non-injurious and is directed to the buttocks or extremities (Baumrind, 1997). Physical abuse is punishment that extends beyond these constraints, be it beating (with or without an object), kicking, punching or any other behaviour that inflicts injury (Baumrind et al., 2002). These definitions, whilst by no means perfect, should suffice for the purposes of this article.

Grusec and Goodnow (1994) proposed the perception-acceptance model that questioned the effectiveness of physical discipline regardless of any later adverse effects. They proposed that discipline is only effective in facilitating moral internalisation when a child correctly understands the parent’s message and accepts that message as legitimate. Vittrup and Holden (2010) investigated this theory and asked children to watch videos of a child being disciplined as a result of transgressions and rate each method on its fairness. The methods were reasoning, spanking, time-out and withdrawing privileges. The children in this study rated spanking as the least fair method of discipline and reasoning as the most fair. The strength of this study is the use of children with a cognitive ability to assess discipline methods, but the age of the sample is similarly its weakness as it is younger children who are the recipients of greater levels of physical punishment and assessing their views should be a priority (Vittrup and Holden, 2010). These findings question whether physical punishment is an effective behaviour management technique.

Other theorists from the social learning field argue that physical punishment under any circumstance was not only an ineffective form of punishment but is linked to negative outcomes such as aggression, criminal behaviour, abuse of future partners and depression (Straus, 1994, as cited in Simons & Wurtele, 2010). The supposed mechanism through which these outcomes manifest is the adult modelling of violence, which teaches that it is okay to inflict pain upon others and to resolve conflict with violence.

Academics examining the early research into the effects of physical punishment found that there was a lack of methodologically strong studies to support an injunction against the use of physical punishment as inferred by Straus (Larzelere, 1996, Baumrind, 1996). Studies often failed to distinguish between physical punishment and physical abuse which would mean every incidence of physical abuse was also counted as an instance of physical punishment and would skew the results towards adverse child outcomes. Whilst there was widespread agreement that physical abuse led to negative outcomes for children, the relationship between physical punishment and child outcomes had not yet been examined in isolation (Baumrind et al., 2002).

The above criticism is true of Gershoff (2002)’s meta-analysis which found that physical punishment was associated with; lower rates of moral internalisation, poorer mental health, compromised parent-child relationship, higher rates of aggression, anti-social and criminal behaviour. Additionally, Gershoff (2002) found that those who had been physically punished as a child were more likely to be the victims of abuse as an adult and to abuse their own children or romantic partner in adulthood. The strength of Gershoff’s (2002)’s findings are undermined by the inclusion of methodologically flawed data but the weight of data indicating an association between physical punishment and adverse child outcomes remains.

A further limitation that undermines the strength of Gershoff’s (2002)’s findings is the inability to establish temporal order and a causal relationship (Baumrind et al., 2002). Increased spanking rate is positively associated with childhood aggression and misconduct but it is possible to suggest that increased misconduct elicited more regular spanking. It is difficult to isolate this relationship from parent, child and environmental factors that may influence the association between physical punishment and aggression, especially using cross-sectional and retrospective studies, and being unable to carry out experimental studies for ethical reasons. Fortunately, research methodology has evolved with many more longitudinal studies that are designed to account for confounding variables (Benjet & Kazdin, 2003).

One such study is by Simons and Wurtele (2010) who further examined the intergenerational transference of violence inferred by social learning perspective. They interviewed a group of 102 sets of parents and children. Parents self-reported their use and beliefs regarding physical punishment and children were interviewed to determine their views on spanking and hitting. Results showed that children who experience higher levels of spanking were both more likely to recommend spanking for disciplining children, and to use physical means to resolve interpersonal conflict, for example if another child stole a toy from them. No children who came from homes that did not use physical punishment indicated they would use spanking to resolve the scenario above, both findings supporting Straus’s original hypothesis. The strength of this study is that it recorded data from both parents (including fathers) and children anonymously to reduce social desirability but nevertheless uses self-reporting of attitudes and behaviours which are not always accurate (Simons and Wurtele, 2010).

Those who favour the use of physical punishment argue that it’s use in conjunction with other parent ing strategies, such as time-out and reasoning, does not lead to adverse outcomes (Saadeh et al., 2002). Larzelere and Kuhn (2005) conducted a meta-analysis of studies investigating the effects of physical punishment in comparison to other methods. The authors are proponents of the use of conditional spanking, which is hitting the buttocks or extremities as a back-up to less severe disciplinary tactics such as time-out. They argue that when used in a non-abusive manner, physical punishment can lead to lower levels of aggression and anti-social behaviour than other disciplinary methods. The seminal studies conducted by (Bean and Roberts, 1981) upon which these theories are based as well refuted by Gershoff (2010), who notes that whilst physical punishment was found to be an effective method, it was no more effective than
an isolation (or ‘time-out’) technique.

Even amongst those who favour the use of physical punishment there is still a concern that physical abuse very often stems from an incident of physical punishment (Larzelere and Kuhn, 2005). There are the methodological concerns mentioned earlier with the measurement of this phenomenon, but in light of the gravity of the potential consequences, a policy against the use of physical punishment may be justified, when there is a concern it could lead to abuse (Bean and Roberts, 1981).

Some researchers have suggested that the effects of child physical punishment vary across cultures and particularly that cultural normativeness mediates the effects of physical punishment (Polaha et al., 2004). Lansford et al. (2005) investigated this belief by interviewing 336 mother-child dyads from China, Kenya, Thailand, Italy, India, and the Philippines. This study found that physical punishment was less powerfully linked to the negative effects when it is the cultural norm but regardless of cultural acceptance of the use of physical punishment it was still linked to higher levels of aggression and anxiety. The strength of this study is that it collected information from both mothers and children in six countries, this allowed the researchers to further examine the processes that produce both the perceived and actual normativeness. It also addresses the same-source bias identified by Larzelere and Kuhn (2005), who were critical of research that collected information on disciplinary methods and child behaviour from the same person, the mother. The results of this study and others suggest there is insufficient evidence to propose that exceptions be made permitting the use of physical punishment for certain situations and cultures (Lansford, 2010).

When evaluating the arguments for and against the use of physical punishment, the judgement is surely based upon the intended effects of this form of discipline, whether it achieves these goals, and at what cost. There is evidence that physical punishment is not effective in achieving long-term aims through moral internalisation (Vittrup and Holden, 2010). In addition to this there is a wealth of data that links the use of physical punishment in childhood with adverse outcomes both in childhood and adult life (Gershoff, 2010, Gershoff, 2002). Early research hypothesised that cultural differences might act as a moderator of the negative outcomes of physical punishment of children, and whilst this was found to be the case (Lansford et al., 2005), the adverse effects of physical punishment are known to exist even after cultural normativeness has been controlled for. On the basis of this evidence it is reasonable to conclude that a blanket injunction against the use of physical punishment is the policy that should be advocated for, with no exceptions for particular situations or cultural relativism.

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INTRODUCTION

Sport is everywhere (Brohm, 1978). Presently, great numbers of people of all ages and backgrounds throughout the world, including Australia, participate in sport in a variety of ways. Sport is pervasive in society and is a major site of social interaction (Jarvi & Maquire, 1994; Marjoribanks & Farquharson, 2012; McPherson, Curtis & Loy, 1989). Furthermore, sport reflects and reinforces how society and social inequalities within it are constructed (Donnelly 1996; Malcolm 2012). As such, sport is an important area of investigation. This paper will adopt a conflict perspective, draw on previous research and analyses two Australian sporting events to argue that Australian sport, generally, presently reflects and replicates social inequalities within socially constructed categories of gender and race which maintain White men’s position of power and dominance.

Multiple perspectives can be applied to sport. Indeed rituals that surround sport appropriately socialize individuals and thus contribute to the fluid functioning of society. This is highlighted, sociologically, through a functionalist perspective and emphasizes the positive contribution sport brings to society (Jarvi & Maquire, 1994; Marjoribanks & Farquharson, 2012; Scambler, 2005). However, sport also is indicative of and creates social inequality to ensure the dominance of those in power is retained. This view is representative, sociologically, through a conflict perspective and advocates for investigation into social inequality to ensure social progress is made. Social inequality is evident between socially constructed categories, commonly viewed as ‘natural’ demographics, such as gender and race (Carrington & McDonald, 2001; Donnelly, 1996; Mewett, 2000).

1. ADOPTING A SOCIOLOGICAL PERSPECTIVE

Gender and race are categories constructed by society. Gender refers to social differences based on relational concepts of masculinity and femininity. Gender is enacted and reproduced and sees hierarchies of power constructed in society. This is a separate concept to sex, which is biological and physical (Bruce & Yearley, 2006; Connell, 1995; Marjoribanks & Farquharson, 2012). Race is a social distinction based on appearance, including that of skin, hair and facial features (Bruce & Yearley, 2006; Brooks, 2002). Geneticists have shown that racial categories are not biologically valid because there is greater genetic variation within racial groups than between them (Bamshad et al., 2003). Therefore, because there is no genetic distinction between people of differing appearance there cannot be any distinction between people of different racial groups in sporting ability. Race is entirely socially constructed, however, racial stereotypes have real consequences for shaping the social hierarchy and influencing individuals’ life chances (Marjoribanks & Farquharson, 2012). Gender and race have and continue to shape the sporting world with White sportsman holding dominance and power to the detriment of non-White sportspersons and female athletes (Parratt, 1994; Patricia & Simpson, 2010; Pickett, Dawkins & Braddock, 2012). Patriarchy and everyday racism are ideologies of great relevance to this discussion. Patriarchy is a system of oppression and power that values men and their endeavors over women and their endeavors (Hattery, 2010). Everyday racism sees the belief in racial hierarchies reinforced by everyday practices and daily attitudes regarding race (Essed, 1991). Both patriarchy and everyday racism permeate sport and serve to maintain male and White privilege. Previous sociological research highlights this.

2. PREVIOUS RESEARCH

2.1 Gender Inequality

Institutionalized inequalities constructed around gender are present in sport are discussed in previous research. Women increasingly participate in sport, however, continue to be excluded on the ideological basis that men are biologically stronger and more athletic while women are physically weaker and less athletic (Brookes, 2002; Messner, 2002). The media represents sport enablers as masculine and constrains women’s participation to traditionally ‘feminine’ sports such as netball and swimming while male counterparts commonly participate in more ‘masculine’ sports such as football and rugby (Cunningham, Fink & Kenix, 2007). Messner, Dunbar & Hunt (2000) note that in televised sports events from which women are excluded from participation, women are often shown as especially feminine whilst cheering men on. In addition, Fink & Kensicki (2002) state that coverage on women’s and men’s sport emphasizes ‘natural’ differences between genders and the societal belief in men’s superiority. Brookes (2002) illustrates this with several observations. Firstly, infantilisation whereby sportswomen are commonly referred to as ‘girls’ while sportsman are scarcely referred to as boys. Secondly, trivialisation whereby sportswomen’s achievements are most commonly represented as personal victories while men’s are represented as national victories. Finally, familialisation where the personal lives of women are highlighted in media coverage. Inequality experienced by women in sport is seen to ensure the hegemony, that is dominance and power, of traditional femininity and masculinity, maintain patriarchy and thus secure men’s privilege in sport and society. Inequality experienced by racial groups in sport, that maintains everyday racism, has also been heavily documented.

2.2 Racial Inequality

Many sports are racially segregated with an over-representation of White athletes in Swimming and Gymnastics and non-White athletes in athletics and basketball (Brookes, 2002; Malcolm, 2012). Further, positional segregation or ‘stacking’ occurs where non-White players are frequently excluded from play-making positions and often conceived in terms of skill and speed due to the myth of ‘natural (physical) talent’. In contrast, White sportspeople are commonly positioned in decision-making roles and perceived as having worked hard to gain achievements (Mewett, 2000). This segregation was first described by Loy and McElvogue (1970) regarding American football and has been recently documented in the Australian Football League (AFL) and National Rugby League (NRL) as experienced by Australian Aboriginals (Hallinan, 1991; Hallinan & Judd, 2009). Racial segregation between ‘natural’ ability and intelligence reflects everyday racism and ensures the position of dominance that White individuals hold within Australian society (Bruce, 2004; Malcolm, 2012). The inequality experienced by women and non-White individuals within sport maintain patriarchy and everyday racism that together ensure White men’s privilege in Australian society.

Previous sociological investigation regarding sport within Australia has been dominated primarily by research concerned with the AFL and less so the NRL as these are predominant forms of sport in Australia (Australian Bureau of Statistics, 2009; Hallinan & Judd, 2009; Mewett, 2000). These are the highest national, professional level of their respective codes, are highly televised and commercialized and are male-dominated. This paper seeks to expand on the sociological understanding of current Australian sport by investigating sport more generally.

3. PRESENT RESEARCH

3.1 Sporting Events

In order to expand on previous research, two sporting events held within Australia were observed. The first was the 2013 Energy Australia Swimming Championships Semi-Finals and Finals (2013) held in Adelaie and broadcast on ONE, a commercial channel. This event was chosen as participation by men and women was relatively even, though comparable. The second sporting event was Round 3, Eastern Suburbs versus Sydney University of the Rugby Union: Shute Shield Series (2013). This is the premier state rugby series within the state of New South Wales (NSW Rugby 2013). This event was chosen for analysis as both White and Non-White sportsman participate, it is not the highest professional level of Rugby Uni-
3.2 Gender Inequality

Inequality between males and females was evident in 2013 Energy Australia Swimming Championships Semi-Finals and Finals. Women participated in this event as swimming is traditionally considered a more ‘feminine’ sport (Cunningham, Pink & Kenix, 2007). Commentary regarding men’s and women’s participation in this event was contrasted starkly. When introducing men’s events, commentators (both male and female) commonly associated men with power and prestige with remarks such as ‘there comes the power’ and ‘the big names of Australian swimming’. Individual male competitors were often introduced with sport-related accomplishments such as ‘sixth fastest time in the world’, ‘the Australian record holder’ and ‘what a superstar’. In doing so men were frequently accorded status. In contrast, a female commentator most often introduced women’s events. Women were frequently described by their personal life, such as marital status and number of children, such as ‘a mum of two kids… who are watching at home’, achievements outside of swimming and ‘juggling’ these with their swimming commitments. Female competitors were congratulated for taking a break from swimming to focus on other aspects of their lives and status was only associated with well known sportswomen who had competed successfully and consistently at the internationally level. Competing sportswomen were often described as ‘looking comfortable’, ‘credible’ and ‘impressive’ and their performances were described as ‘sensational’ and ‘showing beautiful technique’. The competition between sportswomen was often described as direct contest such as ‘a great battle’ with the leader ‘showing their dominance’ and the closest competitor ‘on his tail’. In comparison, competing sportswomen were described less personably, as ‘surging’, ‘leading the way’, ‘holding on’ or ‘slowing down’ and were not often compared competitively to fellow sportswomen. Furthermore, sportswomen’s performances were often described as ‘great’ or ‘an improvement’. Moreover, sportswomen were frequently referred to as ‘men’, with ‘boys’ only used to described competitors under 20 years of age. In contrast, women were constantly referred to as ‘girls’. This Australian sporting event was thus illustrative of trivialisation, infantilisation and familialisation as described by Brooks (2002).

Gender inequality was also evident in the Rugby Shute Shield Series match. In line with the social conception of rugby as a ‘masculine’ sport, all players were male. Commentators noted women spectators and commented on their attractive appearance while the camera shot showed attractive females cheering. These instances illustrate a prominent distinction between masculine brawn on the field and feminine beauty on the sidelines (Messner, Dunbar & Hunt, 2000). During the match the two male commentators were hardly on camera while a female commentator, who described the weather and gave a ‘ruby-wrap up’ was well presented in front of the camera, again playing a strong distinction between masculine and feminine social roles.

Some would argue that the discourse used and behaviour displayed regarding men and women evident in the 2013 Energy Australia Swimming Championships Semi-Finals and Finals and Rugby Shute Shield Series match, though different, is neither degrading nor inappropriate. However, the unequal treatment and performance of men and women ensure men are given a higher status, value and a greater share of resources than women (Marjoribanks & Farquharson, 2012). This inequality is justified by the ideology of patriarchy and emphasizes men’s superiority and women’s subordination in Australian sport and society more broadly (Pink & Kensicki, 2002).

3.3 Racial Inequality

Inequality between socially constructed categories of race was also clear in the Australian sporting events observed. As all competitors in the 2013 Energy Australia Swimming Championships Semi-Finals and Finals were white, racial inequality was evident, observed in the form of segregation. Racial inequality was also displayed in the Rugby Shute Shield Series match in positional segregation and conception of players. Both teams included Australians with Asian-Pacific backgrounds. In one team, three players with Asian-Pacific backgrounds ran onto the field last and in the rival team two such players ran on together in the middle of the team, indicating segregation. These players were often described in terms of ‘natural’ skill. Individual sportswomen of Asian-Pacific backgrounds were frequently said to have ‘nice hands’ and ‘look good on [their] feet’. These sportswomen’s ‘speed’ was commonly noted and they were continually positioned on the front line of the scrum. In contrast, White players were described as ‘pushing through fatigue’ and ‘working hard’ to make good plays. White sportswomen held decisive power in scrums, both team captains and all referees were White. These observations supported the findings of previous research on positional segregation and national ability versus intelligence (Hallinan, 1991; Hallinan & Judd, 2009; Loy & McElvogue, 1970; Mewett, 2000).

The segregation and inequality in discourse regarding white sportswomen as compared to sportsmen of Asian-Pacific backgrounds displayed in this Australian sporting event both reflects and reinforces the socially created distinction and hierarchy between socially constructed racial categories. This occurs as the ideology of everyday racism justify differences in the positions and descriptions of white and non-white sportspersons with the idea that individuals with darker skin are naturally more competent in sporting endeavors and thus can achieve sporting success with little effort. In comparison, sportspersons with lighter skin are assumed to have to work harder, use their intelligence and be strategic to succeed. This ensures white individuals hold a position of superiority and non-white individuals are subordinate in sport and society generally (Marjoribanks & Farquharson, 2012).

4. GENERAL FINDINGS AND IMPLICATIONS

The sporting events observed clearly displayed patriarchy and everyday racism in the form of socially accepted gender and racial inequality. These ideologies and the behaviour and discourse that accompany them ensure White and male superiority in Australian sport and greater society.

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4. GENERAL FINDINGS AND IMPLICATIONS

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Social Impact in Maternal Health: Concerns with the Australian Healthcare System

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It is the responsibility of a country to provide its citizens with the best possible quality of care in the form of an appropriately designed health care system. Fundamental to a countries progress, it is a quintessential need to have such a system whose model is not only sustainable but also provides economic and social benefits for its citizens.

One of the key differences between the worlds developing and developed nations is the accessibility and affordability of qualified medical care. Along with countries like the United States, Japan, Norway and other European nations, Australia has earned the right to be considered a highly developed land (International Monetary Fund, 2014), and as such constantly faces the challenge of offering world class healthcare for its growing and diverse population.

Australia as a country ranks highly against others according to OECD on measures such as, the number of services provided and the comparison of public vs. private spending in health care (Joumard, 2011). However upon deeper inspection, some sectors of the population provide a different picture, showing significant health inequalities and disadvantage (National Maternity Services Plan, 2010).

Being a country with a strong indigenous heritage and a clear multicultural future, it would be reasonable to presume that the system might not be able to completely satisfy everyone.

Nevertheless, concern arises when the current structure creates disparaging results relating to human health, only using indicators such as life expectancy and infant mortality as measures. These two factors can be strongly linked back to the provision and accessibility of appropriate maternal health care within a country, where such care can be considered from the initial stages of family planning, through to postnatal care (Pregnancy & Maternity, n.d).

The provision of appropriate maternal health care be credited to factors such as knowledge and awareness, ease of accessibility in both urban and rural areas and how institutional policies are utilized to promote and support such services. It is through this paper that we attempt to analyze some of the current social inconsistencies in the provision of uniform maternal health to the indigenous population, focusing also on antenatal care that the current system offers its citizens.

BACKGROUND

Antenatal care accounts for the different forms of care before, during or relating to pregnancy (Li & Hilder et al., 2013). The concept of antenatal care dates back to early European models where, clear medical benefits were seen with pregnant women, easing the delivery process and increasing the rate of successful birth. This new system of care served society with many benefits (Barker, 1998), however it didn't consider the cultural sensitivities in dealing with indigenous women who were displaced from their tradition only to be positioned into the care of a foreign institutionalized system (Jones & Owen, 2011).

In aboriginal tradition, the definition for health encompasses physical wellbeing, including not only emotional, but also cultural and social wellbeing (Aboriginal Health Services Plan, 2013). Research supports this after revealing clear links between proper maternal nutrition with antenatal health. Nutrition isn't limited to physical factors, but also inclusive of many social factors like employment, household income and education. When combined with other risk factors like unsuitable living environment, smoking and drinking, the hazards that are exposed to the baby increase exponentially (Freemantle & Ritte et al., 2008).

There are many health issues in within the indigenous culture that have to be handled tactfully due...
to the nature and sensitivity they hold within the cul-
ture. One such being the topic of reproductive health, 
which traditionally is considered only to be “woman’s 
business” (Fryer-Smith, 2002). Discussions around 
this topic are often faced with difficulty due to mis-
communications between the differing Aboriginal 
and Torres Strait Islander cultures and to those of 
non indigenous background (Wilson, 2009).

While being respectful of the indigenous culture, 
there is still a great requirement through collaboration 
and deferential studies to understand the needs of 
women in varying cultural environments. This could 
be seen through research undertaken by universities 
that investigate different socio-cultural aspects, focus-
ing on ways to integrate outer-regional communities 
into modern societal living emphatically. By initiating 
more discussions with such groups, current gaps in 
knowledge could begin, and hopefully lead to reduc-
ing the difference in health statistics.

A situation was seen in Ethiopia with women of 
the Afar region where, male health attendants were 
not allowed to touch a woman’s bodies, regardless 
if they are the only skilled personal available. As it was 
strongly against their culture to expose their repro-
ductive organs to males, only God and their husbands 
had the right to see their nakedness. A recent report 
documented that through education and enlighten-
ment, the situation has improved by now allowing 
all doctors from the Afar region to treat women (David, 
2013). Through education, the women of this com-
unity were able to make new age decisions for their 
personal health benefits. For the indigenous commu-

nities in Australia, this can be achieved by exposing 
indigenous women to current health practices, i.e. 
taking groups to hospitals to see current medical en-
vironments. Thus unveiling what is considered nor-
mal in a typical urban societal health environment. By 
rising communities education on what is considered 
appropriate, steps towards improving the health of re-
gional communities can be achieved.

SOCIOECONOMIC CONSIDERATION

The term ‘Australian’ is used to refer to any person 
who was either born in or has been granted citizen-
ship in the country. Prior to Australia’s colonization, 
the land was populated by men and women who 
are now considered under the title of ‘Indigenous’ 
(Flinders University, n.d). This status includes those 
who identify as “being Aboriginal or Torres Strait Is-
lander origin” (Li & Hilder et al., 2013).

While Australia’s health care system is ranked 
highly when compared internationally (Internation-
al Monetary Fund, 2014), the indigenous popula-
tion who have different social and economic needs, 
experience much poorer outcomes against that of 
the general population. Using life expectancy as a 
gauge, indigenous males have average lives of 67 years 
and females of 73 years while their non indigenous 
counterparts live longer by 11.5 years and 9.7 years 
respectively (Australian Institute of Health and Wel-
ness, 2011). Comparatively, children are no better, as 
indigenous babies still have double the risk of be-
ing born with a low birth weight as other Australian 
 babies. These statistics reemphasize the need to fos-
ter and develop better connections with indigenous 
communities, empathizing with their cultural and 
economic conditions while developing schemes to 
improving their standards of understanding and liv-
ing. Steps are being made to develop relationships 
between communities through the National Partner-
ship of Indigenous Economic Participation, where 
the government is committed to creating indigenous 
employment opportunities through community de-
velopment projects (Department of Social Services, 
2014).

Community interaction is a key starting point 
where culturally emphatic professionals, be it com-
munity workers or doctors, can effectively engage 
with communities of different backgrounds. While 
being a two way relationship between doctor and 
patient, in order to deliver appropriate care, patience 
and understanding has be apparent from the profes-
sional in order to develop trusting bonds. This was 
seen in a study of aboriginal patients in a maternity 
ward, where extensive communication problems were 
reported, only causing unnecessary distress and frus-
tration (Watson, 1987). Furthermore, Williamson 
and Harrison (2001) established that discrimination 
was still felt in some aboriginal communities from 
health professionals due to an unawareness of cultural 
 norms and spiritual values. For those interacting 
in community environments, especially doctors who 
are in a position of authority with their patients, ap-
propriate cultural sensitivity is imperative. For such 
gaps in communication between both parties, forms 
of training should be implemented either at a locality 
level or even earlier at a tertiary education to empow-
er health practitioners to perform as efficiently and 
effectively as possible.

Following on, there are a number of initiatives 
where the Victorian government has formulated 
schemes with various Aboriginal community part-
ers to promote healthier living and the acceptance of 
culturally appropriate services. The “Closing the 
Gap” initiative encompasses a number of key health 
themes focusing on improving the average health 
of indigenous Australians towards that of the aver-
age non indigenous person (Department of Health, 
2011). While initiatives such as this benefit the in-
genious community as a whole with constant, albeit 
slow improvements, positive movements in the form 
of teaching women to maintain healthy behaviors af-
ter pregnancy; like support to maintain a healthy diet, 
to quit smoking completely and to avoid illicit sub-
stances.

Another source of difficulty arises when women 
from low socioeconomic backgrounds experience insecurities about their situation. Be it barriers in 
language, purchasing contraception or getting advice 
about their health. For women who live in such so-
cially difficult situations, their tendency of following 
up with any sort of health care is low (Glover & Buck-
skin et al., 2013). The simple point is that difficulties 
are made when women have little to no education are 
made to leave their comfort zone and ask for med-
ical help i.e. contraception. There is little leeway for 
empathy in the system, expecting culturally conserva-
tive people to ask strangers for help.

Women, who are reaching out for aid shouldn’t 
get discouraged from better living due to cultural or 
social fears. In response, dedicated centers, with doc-
tors, nurses or midwives who are known to the com-

munity can address the individual needs of patients 
through general health issues, pregnancy and then 
further into parenthood. By fostering trust between 
a common health practitioner and the community, this 
would serve as a constant source of help and educa-
tion for the community on appropriate methods of 
health care.

There are a variety of risks that can impact a child’s 
development either being physical and socially in-
duced factors. Families who live in lower than aver-
age socioeconomic circumstances, are vulnerable 
to endure many more challenges as they progress 
from the beginning stages of pregnancy and through 
childhood (Australian Healthcare & Hospital Asso-
ciation, 2013). Health practitioners should be aware 
of potential social and environmental risks that par-
ents face like having a low education, living in poor 
or overcrowded housing, family history of abuse, and 
single or no parent having employment. Although 
identifying such social risks early is beneficial in as-
sisting families, better systems should be in place for 
community workers to make themselves known to 
such families in order to help raise the standards of 
living of an entire family; rather than just ignoring the 
problem. Families could benefit through attending 
workshops on different ways to improve their envi-
ronment through learning better employable skills. 
Furthermore maternal care can be used as the step to 
identifying and treating other issues such as smoking 
and alcohol addiction, mental health and other relat-
ed issues that would affect a woman’s health through-
out pregnancy.

ACCESSIBILITY

The health care system in Australia was created for 
the purpose to give appropriate medical care, for an 
affordable cost. The main constituents of this service 
are the Pharmaceutical Benefits Scheme (PBS) and 
Medicare, which together support the provision of 
medicine and the subsidizing of treatment Australia 
wide (My Dr, 2011). In conjunction with the coun-
try’s social and economic stability, this system has al-
lowed the general population to have greater access 
to effective medical procedures at a reduced personal 
cost.

In terms of locality, there is a common miscon-
ception that majority of Australia’s indigenous pop-
ulation live in isolated areas of the central states; 
proven incorrect with the census, it showed 76% of 
indigenous people residing in the eastern states (Ko-
rr, 2013). Of Australia’s 21.5 million people, 548,369 
(2.5%) were indigenous (Australian Bureau of Sta-
tistics, 2013). Although this has shown that the most 
indigenous peoples live in developed areas of Austral-
In Aboriginal tradition, women typically give birth on ‘their country’ as folklore states that the child would inherit the claim to be one of the traditional land owners (Fryer-Smith, 2002). In modern terminology, this would be defined as home-birth delivery (Coddington & Homer et al., 2013). To be born on the land said to establish a deeper connection between mother and child and earth, not to mention allowing mothers to be surrounded by their family and friends. (Northern Territory, Health, 2012) However a health policy in the Northern Territory dictates, for women living in remote communities, from 36-weeks gestation (with 40 weeks being the normal duration of pregnancy) the woman are to be transported alone, to the nearest hospital with hostel accommodation until they enter labor (Debra Pascali Bonaro, 2013). Therefore without husband, mother or any friends, they could be away for up to four weeks in a foreign location under prescribed care.

With such a policy in place, it is understandable why many Aboriginal women avoid any antenatal care, thus avoiding a system that doesn’t understand or consider the emotional needs of the patient. Although such policies aim to benefit both mother and child, improvements are needed to accommodate for the emotional needs of the patient. According to Australia’s Maternal and Babies 2011, 1,267 women (0.4% of all mothers) gave birth at home, where 1.1% of that were identified as being of indigenous origin. These numbers have motivated some states around Australia to focus on understanding and accommodating the social, cultural and economic sensitivities attached to pregnancy. One such program in Adelaide, South Australia offers the use of midwives and an Aboriginal Maternal Infant care worker throughout one pregnancy. This highlights the direction Australia should head towards, which offers a service that fits with patient needs while respecting traditional values (Metropolitan Aboriginal Family Birthing Program, 2012). To further improve the lives of indigenous families, the government could promote a country-wide certification program for indigenous women to become qualified in midwifery. This would serve two purposes, one being the empowerment of women in families to improve their current standard of living with governments support and secondly to improve the communities ability to have access to suitable medical assistance. While there are a number of programs offered by different educational institutions, the impact that a federal movement would have by improving the education levels of indigenous communities would be exponentially greater.

Policies like the one in the Northern Territory, clearly causes indigenous families to have a reduced sense of control over their own livelihood. When combined with the pre-existing exigent living and social conditions, the risks on both mother and child only increase. Unfortunately with the indigenous context, additional risk factors have to be considered from the social context where, poor housing, violence and high rates of nomadism, create additional and stresses (Walker, 2012).

To be successful, institutions need to better engage themselves with neighboring communities to ensure accessibility to its indigenous population. When communities are present during the creation and development phases of any scheme or policy, it’s much easier to form connections. This is more so critical in rural and isolated environments. Enabling community leaders to be engaged and empowered in the solution, on a societal level, serves to raise the current grade of understanding, reducing potential misunderstandings that affect the indigenous people. This would further promote the communities access to medical resources. Taken one step further, efforts can be tied together in conjunction with the Medical Rural Bonded scheme (Department of Health, 2014) where doctors who are placed in rural settings can act as an educator towards adolescents and younger children as to motivating them to finish their education and maybe taking it to tertiary levels.

**AWARENESS**

Over time, indigenous mothers have become victims to a cruel circle where, their own lack of education prevents them from being aware of many health measures available for a healthy child. In conjunction, policy makers and health professionals have been trying to provide the best medical care for their patient’s physical health, however forgetting their emotional and socioeconomic environment. During pregnancy, there are many factors that can affect the amount of risk exposed to both mother and child’s wellbeing. Age, mothers nutrition and habits (cigarettes, alcohol or unsafe practices) are the three main areas of concern relating to indigenous mothers (O’Donnell & Nasser et al., 2009), whereby raising awareness of the dangers that follow would allow both mothers and communities to have a greater understanding as to proper maternal health practices.

**1. Age**

A woman’s age is an important factor to consider during pregnancy, where increased risks exist for younger mothers more so than older ones (Mazza & Harrison et al., 2012). The average age of Aboriginal and Torres Strait Islander women giving birth in 2011 was 25.3 years, with approximately one in five (18.5%) considered to be teenagers (Australian Bureau of Statistics, 2013). When compared to non-indigenous mothers, the average age was 30.3 years. This difference would have originated from Aboriginal tradition which maintains the commonality for girls to be married at puberty (Fryer-Smith, 2002).

This concern is primarily linked with the availability of appropriate education being offered to adolescents at key ages in their life.

There is research that supports the need for educational programs as it has been established that young indigenous people have unrealistic views about parenting. They see that becoming a parent would affect their immediate for the better, allowing them to improve their standard of living (Larkins & Priscilla Page et al., 2011).

**2. Contraception**

The use of appropriate contraception is a concerning issue as approximately 95% of fertile women and 70% of adult women in Australia use preventative measures, statistics still illustrate that ~50% of women in Australia have unplanned pregnancies (Mazza & Harrison et al., 2012). Giving a wider perspective, both the United Kingdom and United States share a similar values relating to unplanned pregnancies with 30% and 49% respectively.

However the term contraception can be split into ‘General Contraception’ which includes barrier methods (condoms and diaphragms), pills, intrauterine devices (IUDs), injections and sterilization, while the other is ‘Emergency Contraception’ or also known as the ‘morning after pill’. In Australia while some contraceptive measures can be obtained over the counter, longer term contraception can only be obtained through a doctor’s prescription and administration (Chaar, 2012). Emergency contraception is one such item that is available without a prescription; however edification about its availability and purpose need to be improved. From a 2011 survey completed, 72% of women knew pharmacies stocked ‘the pill’ however only 48% were aware a prescription wasn’t needed, following on, 32% believed it to be an abortion pill (Hobbs & Taf et al., 2011).
Within indigenous cultures, contraception was seen in the form of social rules, where although children were free to practice sexual play, once of a mature age, sex became strictly forbidden except with their partner. (Donnan & Magowan, 2009). This becomes an issue for youth whereby the obtainment of emergency contraception is followed by the admission and perceived stigma of breaking tradition. For such adolescents, a study found four key barriers with the obtainment of emergency contraception to be: a perceived vulnerability to pregnancy; minimal knowledge about methods; little experience using it; and other socio-cultural factors (Shoveiler & Chabot et al., 2007). Each of these contributed to women who asked for these measures to feel like they were being “judged and scolded when requesting it”. To prevent women from feeling discriminated, contraception education and contraception availability need to be spread over a wider range. Other institutions are experimenting with methods such as specialized vending machines which emergency contraception is offered allowing both anonymity and privacy (Thinkprogress, 2013).

Historically, sexual intercourse was performed without any concept of protection due to herbal knowledge for creating contraceptive medicine (Fryer-Smith, 2002). While implementation of such medicines is rarely seen, the unsafe practices haven’t changed, thus being problematic for those who live in rural areas, where access to health information (practitioner or otherwise), pregnancy kits and emergency contraception are limited. Much work is needed to redesign current approaches to emergency contraception to take on more of a women-centric approach, especially to those of a different culture. Advances in increasing awareness, dispelling misconceptions and promoting more supportive methodologies are strongly needed, to minimize the current socially created barriers to advocate for women’s health and wellbeing. Strategies have been successful in mainstreaming contraception in the developing regions of Kenya where through awareness raising campaigns, public sector capacity building, creating a sustainable supply chain and by strengthening pharmacy services. The successes of these strategies were due to cooperation between public and private sector institutions in order to allow the Kenyan model to serve as a precious resource to neighboring countries (Liambla & Ramarao et al., 2013).

3. Low birth weight

For newborn babies, during their first couple of hours of life, it is imperative that they adjust to life outside their mother. One factor that aids their survival is their size and weight, however for babies that are born with a lower than average birth weight (less than 2,500 grams) are considered to have a low birth weight (Li & Hilder et al., 2013). Low birth weight (LBW) can be caused by preterm birth (earlier than 37 weeks) or simply the infant being physically smaller than an average baby. However the size and weight of a baby is proportionally linked to the dietary habits and substances that enter a mother’s body during the 9 weeks of pregnancy. Other factors that contribute are young mothers or generally inadequate prenatal care.

2010 saw 12.0% of all babies born to an indigenous mother have a LBW whereas only 6.2% for non-indigenous women (Li & Hilder et al., 2013). These numbers have shown positive improvement from records in 2009 showing 12.3% of indigenous babies were LBW. While there seems to be overall reduction in LBW babies for indigenous mothers, the key problem states still exist with South Australia having 16.0% of indigenous babies born, followed by Northern Territory with 13.8% and finally Western Australia with 13.6% (Kildea & Stapleton et al., 2013). While there has been positive improvement over the year, the problematic areas, being of greater rural composition highlights the need to develop systems of education for the outer lying populations. Using Western Australia as a prime example where through consultation between communities and health professionals, the last five years has seen a policy framework be established to promote maternity services (Department of Health, 2010).

Strong correlations have been shown establishing the effects of smoking during pregnancy, having adverse effects on the baby. As such a study completed in 2000-2001 by the Western Australian Aboriginal Child Health Survey (WAACHS) was able to document the difference between indigenous mothers who smoked and those who didn’t; having babies with birth weights of 3,110 grams versus 3,310 grams on average respectively (Zubrick & Lawrence et al., 2004). The Australian Bureau of Statistics showed that 21% of mothers quit and 46% reduce their smoking during pregnancy (ABS 2013), however due to the strong collectivist nature of indigenous cultures; the social benefits that follow such habits like smoking are seen to be crucial in their sense of belonging in the group. While research has successfully identified relationships between maternal nutrition and substance intake with a baby’s health, the focus of having a healthy baby has to be enforced. With government or private aid, the implementation of quitting programs can be established in rural settings, to promote and enforce healthier standards of living for the benefit of the next generation.

CONCLUSION

It is irrefutable that there are many factors which create difficulties for professionals who are trying to tackle the polarized health realities in Australia. These difficulties arise due to the gaps in health, education and socioeconomic affairs between indigenous and non indigenous people. The current model of health care needs to be adjusted to account for the growing diversity that Australia is renowned for. The focus of the system should expand itself to encompass physical wellbeing with emotional, social and spiritual, thus developing a system of culturally empathic care, integrating tangible strategies to improve the current health statistics.

The national ‘Closing the Gap’ initiative has brought Aboriginal and Torres Strait Islander disadvantage into sharp focus and put the spotlight on maternal and child health. Fortunately, there is evidence that with good programs, significant improvement is possible. The government should implement and support services that assertively respond to people who are at risk of poor outcomes. In Australia, accessibility to these support services could be difficult for regional indigenous communities who are unable to access them or worse, unaware of the current services offered. Through collaboration with various not for profit organizations and local councils by looking at alternatives that would provide a more intensive level of in-home support than is available through universal services.

While it is critical for policies and programs to improve and expand services, as well as reduce the burden of cost for low-income indigenous population, these actions alone may not be sufficient to guarantee access to maternal health care by the poorest and most disempowered citizens. The most important point to consider is to position the needs of the indigenous people and their realities as the central drivers of policies and programs to increase maternal health care access and utilization.

As seen through this paper, there are a number of initiatives that the state and federal government have introduced to improve maternal health for the indigenous population, the effectiveness of these initiatives can only be determined by asking the question - How well do these address the actual cause? Unless the answer to this question is determined, no amount of funding or policies would improve the situation.

For the focus of antenatal care the opportunity to raise women’s current knowledge will better prepare them to understand different health related risks as well as instigate safer health practices within their families and communities. These educational proposals can be seen in the form of tertiary certifications, promoting women’s collaborative groups or through government support awareness scheme. When healthy women are supported by strong communities, they will have strong and healthy children.

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Two famous quotes from former presidents of the United States of America. Quotes which, as will appear seem to fit the current mindset of the Dutch government focusing upon societal engagement, partially as a means to cut costs. Among others this mindset is present within the Dutch Social Support Act (Wmo; in Dutch: ‘Wet Maatschappelijke Ondersteuning’). This paper will discuss the possibility of the new Wmo, which will come into force January 2015, being an expression of a transition from a Welfare State towards an Enabling State. 

REFORMS IN DUTCH LONG-TERM CARE

1. A historical overview of the Dutch long-term care system

Ever since the Second World War, the Dutch elderly, chronically ill and physically or mentally disabled (hereafter: people with limitations) have been supported through welfare provisions provided by the Dutch State. As such a deviation was made from a previous modus of care provision in which people with limitations themselves and their social network carried the main responsibility. In case this modus appeared insufficient, other actors such as churches and support, the Social Welfare Act and the Servicized the arrangements by which these results have to be met are defined but only the final results. This compensation principle, which strengthens the position of citizens with limitations, was added to the Wmo after an amendment by a previous member of Parliament (Second Chamber, 2005/2006). Still however, citizens firstly have to call for support within their social environment. Only in case this call as well as the increased appeal to civil society, informal caregivers and volunteers under the Wmo appears insufficient, citizens can file a request for help at their municipal of residence (Putters et al., 2010, p. 19, 20). Following, the Wmo aims at a renaissance of public-values such as self-reliance and reciprocity.

2. Announced reforms in the Dutch long-term care system

In April 2013, the Secretary of State for Health, Welfare and Sport (VWS; in Dutch ‘Volksgezondheid, Welzijn en Sport’) under the Rutte II administration announced a long-term care reform per 2015 (Second Chamber, 2013a). A reform of which its implementation has been recommended by the Council of the European Union as a means to ensure sustainability (Council of the European Union, 2013, p.7,9). Various motives underlie this proposed reform. First of all, except from the already decentralized elements under the Wmo 2007, in general the Netherlands are still relying upon a system in which care or support is simply provided. Meanwhile, the (financial) possibilities of individuals and their social network are disregarded to some extent. Furthermore, a gap between formal and informal care is existent within caretaking at home or in a residence. On top of that, the amount of elderly subject to loneliness is expected to grow in the Netherlands because of double ageing and the expected rising degree of elderly living by themselves. Secondly, too often relatively less severe demand for healthcare is medically treated while having less attention for accompanied problems. Thirdly, further reforms are needed since the financial system would be untenable if the current level of expenditure, which is increasing with 4.3% per year since the beginning of this century, would not be altered (Second Chamber, 2013b, p. 2-3).

Resulting from the above, from 2015 onwards the long-term care reform will encompass a further retribenchment of the AWBZ. It will solely fund the most intensive forms of long-term care to those citizens seriously restricted in their possibilities and self-control and in need for permanent supervision and continues proximate care in order to prevent escalation or serious drawback. This will be regulated in the so-called Dutch Long-term Care Act (Wlz; in Dutch ‘Wet Langdurige Zorg’), which will replace the current core-AWBZ’ (in Dutch ‘Kern-AWBZ’). All remaining extramural care in the AWBZ will be transferred. Parts will be transferred towards the Dutch Health Insurance Law (Zvw: in Dutch ‘Zorgverzekeringwet’), including an insured right for personal care, aimed at curing, treatment and nursing. Furthermore, almost all care for those citizens younger than eighteen will be decentralized to the Dutch Youth Care Act (WJz: in Dutch ‘Wet op de Jeugdzorg’). Finally, all remaining care providing support, aimed at participation and providing guidance to those citizens staying at home, while taking into account personal conditions and the conditions of a citizen’s network, will be decentralized towards the Wmo. Additionally, apart from the decentralization of tasks, several intramural AWBZ classifications will no longer be granted (in Dutch ‘extramuralisering’) per 2015. This specifically concerns new patients in need for mental health and addiction care and several new patients being mentally handicapped. As a result, rather than gaining intramural care, these new clients will have to turn to their municipalities of residence to apply for care (Second Chamber, 2013a, 2013c). Figure 1 provides an overview of the long-term care reform.

WMO 2015: DECENTRALIZATION AND CHANGING CONCEPT OF CITIZENSHIP

The extension of the Wmo per 2015, which is the focus of this study and as such depicted in more detail in figure 1, falls within two more general tendencies in the Netherlands.

1. Decentralization of tasks and responsibilities

Increasingly the Dutch national government decentralizes tasks and responsibilities towards lower levels of government. Decentralization often deviates from the perception that lower levels of government...
Dutch long-term care reform 2015


are better equipped to provide custom-made services within a smaller budget. Per 2015, not only the Wmo and as explained the WJZ will be extended but also the Participation Act (in Dutch: ‘Participatiewet’) will come into force. By means of these three decentralizations, the Rutte II administration aims to enable municipalities to provide coherent help to citizens in need of support around work and/or other forms of societal engagement. However, since citizens' financial and/or physical circumstances are not equally beneficial, a system of insurance, resulting a social security, providing support to people with limitations is enacted. Connecting stands for the context in which all these functions occur. It concerns the establishment of connections between individuals and groups which can result in increased societal stability, engagement and economic prosperity. Whereas initially a focus lied upon the pillars insurance and caring, the WRR (2006) argues the coming decades rather a focus should lie upon the pillars elevation and connecting. However, they argue it is questionable whether as such the term ‘Welfare State’ will still suit the Dutch state system, or whether rather the term Enabling State, Social Investment State or Developmental Welfare State would be applicable (p.264).

According to the Scientific Council for Governance (SCP, 2012, p. 17) is subject to change. Whereas in 1950s good citizenship was equalized to having civil rights (Marshall, 2006), the crisis of the Welfare State initiated an alteration in this at that time dominant view (SCP, 2012, p. 17). As among others expressed by Jo Hendriks, good citizenship no longer appears sufficient, as citizens’ duties should also be emphasized. Rather recently the Dutch Prime Minister Rutte (2013) and Dutch King Willem Alexander (2013) made a plea for such a shift. As they argued, especially during times of decentralization, in which the state becomes more compact as it provides opportunities when possible and supports when needed, the Dutch are increasingly expected to take upon more responsibility for their own life and network, which would not only benefit themselves but the society as a whole.

2. Changing concept of citizenship

Just like in previous decades the concept of citizenship - the vision of the government with regards to the relation between the individual and the society (The Netherlands Institute for Social Research [SCP], 2012, p. 17) - is subject to change. Whereas during 1950s good citizenship was equalized to having civil rights (Marshall, 2006), the crisis of the Welfare State initiated an alteration in this at that time dominant view (SCP, 2012, p. 17). As among others expressed by Jo Hendriks, good citizenship no longer appears sufficient, as citizens’ duties should also be emphasized. Rather recently the Dutch Prime Minister Rutte (2013) and Dutch King Willem Alexander (2013) made a plea for such a shift. As they argued, especially during times of decentralization, in which the state becomes more compact as it provides opportunities when possible and supports when needed, the Dutch are increasingly expected to take upon more responsibility for their own life and network, which would not only benefit themselves but the society as a whole.

WMO 2015: A TRANSITION IN MODELS OF STATE?

1. From the Welfare State towards the Enabling State

According to the Scientific Council for Governance Policy (WRR; in Dutch ‘WetenschappelijkeRaadvoor het Regeringsbeleid’, 2006, p. 36), the Dutch Welfare State, which as argued has come under scrutiny over the years, rests on four pillars: elevation (in Dutch: ‘verheffing’), insurance (in Dutch: ‘verzekerings’), caring (in Dutch: ‘verzorging’) and connecting (in Dutch: ‘verbonden’). Elevation includes the societal obligation to provide opportunities to its citizens to move forward. However, since citizens’ financial and/or physical circumstances are not equally beneficial, a system of insurance, resulting a social security, providing support to people with limitations is enacted. Connecting stands for the context in which all these functions occur. It concerns the establishment of connections between individuals and groups which can result in increased societal stability, engagement and economic prosperity. Whereas initially a focus lied upon the pillars insurance and caring, the WRR (2006) argues the coming decades rather a focus should lie upon the pillars elevation and connecting. However, they argue it is questionable whether as such the term ‘Welfare State’ will still suit the Dutch state system, or whether rather the term Enabling State, Social Investment State or Developmental Welfare State would be applicable (p.264).

According to several scientists (‘t Hart, 2012; Van der Meer 2012a, 2012b; Van der Meer, Raadschelders and Kerkhoff, 2011; WRR 1983), the changing nature of governing in the Netherlands can be characterized as a transition from the Welfare State towards an Enabling State which includes a government a) creating and guaranteeing the favorable boundaries that enable societal engagement other than simply providing services and b) under which society itself entails in the realization and execution of individual and shared interest (Page & Wright 2007; ‘t Hart, 2012; Van der Meer 2012a, 2012b; WRR 1983).

2. The Wmo 2015 as an expression of a transition in models of state?

As explained in paragraph one Putters et al. (2010, p.3) found the Wmo 2007 cannot be regarded as a classical insurance or provision law as it does not provide citizens with an automatic right to a public provision when confronted with a specific situation. This automatic right to a public provision is also excluded under the Wmo 2015. Following, as such, the concept Wmo 2015 seems to deviate from the Welfare State pillars insurance and caring as derived by the WRR. The question remains however, whether the final Wmo 2015 will entail a shift towards the pillars elevation and connecting, which does not seem completely unlikely as of its current interpretation of the concept of citizenship, and whether if so the final Wmo 2015 can still be regarded as an expression of a Welfare State or rather as an expression of an Enabling State.

Not only is it questionable whether the law (Wmo 2015) itself, at macro level, can thus be regarded as an expression of a transition from a Welfare State towards an Enabling State. Even more so, it is questionable whether in practice the Wmo 2015 can be regarded as an expression of such a transition. Van der Veer (2013) concluded the Wmo 2007 in practice has indeed initiated a paradigm shift from caring to enabling in Dutch municipalities. However, the Wmo 2015 differs from the Wmo 2007 to quite some extent. Municipalities will become responsible for all remaining care providing support, aimed at participation and providing guidance as well. Furthermore they will become responsible for a new clientele. Additionally, the compensation principle has been excluded, initiating, at least on paper, even more self-reliance and reciprocity. As such, it is questionable whether the conclusion of van der Veer (2013) holds under the Wmo 2015. Furthermore, since the Wmo 2015 relies upon horizontal accountability and as municipalities will receive an all-encompassing budget for the decentralizations in the social domain, they have quite some policy freedom in the implementation of the Wmo 2015. Given the policy freedom, van der Veer (2013) found that under the Wmo 2007 municipalities were able to add a couloure locale to their policy as they connected national initiatives with familiar local norms and traditions. The question arises whether it is expected such a couloure locale will also be present under the Wmo 2015. If this is the case, the extent to which the Wmo 2015 can be regarded as an expression of a transition from the Welfare State towards an Enabling State might also differ. Robbe (2013) argues that the insecurity Dutch municipalities face regarding the decentralizations towards the social domain, on a content and financial level, makes the environment extremely complex. The amount of routes municipalities can take are numerous. While initially municipalities are keen to cooperate and as
such might show similar models, their diverse environment and problem definition will eventually lead to convergence so he argues. Contrastingly, Beckert (1999) argues insecurity regarding the content of laws and position of actors will initially lead towards innovation projects thus divergence rather than cooperation. However as he argues, in case such insecurity is too evident organizations might return to old best practices (as cited in van der Veer 2013, p.169).

In case of the Wmo 2015, in line with Beckert, as such municipalities might fall into the provision of services rather than enabling.

As appears, the extent to which the Wmo 2015 on paper and in practice can be regarded as an expression of a transition from a Welfare State towards an Enabling State might differ. Following, discrepancies might arise. Apart from examining their possible presence it is questionable how these discrepancies can be explained. If present, can they simply be explained by the policy freedom municipalities possess or do more specifically factors such as municipalities’ political color, the degree of urbanization – personal connections often lying at the basis for help might be relatively absent in highly urbanized environments and personal preferences of the street level bureaucrat executing the policy play a role.

CONCLUSION

As described in this paper, the way in which the Dutch society has engaged in the provision of social care for its people with limitations has altered over the years. Whereas initially individuals themselves and their family carried the main responsibility for individual health, during the second half of the nineteenth century an extensive system of welfare state healthcare arrangements was enacted. Current trends as ageing and the financial crisis made the Dutch government reconsider its position. In 2007 the Wmo was enacted; initiating a move from the right to services combined with a more active form of citizenship can be seen as a transition from a Welfare State system towards an Enabling State system. As expressed, it is questionable to what extent the final Wmo 2015 on paper as well as in practice can truly be regarded as an expression of such a shift in state systems. Future research could examine this.

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Fukushima Daiichi Nuclear Meltdown: Health Impact and Current Recovery Measures

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NUCLEAR POWER

On March 11\textsuperscript{th}, 2011 disaster struck in Japan as an earthquake with the magnitude of 9.0 triggered a 40.5-meter tsunami off the coast of Japan which resulted in over 20,000 casualties. The tsunami swept over large portions of northeastern Japan including the Fukushima Daiichi Nuclear power plant which sustained massive amounts of damage leading to the meltdown. Today the Fukushima nuclear disaster is far from over and there still is a chance of further meltdowns at the plant.

1. Nuclear Energy and its efficiency

Nuclear power has revolutionized the world in producing electricity. The function of any power plant is to convert some source of energy into electricity; steam is often used to rotate turbines to generate power. Nuclear reactors fire neutrons at uranium atoms to induce fission, also known as “splitting of the atom”. When uranium atoms undergo fission, more neutrons are emitted to split more uranium atoms, perpetuating the nuclear reaction. This process is capable of generating an immense amount of heat. It alsooccurs in the nuclear fuel element and is collectively called the nuclear chain reaction. The general structure of a nuclear reactor is shown in Figure 1. There is a circulation of water that is actively transitioning from liquid to steam, and steam to liquid. The nuclear reaction from the nuclear fuel provides heat for water to transition into steam which functions to rotate the turbine. Wateralso acts as a coolant by carrying heat away from the core. Since only small amounts of uranium are required to generate power, nuclear energy is highly efficient and is utilized in many nations (Dix 2006).

2. Risks and Containment

The fission of uranium produces radioactive isotopes that are capable of incessantly emitting radia-

3. Fukushima Meltdown

To summarize the entire disaster, Michio Kaku (2011) – a theoretical physicist at the City College of New York – gave an analogy during a televised interview: “… consider a person driving a car and the car lunges out of control. The person hits the breaks but the breaks don’t work. That’s because the earthquake and tsunami had wiped out the safety systems in the first minutes of the disaster. Then the reactor heats up and explodes. This is analogous to the hydrogen gas explosion at the power plant. To make the matters worse, the gas tank starts to heat up and the car ends up in flames. That is analogous the full-scale meltdown”.

Fukushima Daiichi consists of six Boiling Water Reactors - henceforth BWR - that produce a large portion of Japan's electricity. At the time of the earthquake and tsunami, reactors four, five and six were in cold shutdown, and only reactors one, two and three were operating at full power. The initial earthquake triggered the control rods to cease the BWR operations; however as previously mentioned, residual heat from radioactive decay needed to be contained. Generators and batteries were used as emergency power sources to cool the residual heat; however less than an hour after the earthquake, the tsunami destroyed their emergency generators and batteries. Without a cooling system, the residual heat from the core reached up to 2300°C melting into a magma-like material. At extremely high temperatures, the zirconium cladding layers cracked and oxidized into ZrO\textsubscript{2}, which created hydrogen gas(H\textsubscript{2}) byproduct. H\textsubscript{2} yields an explosive reaction with O\textsubscript{2} upon contact. In attempt to depressurize the building, the operators of BWR released the radioactive volatiles into the atmosphere. Unfortunately, some of the H\textsubscript{2} leaked into the building, creating an explosion in BWR one, two and three. With the explosion, more radioactive volatiles, namely Iodine-131 and Cesium-137 were released into the atmosphere and ocean.

HEALTH CONSEQUENCES

The World Health Organization report (2013) predicts that for populations living near the Fukushima meltdown, female infants have a 70% higher chance of developing thyroid cancer, and 6% higher chance of developing breast cancer. Infant males near the meltdown are predicted to have 6% higher chance of developing leukemia. These cancer risks are attributed to Iodine-131, Cesium-137 and Strontium-90. Similar to the radiation crisis from the Chernobyl nuclear disaster, these cancer symptoms are predicted to appear in three to five years.

Two of the nuclear fission products that require immediate attentionare Iodine-131 and Cesium-137. Albeit Iodine-131’s eight-day half-life, compelling evidence shows that small doses of Iodine-131 increases the risk of thyroid cancer. Moreover, due to Cesium-137’s water-soluble properties, the radioactive isotope is ubiquitous in soil and water and is reported to be the major health concern in Fukushima (WHO 2013).

1. Iodine-131 and Thyroid Cancer

The two-lobed thyroid gland in our body is located few inches below our pharynx. It functions to synthesize thyroid hormones such as thyroxin as well as triiodothyronine. These two hormones play crucial roles in our bodies by regulating metabolism throughout our body. In order to synthesize thyroxin and triiodothyronine, the thyroid gland requires Iodine (non-radioactive). Nevertheless if Iodine-131 is present, the thyroid gland will accumulate and concentrate the radioactive elements, which will be used to synthesize contaminated thyroid hormones (National Research Council, 1999).

1.1 Iodine-131 in The Drinking Water

Few days following the meltdown, the concentration of Iodine-131 in the drinking waters was measured.

![Figure 2. Iodine-131 conc. ratio vs water conc. ratio](image-url)
3. Mental Health

Surveys were done on the refugees of the nuclear disaster to determine thematic health effects of the catastrophe. Results showed that the uncertainty, isolation and fear about radioactivity’s invisible threat had dangerous effects on the mental health of the 200,000 individuals. Psychiatrists were able to determine that the majority of these individuals seemed to be suffering from sub-clinical problems such as anxiety disorders, depression and paranoia. Unfortunately, there were no available treatments in their region (Brumfiel 2013).

CONTROL MEASURES

It is a common notion in the scientific literature that attempts to completely decontaminate nuclear radiation is futile. Therefore, measures must be taken in order to avoid and contain the radiation emitted from the Fukushima Daiichi meltdown until the radioactive components are naturally reduced by radioactive decay.

Contaminated Water Tanks

Currently there are 1,200 water tanks containing thousands of tons of contaminated water. The water tank solution appeared to be successful until they discovered leaks allowing 300 tons of contaminated water daily into the ground water that led to the Pacific Ocean (Yamaguchi 2012). As a result, Tokyo Electric Power Company (TEPCO) – the operator of the nuclear power plants – is left with two options to alleviate this problem. They could either discharge all of the contaminated water into the ocean, or build a two-kilometer long ice wall around the entire Fukushima Daiichi to prevent the contaminated water from reaching the ocean as shown in Figure 3. The ice wall is estimated to cost $470 million and be complete in six to eight weeks. The decision is to be made before July of 2014 and both of the choices are predicted to have heavy economic implications (Gosling 2013).

COMMON MISCONCEPTION

Radioactive isotopes have already been incorporated into our dynamic ecosystems; they are in our soils, atmosphere, as well as our oceans. Nevertheless it is important to critically analyze the information provided by the media. For instance, recent reports stating that traces of radioactive isotopes deriving from Fukushima Daiichi were found in migratory Pacific Bluefin Tuna. These misinformed reports caused public anxiety and paranoia that still pervades today. Fisher et al. (2013) were able to discredit this information through their study, which found that the radioactive doses found in Pacific Bluefin Tuna were significantly lower than the background doses of radiation we experience everyday. In addition, WHO (2013) reports that there seems to be no discernable health risks for regions outside of Japan.

That being said, what the future brings us with regards to radioactive contamination is unknown. Furthermore, it is highly improbable that we will be able to find a solution for this problem any time in the future. Therefore the only option for us is to stay informed, be vigilant and strive to prevent any more nuclear accidents from the remaining 435 nuclear reactors.

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Protecting the Rainforests

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1. INTRODUCTION

Our globe is undergoing the climate change due to massive carbon emissions shaped by the deforestation, especially in the tropical areas. According to the UN documents, the average temperature will surpass two degrees in 50 years. In recent years, we have witnessed frequent natural disasters (like serious floods, hot waves, gigantic storms and glacier disappearance) have been occurring and one of the causes are actually attributed to the deforestation, which is elaborated in the paper. The deforestation in tropical areas of the earth comprises 20% of the global carbon emission, second only to the burning of fossil fuel like oil and coal. The annual deforestation rates are approximately 13 million hectares (the statistics is illustrated in the paper). With this speed, the tropical forests will be forever gone within 100 years. Therefore, it is an urgent task to save the rainforests and contain greenhouse emissions for the future generations.

2. DEFORESTATION

There is widespread discussion on the environmental protection but less efforts have been made for the protection of rainforests. Richard J. Culas said that the large-scale depletion of tropical forests is one of the most serious environmental problems in recent times. He said “It has become an issue of global concern because of tropical forests’ relevance in limiting the greenhouse effects and biodiversity conservation. Forests are decreased by an average of 13 million hectares, with major consequences for the climate change biodiversity. Deforestation is now the second main cause of greenhouse gas emission, just behind the industrial emission.”

Guilherme Lanna also agreed that the annual deforestation rates were approximately 13 million hectares per year. He said “Africa and Latin America are currently the two regions with the highest losses. Africa, where accounts for approximately 16% of the total global forest area, lost over 9% of its forest between 1990 and 2005.”

2.1 Statistics

The forests can provide several benefits towards the environment, like the soil conservation, the prevention of climate change and preservation of biodiversity. The forests account for a third of the land on the earth. The countries with the most forest cover in 2012 are Russia, Brazil, Canada and the United States (Figure 1).

Figure 1. Countries with the most forest cover in 2012

<table>
<thead>
<tr>
<th>Country</th>
<th>Hectares of forest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>808,790,000</td>
</tr>
<tr>
<td>Brazil</td>
<td>477,698,000</td>
</tr>
<tr>
<td>Canada</td>
<td>310,134,000</td>
</tr>
<tr>
<td>United States</td>
<td>303,089,000</td>
</tr>
<tr>
<td>China</td>
<td>197,290,000</td>
</tr>
<tr>
<td>Australia</td>
<td>163,678,000</td>
</tr>
<tr>
<td>Democratic Republic of Congo</td>
<td>133,610,000</td>
</tr>
<tr>
<td>Indonesia</td>
<td>88,495,000</td>
</tr>
<tr>
<td>Peru</td>
<td>68,742,000</td>
</tr>
<tr>
<td>India</td>
<td>67,701,000</td>
</tr>
</tbody>
</table>

Source: UK Guardian, World Bank

Norman Myeres said “the annual rates of destruction seems to accelerate in another decade.” According to the statistics found from UK Guardian (World Book), the countries with highest deforestation of natural forests from 2000-2005 are Brazil, Indonesia, Russia and Mexico (Figure 2). Recently, the tropical rainforests have been decreased and the deforestation is now escalating in the world. Among the rainforests, the deforestation within the tropical regions is the most serious in the world. FAO (Food and Agriculture Organization of the United Nations) re-
ported that the major deforestation in the world from 1990-2010 were located within the tropical regions. The five main rainforest regions are located in Asia, Africa, Madagascar, Neotropics and New Guinea. The rates of deforestation in Asia is now increasing. The largest rainforests in the region are located in Indonesia and it has been considered as "rainforest disaster area", approximately 20,000 km² per year have been lost. In fact, two-thirds of the forests in Indonesia are used for producing the oil palm, which have lost around 3 million hectares in 2000. The deforestation in Africa has been worsened due to logging and the growing population. The Democratic Republic of Congo is the relatively intact forest in Africa because the roads and networks are not well-established, result in the difficulty of the loggers to destroy the rainforests. The animal species have been endangered due to the considerable deforestation. Most of the forests are cleared for producing the foods, like rice and cattle. The forests’ clearance also destroy the animals’ living place and its life. Around half of the tropical forests in the world are located in Latin America. Most of the forests have been converted to plant the agricultural corps and for the cattle pasture by the farmers. The two major rainforests in the Neotropics are “the Brazilian Atlantic Forest along the southeast coast of Brazil, and a band of forest that extended from the Pacific coast of northwest South America through Central America to southern Mexico.” Those forests are destroyed because of ranching and plantation of cash crops. The deforestation in Papua New Guinea are now exacerbating due to logging bloom and the growing population. The population is predicted to grow from 4.8 million in 2008 to 11 million by 2050. Moreover, the bribery can be chosen is to clear the forests. The trees are cut and the woods are sold within the internal and external market. Due to the market opening, the commercial companies would like to clear the forests as well as the remaining forests in order to export more woods to maximize their benefits. Second, the forests are cleared to provide fodder for grazing animals and it indirectly causes the deforestation. The overgrazing is the direct causes for the forests’ clearance. It occurs due to the human nature, result in “tragedy of the commons”. Without regulations or restrictions, people will raise their animals as many as they can in order to maximize their own benefits. All the vegetation will be removed due to large amount of the animals grazing on the lands and the top soil is blown away by the wind, finally transforming the grasslands into deserts. Third, mining and oil exploitation are considered as the lucrative activities and the forests are cleared for exploiting those kinds of resources. If the woods are used in the process of exploitation, it may exacerbate the deforestation. Besides, the animals will be endangered because their living spaces are destroyed by the exploitation. These valuable rainforests will be degraded and finally become a desert due to insufficient nutrients existed on the soils. And the emission of greenhouse gases will be increased due to the mining and oil exploitation. Fourth, another cause of deforestation is urbanization, with a rapid population growth. Therefore, the cities and towns have to expand the infrastructures. Due to enough spaces for building the infrastructures, the only way can be chosen is to clear the forests. The tropical forests are targeted as the expansion of infrastructure development, like logging concessions, construction of hydropower dam, roads etc. The fifth cause is tourism development. Since it can gain lots of revenues from developing the tourism, most governments would like to adopt the development of tourism as the feasible option to accelerate the economic development of countries. The countries are usually passive for the environmental protections and value the economic development over the protection. Compared with the environmental protection (the benefits cannot be easily seen and measured), the governments would choose to sacrifice the environment in order to maintain or maximize their economic benefits. As a result, the forests are utilized to develop the tourism. Sixth, the deforestation is indirectly caused by the debt burden suffered by the financially poor countries. Those countries owe a huge amount of international debts and repay the debts by allowing the foreign companies to exploit the valuable forests. Seventh, rapid population growth is the main cause of forest loss. The forests are cleared in order to solve the population growth and insufficient foods. Actually, overpopulation is often used as an excuse to be passive for the protection of rainforests. Finally, uneven distribution of wealth and resources has exacerbated the deforestation. In fact, most of the lands are owned by small but powerful elites and it compels the poor farmers to the rainforest areas. They usually possess little capital and own no land, therefore the way to earn the income is to clear the forests for agricultural production. The shifting agriculture is the obvious way adopted by the farmer. The forests are cleared for the land expansion and grow the crops until the soil is exhausted of nutrients. Then they start to search for more forests to clear it. The shifting agriculture is greatest in Asia, around 30 percent of the forests are used for the purpose.

2.3 Damages
Large scale of deforestation can lead to serious damages towards the environment. The forests (especially the rainforests) serve as important functions especially the rainforests) serve as important functions such as the assimilation of solar energy, which eventually transform the local and global climate. It can indirectly mitigate the seriousness of natural disasters.
Several important functions are provided by the forests. First of all, the trees in the forests can absorb the carbons, which means the emission of carbon dioxide is reduced. The leaves can absorb the carbon dioxide existed in atmosphere and release the fresh oxygen. through the process of photosynthesis. Second, the rainforests can increase the humidity of atmosphere, thus raise the rainfalls and adjust the global weather and temperature. Third, the forests can reserve the water and soil resources. The roots under the trees can strengthen the soil and generate the nutrients on it. It indirect absorbs the water to eliminate the serious floods. Fourth, the tropical forests are the storehouses of biodiversity. Two thirds of animals are living in the forests. Finally, the tropical forests possess the natural medicines, which the diseases can be healed.

The emission of carbon dioxide caused by the deforestation is equivalent to 25% of emission caused by the burning of fossil fuels. If large scale of forests are cleared, lots of carbon dioxide will pollute the ozone depletion and transform the global climate. Without the rainforests, it will indirectly diminish the rainfalls, result in the drier climate. Besides, it will cause the soil erosion and the serious floods eventually since it cannot be able to absorb the water and regulate the flows from river and streams. The lakes and dams will be silted up (caused by the soil erosion, the soil turns to mud in the rain) and exacerbate the floods, especially the downstream flooding. For the biodiversity and the natural medicines, the animal species will be endangered and those kind of medicines found from the rainforests will be decreased forever due to deforestation. The deforestation will exacerbate the natural disasters, like typhoon, sandstorm, coastal flooding and so forth.

3. THE CONCEPTS AND THEORIES TO ANALYZE THE ENVIRONMENTAL DEGRADATION

As mentioned above, the scholars believe it is the human factor which dominates the environmental destruction. Usually, the environment is polluted due to free-riding problems, which means “no pay, but gain”. Therefore, the individual, people, firms, companies and even the countries lack the incentives to control their pollutions. In general, the “tragedy of the commons” and globalization are two main reasons for the environmental degradation.

3.1 Tragedy of the Commons

The “tragedy of the commons” is articulated by Garrett Hardin and believes that it arises result from the free-riding problems. It can be easily understood by exemplifying the examples. For instance, there is the commons in the village (like the collectively owned pasture) and all the villagers are entitled to use it. In this circumstance, the villagers would like to graze as many sheep as they can since the commons is free, which means “no pay, but gain”. It will lower the costs of raising sheep as they do not need to pay the money to buy the pasture. All the vegetation will be removed due to large amount of the animals grazing on the lands and the top soil is blown away by the wind, finally transforming the grasslands into deserts. In this case, the villagers don’t consider the sustainable development because the land is not owned by them, which means they are the free-riders. Besides, the costs of environmental destruction are not necessary paid by the people, firms or companies and the countries. When the upstream industries pollute the river, people living near the downstream and the countries located there are usually suffered more. With the wind, the pollutants will be blown around the world. That means the costs are jointly borne by everyone and each country. However, all the benefits are reaped by those industries.

3.2 Globalization

Scholars argue that the globalization (especially the international trade and investment) has worsened the environmental destruction. Before the globalization, there are different options to earn the profits by utilizing their knowledge and expertise. Besides, the governmental and non-governmental organizations should provide the funding to the university and professional institutions to do the research and propose the ideas regarding the proper management of protection of rainforests. People and the governments usually lack of knowledge and information about the forestry if the information base is not well-established. Second, the substitutes should be encouraged. Actually, large amount of forests are cleared for producing the woods. Technological innovation can produce the substitutes and the government should encourage the people to utilize it by subsidizing the producers and consumers. Finally, the international governmental and non-governmental institutions and policies should be reinforced. FAO believe that half of the tropical deforestation could be stopped if the governments of deforesting countries were determined to do so35. Nowadays, many IOs (like the United Nations and World Bank) have developed several programs to monitor the deforestation and the programs are mainly provided through Reducing Emissions from Deforestation and Forest Degradation (REDD). The REDD serves as an important function to provide several funding to encourage and motivate the countries to curb the deforestation. However, the United Nations and World Bank are still trying to persuade the countries to comply with the agreed REDD targets. It has encountered different challenges (like the funding and the persuasion) and more efforts should be made in the future. The institutions and policies should be well-established, with the effective environmental laws or regulations, to impose serious penalties towards the countries, which increase the pollutions (effective implementations) in order to achieve the world governance in environmental protection. Meanwhile, more funding should be provided to encourage the countries to reduce the deforestation.

5. SUGGESTIONS

Based on the methods proposed above, two main suggestions can be concluded. First of all, the IOs play a critical role for monitoring the deforestation. The IOs should establish effective mechanism and funding to motivate the countries to reduce the emission. Large amount of funds should be provided by the countries in the world. China and the United States should take a lead to encourage the countries making financial contributions towards the rainforest protection. Second, the issue of deforestation can be tackled by adopting KAP (knowledge/cognition, attitude and practice) to motivate the people take a proactive role in environmental protection. In order to avert the “tragedy of the commons”, the environmental protection can be encouraged by enhancing the people’s knowledge about the forestry management and sustainable development. Furthermore, it can be motivated by reinforcing the empowerment of civil society and sense of social community. The two suggestions are elaborated as follows.

5.1 Carbon Funds

There are heated discussions on whether the market-based carbon trading mechanism should or companies possess lots of bargaining powers and apply the political pressures to minimize the environmental regulations if the domestic regulations raise their production costs. Therefore, the countries may encounter the difficulty for the environmental protection, which may indirectly hinder their economic development.

4. SEVERAL METHODS PROPOSED TO CURB THE DEFORESTATION

The governments and the International Organizations (IOs) play important roles in curbing the deforestation, especially reinforcing the empowerment of civil society and motivating the people and private sectors to take a pro-active role in protecting the rainforests, jointly alleviating the deforestation. Three methods to curb the deforestation are proposed by the scholars, including more investment on education and research, searching for other substitutes and reinforcing the governmental and non-governmental institutions and policies.

First of all, the government should invest more money on education because the people’s knowledge and the income per capita will be increased. If the country lack of the financial incentive to do that, the affluent countries (like the developed countries) and IOs can provide more funding on the global investment on education in order to achieve industrial upgrading (indirectly mitigate the deforestation). The economic development of country will also be transformed to tertiary industry overtime. In this circumstance, the people may not choose to clear the forests since there are different options to earn the profits by utilizing their knowledge and expertise. Besides, the governmental and non-governmental organizations should provide the funding to the university and professional institutions to do the research and propose the ideas regarding the proper management of protection of rainforests. People and the governments usually lack of knowledge and information about the forestry if the information base is not well-established. Second, the substitutes should be encouraged. Actually, large amount of forests are cleared for producing the woods. Technological innovation can produce the substitutes and the government should encourage the people to utilize it by subsidizing the producers and consumers. Finally, the international governmental and non-governmental institutions and policies should be reinforced. FAO believe that...
be used in the war against deforestation. *Lera Miles and Valeri Kapos* argued that a trading mechanism would be introduced to allow developing countries to sell the carbon credits on the basis of successful reductions in emission from deforestation.29 However, *W. F. Laurence* points out that the disadvantages for the implementation of such a mechanism, which will deter the developing countries their rights to develop, therefore the countries may not want to join the mechanism.29 In fact, the mechanism can help to reduce the emission of countries since the reduced emission can be rewarded by selling the carbon credits and provide the financial incentives to curb the deforestation.29 The price of carbon credits is largely determined by demand and supply. Although the mechanism seems to be effective in monitoring the emission, they point out that the enormous amount of capital involved in the project which may hinder the developed countries from initiating such a gigantic mechanism.30 Even the countries do not want to join because it may hinder the economic development and their future development options may be restricted, which means the national sovereignty may be compromised.31 The scholars believe the way to reduce the concerns of national sovereignty is to let the carbon buyers rent the temporary carbon credits, rather than purchasing.30 Since the trading mechanism is difficult to implement, this idea is not proposed in the paper. From my perspective, the China and the United States should take a lead to encourage the countries making financial contributions for the rainforest’s protection. The ratios of financial contributions can be determined by the GDP of countries and most of the funds should be used to protect the three largest rainforest in the world, which are located in Brazil, Democratic Republic of Congo and Indonesia. Recently, a proposal for “compensated reductions of deforestation” provide another means to mitigate the deforestation. The countries which have reduced the emission can receive the carbon funds but it will be penalized if the countries increase the emission.31 The funds are not only rewarding the developed countries, but also being used to strengthening the environmental organizations (NGOs) play important roles to strengthen the legal institutions (laws, regulations and policies) to minimize the environmental pollutants and encourage the environmental protection and sustainable development. Besides, the environmental protection can be motivated by strengthening the social community (like enacting the environmental laws and regulations and encouraging the private sectors to reduce the emission).

5.2 Adopting the KAP Strategies and Reinforcing the Sense of Social Community

Apart from the mechanism established by the IOs, more money should be invested on education and research in order to enhance the people’s knowledge regarding the forestry management (like the damages of deforestation and sustainable development). The enhanced knowledge can raise the public awareness of environmental matters and it indirectly transforms the people’s attitude and take proactive role to protect the rainforests. The experimental tests done by the psychologists prove that the people with those kinds of knowledge will pay more attention and take actions to protect the environment. Furthermore, the environmental protection can be encouraged by reinforcing the sense of social community.32 When people identify with a social group, they will also concern on community development and share the environmental information with the social group, indirectly enhance the awareness of environmental matters. Therefore, the governments should strengthen the Community Partnership Program through reinforcing the empowerment of civil society and indirectly encourage the people’s participation on environmental management in order to achieve co-governance on the environment, which can strengthen the sense of social community and enhance the collective capacity.

6. CONCLUSIONS

In conclusion, it is an urgent task to save the rainforests and contain greenhouse emissions for the future generations. In order to tackle the environmental degradation, the governments and non-governmental organizations (NGOs) should play important roles to strengthen the legal institutions (laws, regulations and policies) to minimize the environmental pollutants and encourage the environmental protection and sustainable development. Besides, the environmental protection can be motivated by strengthening the social community (like the Community Partnership Program) and sense of social community (enhancing the collective capacity). The institutions of IOs need to be well-established to monitor the global deforestation and the China and the United States should take a lead to encourage and convince the countries to join and provide the funding to protect the rainforests. The funding can be rewarded if the countries achieve the agreed targets. However, the penalties will be imposed if the countries increase the pollutants. The funding can also be used for establishing and strengthening the institution mechanism (like reviewing the regulations periodically) and rewarding the cooperating individuals.

REFERENCES

Development of International Cooperation on the Arctic Shelf

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INTRODUCTION

The Arctic has emerged as a region in international cooperation during the past 20–30 years, as manifest in the creation of the Arctic Council and its predecessor, the Arctic Environmental Protection Strategy, and in the incidence of a host of scientific and political cooperation projects. The region now includes eight states over the circumpolar area, namely, Russia, Finland, Denmark, Norway, Iceland, Sweden, Canada and the United States.

One of the main motivations for economic development in the Arctic and sub-Arctic is the presence of oil and gas. There are known to be large quantities of oil, and in the Arctic some fields have been developed already, among them oil in the Prudhoe Bay area of Alaska, both onshore and offshore, gas in Yaman, "Snohvit" and "Ormen Lange" projects in Norway etc.

Extraction of oil and gas resources of the Arctic shelf is one of the main direction of fuel and energy complex development in many countries.

The ‘new oil provinces’ are in the Arctic, which brims with untapped resources amounting to 90 billion barrels of oil, up to 50 trillion cubic metres of natural gas and 44 billion barrels of natural gas liquids, according to a 2008 estimate by the US Geological Survey. That’s about 13% of the world’s technically recoverable oil, and up to 30% of its gas —and most of it is offshore.

The Arctic is a unique region that requires a special approach in the development of oil and gas sector, due to specific climatic conditions. I mean low temperature, ice and icebergs. The question immediately arises about the technologies implementation of that provide beneficial and safe resource extraction on the shelf. Work under such difficult conditions requires expensive equipment use, specialized vessels, security measures and infrastructure.

ENVIRONMENT SECURITY

INTERNATIONAL COOPERATION

Environmental safety is one of the main problems in the Arctic. The event of April 20, 2010 in the Gulf of Mexico has shown some catastrophic effects of accidents which happened during the extraction of resources. Of course, the prime importance for international community is to provide environmental security in commercial projects, because emergencies in the waters of the Arctic cause great difficulties to eliminate it.

International cooperation must be organized for interaction in the Arctic Region for the environmental problems operative solution. Nowadays the Arctic Council is the main platform for the international cooperation development in the Arctic. It includes EPPR workgroup (Emergency prevention, preparedness end response), whose members exchange information about best practices and project implementation, including the formulation of recommendations and methodology for creating risk assessments, exercises disaster response and training.

• Now I’d like to enumerate the main achievements of EPPR. They are:
  • Recommended Practices for the Prevention of Oil Pollution in the Arctic (RP3)

Based on the information and findings in the RP3 technical report, EPPR has identified potential draft prevention initiatives that will contribute to safer operations and increase knowledge of the Arctic risks and possible mitigation measures.

• Arctic Marine Oil Pollution Preparedness and Response Agreement

EPPR conducted a radiological emergency response exercise at a radioactive waste management site in Saida Bay, Russia, July 2012. Over 200 people participated there. EPPR’s experience for conducting
the radiological emergency exercises that has been valuable in verifying emergency response capabilities and identifying issues to be addressed for the further action. EPPR’s next radiological exercise will be a full-scale exercise in Russia scheduled for the summer of 2014.1

Prevention and oil spill response is also important problem to be solved. Even a small leak of extracted hydrocarbons, especially on the shelf, will lead to irreparable environmental damage, and will require huge penalty payments. Thus, in 1989 the crash of the tanker “Exxon Valdez” in Alaska, filled with oil, led to one of the largest in the history of environmental sea disasters. As a result the fish population has been decreased, and to restore some of the Arctic nature areas require at least thirty years. The court ordered the company Exxon to pay compensation amounting to $ 4.5 billion.

Trans boundary exercise “Barents Rescue” is an example of practical international cooperation in the Arctic region. It takes place every two years in the Barents Region countries, I mean Finland, Norway, Sweden, Russia. In 2009, the exercises were held in the Murmansk region, where the rescuers practicing in five different scenarios, including actions in the environmental radioactive contamination and oil spills. In 2011 exercises with more than 2,000 rescuers were held in Sweden.

Another example of international environmental protection and safety cooperation is creation of the Navigation Research Center in Vardo, Norway. This Centre is responsible for monitoring and convoying ships by the coast of the Northern Norway. It plays a key role in the Russian-Norwegian cooperation on maritime safety and controlling of free oil scenarios development.

INTERNATIONAL COOPERATION IN CLIMATE CHANGE MONITORING

The Arctic region is one of the four regions of the world, relegated to the most vulnerable climate change according to the Intergovernmental Panel on Climate Change. Current and expected impacts of climate change on Arctic nature is quite big. Moreover, these impacts can have significant inverse effect on the global climate. This means the global importance of climate change in the Arctic.

If oil does spill, a small fraction will dissolve into seawater, a larger fraction will evaporate and most will be slowly oxidized by microbes. Studies from the experimental oil spill in Baffin Island in 1981 and the 1989 Exxon Valdez spill show that microbial oxidation can remove much of the oil within a year. But buried masses of oil can persist for decades, sea ice can envelop oil and transport it considerable distances, and some oil might sink, contaminating seafloor communities. A blowout during autumn would spill among growing ice floes, spreading contamination further than it could be tracked and concentrating oil in the ice holes through which marine mammals breathe.

Evaluating the effects of oil discharged into these ecosystems is especially challenging because we know so little about them. Our knowledge of the Arctic’s species is still patchy, and there is sparse monitoring for basic physical factors such as the speed and direction of winds and ocean currents.

Nowadays, monitoring of climate changes is one of most important Arctic development aspect. An example of international cooperation is a creation of Hydrometeorological research observatory in Tiksi, equipped with modern means of observation and communication. This observatory will collect quantitative data on the atmospheric composition and atmospheric processes and land parameters for the weather and climate studies. Russia, the USA and Finland actively participated in the creation of the observatory.

SUGGESTION

As a result of conducted analysis, I’d like to offer the following items:

1. Greater investment in a science research to provide an understanding of the environment in new petroleum-producing provinces.

2. Creation of a general hydrometeorological database. All information from all hydrometeorological research centers should be concentrated in a system, with an access for all Arctic Council countries.

3. Establishment of a system of compulsory environmental insurance for all activities in the Arctic associated with high environmental risk.

4. Development of international industry Arctic standard. Companies should be held to strict standards. A large spill in the Arctic could not be contained or mitigated. Regulations and their enforcement should be strong enough to deter companies from skirting them.

Opponents of development often argue that Arctic oil and gas are not ‘needed’.

To a degree, that argument is unanswerable (and can be used to oppose nearly anything). We can do without additional further supplies of oil and gas, just as we can do without additional supplies of wheat or rice or silver (or music or poetry, or indeed journals). What is certain is that humankind has become accustomed to exploiting fossil fuels on a huge scale. That means, we can’t do without oil, because most of our everyday using goods made of it.

Substitution by other energy sources such as nuclear, wind and solar energy is progressing very slowly, and whether or not we develop Arctic oil will have no effect on those collective decisions. The only answer appears to be that at one level we shall go on needing oil and gas for a long time, and that on another level we need to balance their value against other priorities such as the atmosphere and the health of the planet. In the medium term, oil and gas will become very expensive, in the long term they will be too precious to burn, and what remains will only be used as a chemical feedstock.2

We can still minimize the impacts of oil development, but only if we avoid placing economic benefit about all else.

It should be noted that all these problems could be solved only by joint efforts of all countries concerned.


2 Andrew C. Palmer, “Under what conditions can oil and gas developments in the Arctic be acceptable, and to whom?”, (Polar Record 45, 2009), 113-117
Shift from ‘Conventional’ to ‘Unconventional’ Energy: An Opportunity to Create New Intercontinental Knowledge-based Markets

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1. INTRODUCTION

After c. 200 years of industrial hydrocarbon production, the world has recently seen a paradigm change in energetic terms. Renewable energy sources are becoming ever-increasing means of obtaining virtually infinite energy. Yet, only a small percentage of renewable energy is returned to consumers and industry at present, mainly due to its reduced network power and still unreliable flows (Scientific American Brasil, 2014). Despite the substantial efforts made by governments and energy companies in the past 20 years, only 5% of the world’s energy is produced at present from renewable energy sources (Scientific American Brasil, 2014). Some significant environmental issues also limit the development of renewable energy methods, making it an expensive source of energy than conventional coal, oil and gas (Verbruggen et al, 2010). As of 2014, coal continues to be the main fossil fuel used in electric power plants, partly replaced by nuclear energy in some countries (Scientific American Brasil, 2014). However, while nuclear energy has clear environmental issues with regards to waste disposal, coal is a major pollutant and a finite resource. Hydroelectric power plants are used as an alternative to thermo-electric energy, but their construction is dependent on local, hydrographic and environmental conditions (Froschauer, 2011).

Oil and gas are thus seen as a much-needed energy source through the next decades, with its predicted production-peak occurring c. 2040-2050 (Scientific American Brasil, 2014). Oil is not only needed for fuel production, but also as a source of industrial products such as plastics, cosmetics, paints, lubricants and pharmaceutical products (Scientific American Brasil, 2014). Natural gas is increasingly important as a cleaner source of energy to industry when compared to coal. Recently, oil and natural gas production has been complemented by enhanced oil recovery (EOR) and carbon capture and storage (CCS) techniques which aim to offset carbon dioxide production by re-injecting some of the by-products of industrial production in mature oil fields (see CCS-UK in the central North Sea and the RODA project in the Netherlands; Van der Meer et al, 2006).

In this paper we postulate that conventional energy is to become supplanted by unconventional energy sources in key regions in the world in the next 50 to 100 years. This progressive shift in energy production will firstly lead to a division between conventional (cheaper) and unconventional (more expensive, technically and environmental challenging) energy producing countries. As a result, we forecast that:

a) In the next 50 to 100 years, the division between conventional and unconventional oil and gas producing countries will be progressively diluted, with energy prices stabilising due to key technological advances, the establishment of new energy, and new trade alliances. Remarkably, all continents in the world have the potential to become self-sufficient energetically by the turn of the 22nd Century.

b) This new self-sufficiency in energetic terms will lead to a renewal of intercontinental trade, and to new political, technological and academic collaborations between different continents.

c) We predict the emergence of new, large-scale energy producing regions towards the end of the 21st Century: East Asia-East Russia, North America-South America and Europe-North America. In total, seven (7) energy producing regions of similar geopolitical importance will be formed.

In summary, the shift from conventional to unconventional energy will lead to important changes in terms of economic and trade balances within and in between continents. Such a change must be fostered by the establishment of knowledge-based partnerships between the seven energy producing zones, so energy resources are well managed, and exploited in sustainable way. A series of research project currently under development in the 3D Seismic Lab (Cardiff University) on oil and gas production will be used to illustrate the importance of the postulated shift from conventional to unconventional energy in key regions in the world. Most of these projects investigate energy production in challenging geological settings in regions such as offshore Brazil (SE and Equatorial Margins), Eastern Mediterranean, West Africa, Nigeria, Northwest Africa, North Atlantic, North Sea, Japan, Australia and New Zealand.

2. HISTORICAL OVERVIEW

2.1 Conventional oil and gas

In 1850 Abraham Gesner discovered how to make kerosene from crude petroleum. In an age when whale oil and candles were the only way to provide light at dark, this was a major discovery. Kerosene burned longer and cleaner and was cheaper than whale oil. Abraham Gesner formed a company in Nova Scotia to produce and refine kerosene, but in 1853 he moved to New York and set up two large factories (Murray, 1993). His company however was largely overshadowed when, in 1859, Edwin Drake drilled a shallow artesian well in Titusville, Pennsylvania. At 69 feet below the ground Drake made the most important oil strike in history. His pioneering method of drilling oil from the ground formed the basis of all future oil exploration and for this reason Drake is said to have ‘discovered oil’. Oil wells are the conventional method of oil extraction. At a time when a barrel of oil was selling for $20, the Pennsylvania ‘oil rush’ was born. Pennsylvania became responsible for half of the world’s oil production until 1901. In 1870 businessman John Rockefeller and his associates formed Standard Oil, in Ohio which was soon to become the largest refining company in the world. By 1890 Standard Oil was a monopoly company, producing 25% and refining 90% of all US oil (Tarbell, 1904). At the turn of the 19th Century, the invention of Henry Ford’s automobile and the onset of commercial aviation, transformed the oil industry. New sources of petroleum needed to be found as the Pennsylvania wells began to dry up and became incapable of supporting the growing demand of crude oil. Around the same time ‘wildcat’s’ began to discover large oil fields in Texas, the first outside of the eastern USA states (Olien and Hinton, 2007). By 1910, significant oil fields were being developed in Iran, Southwest America, Venezuela, Peru and Mexico, but the US remained the industrial powerhouse of the world. It was not until the 1950s that oil production outside the US exceeded production within the US.

During both world wars, American victory was assured by the nation’s domination of world oil supplies. But it was during the decades following WW2 that the American oil dominance ended and the profile of Middle Eastern oil rose. A large oil field was discovered in 1927, at Baba Gargur near Kirkuk in Iraq. Oil was next found in the Persian Gulf and subsequent discoveries occurred in Kuwait, Qatar, Saudi Arabia, Abu Dhabi and Dubai (Owen, 2008). By 1960, 25% of all the world’s oil was being produced in the Middle East (Longrigg, 1961).

The Organisation of the Petroleum Exporting Countries (OPEC) was formed in 1960 with the participation of founding members Iran, Iraq, Kuwait, Saudi Arabia and Venezuela. The aim of the organisation was to secure fair and stable prices for both the suppliers and consumers. The formation of OPEC happened during a time when the international oil market was dominated by the ‘Seven Sisters’, the seven biggest multinational oil companies in the world. Governmental control on oil exploration and production was minimal at this time. Nine other countries have joined the five original members since 1960, with the last member, Angola, joining in 2007 (OPEC, 2014).

It was in the 1970’s that OPEC began to gain control and influence upon the oil market. By 1973, OPEC enforced an oil embargo on the countries that had supported Israel against the Arab states during the Yom Kippur war, including the US and UK (OPEC, 2014). These countries, which heavily relied on oil imports, imposed a price increase on oil in the
hope that demand would fall. In March 1974 the embargo was lifted after the cost of a barrel had already tripled since the start of the Yom Kippur war. Neverthless, the price of energy continued increasing in the following year. In the long term, this geopolitical conflict changed the views of the western world towards increased exploration in their own territories and expanded an interest in renewable energy sources such as solar and wind power. From 1974 to 1978, the world oil price remained relatively stable with prices per barrel ranging from US$12 to US$14.50. The Iranian Revolution in 1979, and its resulting political protests in the country, caused their oil exports to cease. Other OPEC nations however, increased production to counterbalance the Iranian decline. In 1980, following the invasion of Iraq into Iran, world-wide oil prices more than doubled as both countries exports had fallen. The US$14 per barrel in 1978 had risen to US$35 by 1981 (Williams, 2011).

After the Iran-Iraq war, Iraq invaded Kuwait in August 1990. Following speculation that Saddam Hussein’s army would seize the Saudi oil supplies, which the western world heavily relied upon. Oil prices once again climbed from US$16 prior to the war and US$28 during the war (Williams, 2011). After an intensive land and aerial bombardment, Iraq withdrew from Kuwait in February 1991 and oil prices once again stabilised. Following the Kuwait war, oil prices remained low. Low price inflation dominated the late 1990’s, partly due to relatively low energy prices resulting from lower consumption and high OPEC production. In 1999, the price of the oil barrel began to recover. In the aftermath of the September 11th attacks, oil prices dropped before spiking again at the beginning of the Iraq war in 2003 (Williams, 2011). During the 2000’s, global economic growth and increase in the volume of world trade was correspondent with continuously rising oil prices. In July 2008, oil prices peaked at $147 per barrel. However, in September 2008 global economic recession hit - the largest since the Great Depression of the 1930’s. This was accompanied by a slump in oil supply and a price drop, to $42 per barrel by the end of December 2008 (Iqbal, 2009). By 2010, oil prices began to recover. In the aftermath of the September 11th attacks, oil prices dropped before spiking again in part supported by the rising demand in Asia. However, oil prices have not reached the pre-recession level yet, at a time when economic growth is becoming less intense in the developing countries (Williams, 2011).

## 2.2 Unconventional oil and gas

The International Energy Agency distinguishes conventional and unconventional oil based on the techniques and geological conditions in which oil and gas are produced. Conventional oil is a category of oil that includes crude oil and natural gas liquids and condensate liquids, which are extracted from natural gas production (International Energy Agency, 2013). The EIA estimates that crude oil production approaches 70 million barrels per day. Unconventional oil consists of a wider variety of liquid sources including oil sands, extra heavy oil, gas to liquids and other liquids. In general, conventional oil is easier and cheaper to produce than unconventional oil. However, the categories “conventional” and “unconventional” do not remain fixed, and over time, as economic and technological conditions evolve, resources hitherto considered unconventional can migrate into the conventional category. Similarly, new energy sources such as gas clathrates on continental margins have been recently proposed as economic offshore Japan and Alaska (Collett and Dallimore, 2002 and Collett et al., 2011). Unconventional oil and gas are usual produced through a technique of hydraulic fracturing, or ‘fracking’, which poses some environmental issues when undertaken at large scale. Nonetheless, fracking has been consistently used in conventional oil fields by the injection of fluids to enhance recovery, whilst fracking for unconventional oil and gas is common since the 1960’s (Argini et al., 2011). In the future, unconventional oil will be increasingly important as conventional oil fields become depleted. Conventional oil sources are currently preferred because they are less expensive than unconventional sources, but new technologies, such as steam injection for oil sands deposits, are being developed to reduce production costs from unconventional sources (Chillinger and Yen, 2011).

## 3. A CASE-STUDY FROM CARDIFF’S 3D LAB: CCS AND EOR IN THE SOUTHERN NORTHERN SEA

Efforts need to be made to reduce the Greenhouse Gas Emissions (GHG) on industry, national and international levels. By mitigating and adapting our present use of fossil fuels this can be achieved. Carbon dioxide capture and storage (CCS) or carbon sequestration, the process of removing carbon from the atmosphere and storing it in geological reservoirs, is one method of reducing GHG. CO₂ can be captured at major emission sources such as refineries or power stations, then transported by pipeline or ship and stored in depleted natural gas reservoirs. Alternatively, the captured CO₂ could be used as a method for enhanced gas recovery. In an attempt to implement Kyoto protocol targets, the Dutch Climate Policy programme introduced a new policy in February 2002 to promote feasibility of CO₂ storage in the subsurface (Van der Meer et al, 2006). The Dutch government aimed to reduce their CO₂ emissions by 20%, compared to that of 1990. A number of trial and experimental projects have been the result of this policy. One such project is the Rotterdam Capture and Storage Demonstration Project (ROAD), run by E.ON, Shell, the Environmental Nederland, and co-funded by the European Commission within the framework of the Energy Programme for recovery, the Dutch government and the global CCS institute. As of 2015, ROAD’s aim is to be capturing 1.1 million tonnes of CO₂ per year at Maasvlakte (Fig. 1) which will be stored in a depleted gas reservoir under the North Sea (ROAD CCS, 2013).

The K12, K14 and K15 blocks of the Dutch North Sea (Fig. 1) offer 23 fields, some not yet depleted of gas reserves, with an estimated 260 Mton of storage space. The existing gas transport pipeline will be used to transport CO₂ from the Maasvlakte source area to K12/14/15. Gas transport always has priority over CO₂ transport so more pipeline networks will become available as North Sea reservoirs become depleted. Current predictions of reservoir depletion dates have been made on the basis of present economic conditions; if gas prices increase, the abandonment date will shift, since it may become economically viable to extend the exploitation of the gas fields (Van Der Velde et al, 2008). It is estimated that the K12/14/15 pipeline network will become available in 2015, hence the start date for ROAD. Other abandonment dates for reservoirs and pipelines in the Dutch North Sea extend to 2028.

Before CCS can be applied at large scale, more knowledge is therefore required on the technology, safety and long term behaviour of CO₂ reservoirs. In 2004, the first test of injecting CO₂ into the subsurface was carried out in the K12-B gas field located in the Dutch North Sea (Fig. 1). This pilot study, carried out by Gaz de France, not only investigated the viability of reinjection of CO₂ into the subsurface, but used it as a method for enhancing gas recovery. Before CCS can be applied at large scale, more knowledge is therefore required on the technology, safety and long term behaviour of CO₂ reservoirs. In 2004, the first test of injecting CO₂ into the subsurface was carried out in the K12-B gas field located in the Dutch North Sea (Fig. 1). This pilot study, carried out by Gaz de France, not only investigated the viability of reinjection of CO₂ into the subsurface, but used it as a method for enhancing gas recovery. Hydrocarbons have been produced from the Rotliegend in the K12-B field since 1985. Prior to the feasibility test which began in 2004, the high CO₂ waste content (13%) produced at the well, had been separated from the natural gas and vented into the atmosphere. It is
now reinjected into the Rotliegend reservoir, above the original gas-water contact. Reinjection of CO₂ into the reservoir originated from has previously never been tested anywhere in the world. By the end of 2005, CO₂ injection had been successful but there was no clear evidence of increased gas production from the tested compartment. Currently, the reinjection gas project is still continuing but it is unknown what recovery rates would be if no gas was injected (Van der Meer, 2005, 2006).

A recent research project at Cardiff’s 3D Seismic Lab has modelled the possible effects of CO₂ injection into the Permian Rotliegend gas reservoir in the Dutch North Sea, located close to the K12/14/15 cluster (Fig. 1). An increase in fluid pressure in a rock can result in brittle failure. There is therefore a maximum pressure at which CO₂ can be injected without inducing any failure. With knowledge of the present stress tensors and their magnitudes (i.e. maximum and minimal horizontal stresses and vertical stress), fault slip (failure) can be visualised in 3D where orientations of present faults are known from 3D seismic data. The 3D interpretation and modelling faults allow us to determine in which fault orientations CO₂ will flow along in addition to faults which are sealant with the input stresses. Modelling the fluid pressures at which CO₂ could be successfully and safely injected into offshore reservoirs is only a small portion of the research we will need before CCS may become viable on large scales. Sedimentary heterogeneities and predicting how injected CO₂ will behave in the future are just two more research areas which need to be studied.

Following the first successful CO₂ injection by ROA D in 2015 the economic aspects of CCS will be- gin to be revealed. The project intentions are to be the primary European hub for CO₂ injection, contributing to extend the life-span of many oil and gas fields in the North Sea.

In essence, the existence of important reserves of unconventional gas and oil in each of the world's continents will foster a more integrated, and sustainable, management of energy resources. In such a social-economic setting, countries, rather than countries, will have the potential to become energetically self-sufficient, thus limiting dependence of oil and gas transported from afar. This change will have important environmental, societal and economic consequences. An example of this switch is the recent resurgence of North America and a net exporter of oil and gas, namely to South America, Mexico and the Caribbean area (Scientific American Brasil, 2014). The purchase of unconventional oil and gas from these countries is balanced by exports from Central and South America (Fig. 2a). Similarly to the American example, unconventional oil and gas is potential a vector for energy independence in Northwest Europe. If applied successfully, hydraulic fracturing techniques in areas such as the North Sea, France, Germany and Poland, will reduce the dependency of central European countries on Russian oil and gas. Southern Europe, and particularly the Mediterranean Basin, will benefit from oil and gas from North Africa. Demographic changes are a trigger to the rise of North Africa as a locus of oil and gas production. Production from Morocco to Egypt is set to grow by 1.13% per year until 2050 (United Nations, 2004).

4. DISCUSSION

4.1 Unconventional energy as a vector for change in the world's trade and financial flows

Figure 2a shows present-day global shipping routes and energy budgets. A large portion of present-day trade is concentrated in the Northern Hemisphere, with Europe-North America and China trade routes predominating. In addition to this data, the map in Figure 2b shows unconventional energy to have the largest potential in India, Eastern Russia, South and North Africa, and South America. India and East Russia will potentially be key areas in need for energy at a time when population in the Indian sub-continent is currently growing at a rate of 1.28% per year (Central Intelligent Agency, 2013) (Fig. 3a).

Figure 2a. Global shipping routes (after Kaluza et al, 2010)

Figure 2b. Map of basins with assessed shale oil and gas potential (after Energy Information Administration, 2013)

4.2 Impact on trade and economic balances

The emergence of continents self-sufficient in en- ergy will result in significant changes in world trading and economic flows. Changes in trade flows will be accompanied by exchanges of capital flows managed at intercontinental level. With this change in view, we predict the creation of seven (7) economic, trade and knowledge zones in the space of 50 to 100 years (Fig. 4): i) An American zone, which will mainly include conventional oil and gas producers in South America, and predominantly unconventional energy producers in Canada and the USA. Agricultural and industrial products will also tend to move South, with new technology hubs established in Mexico and expand- ing to the larger South American cities.

ii) A Northwest Europe corridor, with Norway and the United Kingdom dominating energy production. Services and agriculture will remain concentrated in Central Europe (mainly in France and Germany), with a growing tendency to delocalise to Southern Europe and East Europe technology hubs.

iii) The establishment of a Mediterranean Energy and trade zone can potentially shift great part of en- ergy and technology-driven economy to Italy, Spain, Kazakhst an), having to be shipped or transported through pipelines to markets in China, Western Eu- rope and North America (Fig. 3b). Secondary ex- porting regions include Venezuela-Mexico, West Af- rica and Norway (Fig. 3b).

Figure 3a. The population growth rate estimates for the period 2010-2013 (after United Nations, 2004)

At present, ~80% of oil and gas in the world is produced in the Persian Gulf, Middle East and Cas- casus (namely SE Russia, Azerbaijan, Chechnya and Asia will record the rise of India, China and SE Russia as main ‘unconventional’ oil and gas producers. The resurgence of SE Asia as one of the fast- est growing regions in the world demographically, economically and technologically, will guarantee a steady market for oil and gas. Furthermore, following the Fukushima accident and the Tuhoko earthquake, Japan will increasingly depend further on fossil fuels, a reliance the country is trying to mitigate by R&D on geothermal fields and gas hydrates as energy sources (Vivoda, 2012). This leads Africa and Oceania (Aus- tralia and New Zealand) as primary conventional oil and gas producers, in great art due to the existence of vast unexploited regions in both continents. In the case of Oceania, its distance from Asia might limit energy exports. Nevertheless, Northwest Australia is close enough to SE Asia markets. Africa will primarily use conventional energy to satisfy its own growth demands. Africa’s population is expected to grow to 1.8 billion inhabitants by 2050, a 127% increase when compared to the turn of the Century (United Nations, 2004).

iii) The establishment of a Mediterranean Energy and trade zone can potentially shift great part of energy and technology-driven economy to Italy, Spain,
Greece and Cyprus, which are closer than Central Europe to North African and Middle East markets. Energy production here will be diversified, with emphasis on a mix of ‘conventional’ and ‘unconventional’ energy, and renewable sources such as solar energy.

iv) The present-day Caucasus-Middle East zone will remain central in ‘conventional’ oil and gas. Their relative importance as oil and gas producers will depend on trade agreements with Asia and Europe.

v) East Russia and China will emerge as main producers of energy to sustain growth in China and Southeast Asia. Furthermore, the importance of the Indian subcontinent as an economic bridge between the Middle East and Southeast Asia will be extended to the energy market.

vi) Africa will emerge as a self-sufficient continent in terms of energy production, which will be mainly achieved from conventional sources. The continent will also be agriculturally self-sufficient south of the Sahara Desert, whilst the present low technology skills-gap will be abridged over time.

vii) Oceania will be self-sufficient energetically, with a secondary exporting capacity to SE Asia – mainly Malaysia and Indonesia. The continent will remain a high-technology hub and potentially self-sufficient in agricultural and industrial terms.

The main advantage of establishing seven distinct energy zones will be the opportunity to better manage the world’s resources. These energy zones will be potentially self-sufficient in a space of 50-100 years leading to:

i) A reduction in the environmental consequences of large-distance transport of oil and gas, i.e. reducing CO2 emissions and the risk of environmental accidents due to a reduction in shipping;

ii) Better management of agricultural resources, once again managing yields and production in a more collaborative way, and though inter-continental trade agreements;

ii) Knowledge and technology exchanges will happen at a larger scale too, with R&D partnerships being established at inter-continental scales.

The speed within which these changes will occur are certainly dependent on cultural factors, as well as linguistic and economic discrepancies between partner countries. With this view, the G20 could – and should – play an increasingly important role in establishing inter- and intra-continental collaboration. This is particularly true after the G8 became the G20, i.e. when its outreach was extended inside different continents. By using a forum such as the G20, any economic, financial and environmental issues will be easier to address in a global, information-driven world.

5. CONCLUSIONS

In summary, the emergence of unconventional energy in the developing worlds will lead to important economic, trade, financial and energetic shifts. We forecast the formation of seven (7) energy zones that, if well managed, will be able to foster intercontinental trade and development on scales never seen in the world. These zones will generate close information-linked economic ties between them, promoting at the same time a better management of the earth’s resources. Environmentally and socially, the planet will become a more diversified place for trade and financial activity. In essence, major changes will be recorded in the next 50-100 years in the following spectrum of themes:

a) Environment – Inter- and Intra-continental exchanges will result in less travelling, less CO2 production, and less pollution – if accompanied by a leap in current technology. Energy resources will be managed in a more sustainable way that nowadays by seven (7) intra-continental energy hubs, or zones: The Americas, Northwest Europe, South Europe-Northern Africa, Caucasus-Middle East, East Russia-China, Africa and Oceania.

b) Economy – The emergence of unconventional oil and gas will foster trade, with conventional oil producers sustaining (and tolerating) market gains from unconventional producers in a first instance. Any imbalances in the production of oil and gas will be managed on continental scale, and balanced through trade and technology agreements between and within continents. Therefore, the discovery of new oil and gas sources will be the main trigger for these trade exchanges.

c) Socially and economically – New unconventional oil and gas regions will trigger new capacity building initiatives at continental scales.

The G20 will have a key role in managing this process, abridging continents socially and economically – therefore fostering collaborative work to better manage resources on a global scale.

6. REFERENCES

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The Role of ‘Common but Differentiated Responsibilities’ in the Post-2020 Climate Regime

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1. INTRODUCTION

The equitable concept of ‘common but differentiated responsibilities’ (‘CDR’) has been a key principle in the ongoing international climate negotiations and will inform any regime that commences after 2020. To date, the principle has distinguished the emissions reductions responsibilities of developed and developing countries, in recognition of developed countries’ historical responsibility for climate change. With the mandate of the Kyoto Protocol set to expire in 2020, the extent to which CDR will inform the future climate regime is a matter that is currently up for debate. This is because of the growing awareness that the majority of future carbon emissions will emanate from developing countries. An international climate regime that does not legally obligate developing countries to reduce emissions will not achieve the maximum 2°C temperature increase agreed upon at the Copenhagen climate conference that represents the tipping point toward ‘dangerous’ climate change. Therefore, CDR must be reframed to balance the need for equity and economic development among developing nations with the urgent need to reduce global emissions. This paper will explore the political challenges of reframing CDR and investigate proposed models for the post-2020 climate regime.

2. DEFINING COMMON BUT DIFFERENTIATED RESPONSIBILITIES

CDR is a principle of international environmental law that unites sustainable development, solidarity and equity (Petruscu-Mag 2013, p 10). It places greater responsibility for substantive action on wealthier countries as a reflection of their amplified role in the creation of environmental problems, and their greater financial and industrial capacity to tackle the causes and effects of ecological damage. In this way, the principle aims to promote substantive, rather than merely formal, equality between developing and developed states (CISDL 2002, p 2). At the same time, the principle embodies the notion that all countries must contribute to the global effort to slow down or prevent catastrophic environmental damage by virtue of the ‘common heritage of mankind’.²

The legal implications of CDR in the context of the international climate change regime are significant. To date, the principle has defined the differing commitments that developed and developing countries have made to reduce their carbon emissions under the United Nations Framework on Climate Change (‘UNFCCC’) and the Kyoto Protocol. Currently, only developed countries are subject to legally binding emissions reductions targets, while developing countries can volunteer to make ‘pledges’ to reduce emissions, statements that are not legally binding or enforceable in any way. In the recent past, this was seen to be the method by which the climate regime could best address the goal of ‘equity’ enshrined in Article 3 of UNFCCC.

3. THE LEGAL RELEVANCE OF CDR

Climate experts are currently researching, analysing and debating the best options for the replacement regime when the Kyoto Protocol’s mandate ends in 2020. At the 2009 climate change conference in Copenhagen, parties agreed that the temperature increase as a result of climate change must be kept to a maximum of a 2°C change. It has been firmly established that the current system will not achieve this goal, leading most climate experts, especially in the developed world, to argue that developing countries, especially major future emitters like China, India and Brazil, must commit to legally binding targets (Frostone 2010, pp 89-92).

Despite the urgent need for change in the international climate regime, CDR will unquestionably...
4. THE POLITICAL CHALLENGES OF RE-FRAMING CDR

Apart from the principle’s legal status, there are clear political imperatives to continue to honour CDR’s tenets. The principle is crucial to maintaining a sense of international equity. There is a great deal of tension between developed and developing countries in international climate negotiations, with the prospect of legally binding emissions targets seen by many in the developing world as being hugely inequitable (Agarwal and Narain 2012, p 81):

‘[t]he idea that developing countries like India and China must share the blame for heating up the earth and destabilising [sic] its climate...is an excellent example of environmental colonialism... India and China cannot be held responsible even for a single kg of carbon dioxide or methane that is accumulating in the earth’s atmosphere... The accumulation...of these gases is mainly the result of the gargantuan consumption of the developed countries, particularly the United States.

There are also strategic advantages to maintaining a role for CDR in the international climate administration. It can act as an incentive to broader participation in climate change regulation systems. Treaties of this nature, that is to say, those that address the common concern, with the accompanying notion of obligations that apply to everyone, arguably create ‘greater accountability in the regime-building process as well as function as levers for moral suasion.’

They require states, inter alia, to take actions, driven by a sense of common destiny, rather than national interest; to take the global nature of the problem into account in national policy-making, state practice and negotiating positions; and to arrive at outcomes which reflect progressive solidarity on a global environmental problem (Rajamani 2012b, p 120).

At the same time, it is arguable that CDR has served as an obstacle to the international consensus on climate change so desperately needed, and exacerbated the difficulties of negotiations between self-interested nation states with divergent material interests (Rajamani 2012a, p 367). Countries often reference this principle to support opposing positions. In the name of CDR, countries like China, India and Brazil, future primary emitters, have argued vehemently against adopting legally binding targets, while the US, citing the same principle, has refused to sign an agreement that does not include this requirement (Freestone 2010, p 92).

The challenge is to find a way to reconceptualise the principle to address historical and present inequities, while still achieving the fundamental changes in industry-intensity and energy use required to prevent the onset of ‘dangerous’ climate change (Article 2, UNFCCC). In order to formulate a politically sensitive deal, climate negotiators, especially those from developed countries, cannot be one-sided about their ambitions to cut emissions. They must formulate all policy in recognition of historical injustices and of the huge challenges faced by developing countries in trying to both industrialise and reduce emissions at the same time (Dubash 2012, p 11).

5. RECONCEPTUALISING CDR – ENDING THE TWO-TRACK SYSTEM

At present, the Kyoto Protocol involves a two-track process, whereby ‘Annex-I’ parties are charged with binding emission reduction targets, and the awkwardly-named ‘non-Annex I’ parties are not. Many commentators have advocated for the need to break down the two-track system, and to redefine parties along different lines, in order to capture the emissions of the developing world’s growing major emitters. Indeed, in the Bali Action Plan, developed after the 2007 Bali climate change conference, parties were not referred to by their Annex allocation, but simply as ‘developed’ and ‘developing’ parties. This indicates a willingness on the part of the international community to move on from the UNFCCC divisions.

Naturally, the most vocal advocates of recategorisation of parties are current Annex-I parties, who presently shoulder binding targets alone:

Many developed countries are in favour of a more flexible and evolving categorisation of Parties which will permit differences within and between developed and developing countries to be taken into account in fashioning obligations under the future climate regime. And they point to the [CDR] principle as permitting and indeed requiring this (Rajamani 2012b, p 124).

While negotiators in India and China, in particular, have been strident in their opposition to taking on binding targets, many climate change experts in developing countries acknowledge the vulnerability of these less industrialised countries to the effects of climate change and conclude that universal participation and substantive targets are necessary (Jolly and Jain 2009, p 33). They argue however, that the form of this universal participation need not necessarily involve binding targets.

Policy makers have the unenviable task of incorporating the interests of both of these two camps into any suggestions they make for the future climate system. In my opinion, the most authentic re-fashioning of CDR principles in the context of climate change must consider, not only the historical responsibility of the developed world for the occurrence of anthropological climate change, but also the steady growth of global economic inequality. This has been characterised by climate change experts as “expansion and divergence” (GCI Briefing). Allowing such divergence to continue will only aggravate the effects of climate change on humans.

Below, I will explore just a very few of the plethora of alternative policy options that have been suggested by various climate experts, all of which incorporate CDR to a slightly different degree.

5.1 More flexible targets

One option that has been recommended by a number of different institutions is to change the rigid nature of targets to make them more flexible. The fact that economic growth, and therefore ‘business-as-usual’ baselines, are hard to predict in the long-term, means that fixed targets can act as ‘straightjackets’ to economic growth, one of the developing world’s key criticisms of such targets. A more flexible target could index the emissions allowed to the rate of economic growth, for example (Soltau 2009, p 229). This may provide for a more nuanced and individualised policy, applying differently to each country. The element of the target that is ‘flexible’ can take a number of different forms.

5.1.1 GHG-intensity targets

A type of flexible target that was espoused fervently by the US government led by George W Bush between 2002 and 2008, is the greenhouse gas (‘GHG’) intensity target, which requires countries to reduce emissions per unit of economic output, often of a country’s GDP. That is, emissions are indexed relative to productivity, for example, by reducing units of carbon dioxide emitted per dollar of GDP. This would avoid the straightjacketing associated with fixed targets and is often proclaimed as being a method of enabling broader participation in a climate regime (Soltau 2009, p 230; Herzog, Baumert and Pershing 2006, v). In the way in which they operate on developing countries, GHG-intensity targets fit within the broad principles of CDR.

Some argue that GHG-intensity targets would not be sufficiently environmentally effective to represent viable policy propositions. Friedrich Soltau, among others, contends that these types of targets allow absolute emissions to increase, which would push emissions growth over that necessary to maintain the maximum 2°C temperature increase (Soltau 2009, p 230). There are great dangers when intensity reductions that may have occurred naturally as a result in shifts in industry can be calculated as contributing to a country’s emissions reductions targets, and meanwhile, absolute emissions are allowed to increase.

The World Resources Institute (‘WRI’) agrees with critics about the dangers of GHG-intensity targets, but posits that this criticism only applies if the stringency of the target is not strong enough, as it was in Bush’s proposal (Herzog, Baumert and Pershing 2006, pp 15-16). Thus, an aggressive GHG-intensity target could potentially produce greater absolute emissions reductions than a weak absolute target.
Soltau suggests that targets of such a flexible nature are only appropriate for developing countries, because the uncertainty in their economic growth is much greater (Soltau 2009, p 230). However, it may be that if the stringency of a GHG-intensity target is strong enough, such a policy may be effective in curbing emissions worldwide. The danger in this policy approach is in the current uncertainty about its effectiveness. Despite the policy’s apparent accordance with CDR principles, a clearer and more robust approach is necessary in order to reduce real emissions by the amount necessary to avert temperature rise of more than 2°C.

5.1.2 No-lose targets

No-lose targets have been discussed as part of the UNFCCC New Market Mechanism negotiations, whose aim is to incorporate developing countries into global emissions reduction activities. These targets take the form of non-binding ‘commitments’ to reduce emissions by a specified amount. Instead of implementing a system of penalties for not meeting emissions targets, the scheme would create incentives for keeping within the target. If emissions are kept well below the committed level, the difference can be sold on the carbon market, in the form of excess emissions certificates.

No-lose targets can take the form of either uniform or individualised targets, and would only apply to developing countries. Again, it seems clear that such a scheme would be appealing to countries whose primary focus is economic growth, and would therefore create incentives for broader participation in the climate regime, thereby reducing compliance costs for developed countries.

However, economic analysis suggests that such targets would not enable the maximum 2°C increase (Duscha and Schleich 2013, p 305). While no-lose targets may accord well with CDR principles, they are probably not the substantive, decisive action that is needed to avert the onset of catastrophic climate change. It may be better to see an inexpensive scheme like this as part of a wider picture of varied climate policies, which would act as a strategic compliance mechanism within the broader climate regime (Ward et al 2006, 6).

5.2 Non-target-based policies

5.2.1 Global carbon tax

The idea of a global carbon tax has been posited at various stages of the UNFCCC negotiations, never with promising responses from treaty parties. Carbon taxes have been implemented on a national and transnational basis in many jurisdictions around the world, including the European Union. A universal carbon tax represents one of the most effective policies (Soltau 2009, p 232) because of its ability to make deep cuts in absolute emissions by focusing on key areas of high carbon intensity or ‘carbon bottlenecks’, like oil refineries, liquid natural gas (LNG) terminals, cement, steel, aluminum and GHG-intensive chemical plants (Nader and Heaps 2008). Raising the price of carbon-heavy activities is obviously the best way to quickly influence consumer and industrial behaviour worldwide. One proposal is that the tax would be adjusted according to emissions reductions need every couple of years, and that each country would be able to keep the revenue created (Cooper 2010, 151). The simplest method seems to be to integrate the tax into each country’s domestic tax system.

However, a global carbon tax is one of the policies least likely to be implemented, because of the political challenges associated with it. The burden that it would place on developing countries would most likely be seen as oppressive and counter to the principle of CDR. A global carbon tax that was more reflective of CDR principles would focus principally on industrialised countries, in order to compensate developing countries for harm occasioned or impending, and for the costs of adaptation (Altamirano-Cabrera et al, 3). This would still, in theory, be able to reduce global real emissions by a significant margin, provided those countries accounted for the majority of carbon emissions (Cooper, 151).

Unfortunately, a targeted international carbon tax is a politically fraught position because developed countries see such a proposal as overly burdensome and granting developing countries the right to emit with impunity. It unfortunately also leaves open the possibility that GHG-emitting activities will simply migrate to those countries not subject to the tax, or at least subject to a less punishing tax rate. The most preferable approach from a real reduction point of view is that the tax applies to all countries (Cooper 2010, 153).

It is clear that the implementation of a global carbon tax faces huge political hurdles. Realistically, it is highly improbable that any carbon tax would be implemented without the support of the US, who is unlikely to ever support one. Most climate negotiators avoid mentioning it all in UNFCCC conferences of the parties (COPs), such is the unlikelihood of it ever being agreed to. The only pragmatic approach is to consider other policies.

5.2.2 Non-target-based policies – contraction and convergence

The ‘contraction and convergence’ policy proposal was developed by the Global Commons Institute around the concept of ‘equity and survival,’ a principle which, on its face, sits well with CDR (GCI Briefing). It is a unique policy that (theoretically) assigns each individual an equal entitlement to GHG emissions based on a pre-determined global carbon budget (Soltau 2009, p 242). Current estimates are at around one and a half tonnes per person by 2050, assuming a population of 9 billion (Stott 2012, 2). The budget set would be that required to maintain a temperature rise at no more than 2°C. Targets are then established for individual countries, based on these entitlements, with the result that eventually all countries reach a relative mean of emissions (convergence). This policy would result in dramatic cuts in carbon emissions for developed countries, which would in turn enable carbon trading between developed and developing countries.

The policy was developed as an attempt to redress the ‘worsening asymmetry,’ or ‘Expansion and Divergence’ [E&D] of global economic development. That is, that the global majority most damaged by climate changes were already impoverished by the economic structures of those who were also now causing the damaging GHG emissions (GCI Briefing). It arguably represents the policy that most fundamentally embraces the equitable principles of CDR, as it applies the logic of equal treatment, an idea that is ingrained in relation to, for example, women and minority groups, to entitlements to atmospheric space (Soltau 2009, p 242).

The strategy encourages emissions trading between GHG entitlements. That is, under-consumers, often in the developing world, could earn revenue for development programs in their countries by selling GHG entitlements to over-consumers in developed countries (Stott 2012, 2). The policy has been described as ‘non-intrusive’ in that, while it encourages low carbon actions to reduce emissions, it does not define the manner in which this must be done. It is up to the individual countries to reduce their emissions in their own way. Both of these elements represent positive applications of CDR principles.

The contraction and convergence approach has many advantages. First, it is visionary and long term. It provides a quantifiable concentration level that is provides a clear and tangible goal to work towards as a planet. This is a crucial element of encouraging and enabling global participation in the climate regime. Second, it actively implements equitable CDR principles. Developing countries would earn substantial revenue to contribute to their own development goals. Third, it enables real emissions reductions, at a rate that is necessary to avert the onset of ‘dangerous’ climate change. In theory, contraction and convergence represents the best attempt to balance CDR principles and emissions reductions. The huge question hovering over the policy is, how to implement it on the enormous and multinational scale required. But that is another question, for another paper.

5.3 A Multi-track Approach

There are thousands of different post-2020 climate system recommendations that have been posited by relevant parties. It may be that the regime that is ultimately agreed upon is an amalgam of the best parts of this proposals. Dernbach argues that a ‘multi-track framework,’ which would provide for a variety of different types of commitments, is better equipped to deliver substantial early emission reductions than a one-track framework (Dernbach 2008, p 125). For example, treatment of developing countries could be divided between those that are major emitters and those that are not, a proposal that the US has consistently supported (Rajamani 2012b, p 125). Such a reform may be able to better deliver in environmental effectiveness, but whether it would comply with CDR is a matter of conjecture.
The proceedings at the Copenhagen climate conference demonstrated that attempting to reach consensus between all parties to the Kyoto Protocol is a highly fraught and complex process, even at a time when global pressure to come to a lasting resolution is extremely high. It may be that the ‘mega-conference’ format of the UNFCCC will not continue to be effective in a future climate administration. Bodansky advocates breaking out of this mould and pursuing different approaches in coalitions of like-minded states; in an acknowledgement of the fact that the majority of the world’s carbon emissions are emitted by only a handful of countries. Such approaches may include agreeing on fuel-economy standards for auto-manufacturing states, or a small harmonised carbon tax purely to fund research and development (Bodansky 2004, p 7).

It is also very likely that the regime that is agreed upon combines a range of both ‘top down’ approaches like extended legally binding emissions targets; and ‘bottom up’ approaches, like the Nationally Appropriate Mitigation Actions (‘NAMAs’) that were proposed and agreed upon in the 2007 Bali Action Plan and currently apply only to developing countries. These take the form of localised and regional projects aimed at both emissions reduction, sustainable development and poverty alleviation, supported by ‘technology, financing and capacity building, in a measurable, reportable and verifiable manner’ (Bali Action Plan).

Such an approach could align well with CDR principles, in that it would acknowledge the development priorities of developing countries. Bottom-up activities could ‘piggyback’ on the development actions such countries are already undertaking (Bodansky 2007, 65), potentially avoiding the post-colonial political problems associated with imposing restrictive economic measures on developing countries from above. The danger of an ad hoc system, of course, is that real emissions may not be able to be reduced above. The danger of an ad hoc system, of course, is that real emissions may not be able to be reduced at the necessary rate. But such is the nature of the political dilemma; a sacrifice of this kind is probably required in order to bring developing countries on board the international climate change regime in a manner they perceive to be equitable. A flexible, multi-track, bottom-up approach ‘reflects, not ideal policy, but rather less than ideal politics’ (Bodansky 2007, 65).

6. CONCLUSIONS AND RECOMMENDATIONS

I would urge the UNFCCC to formally adopt the contraction and convergence approach, along with an adjunct international fund to collect the revenue from GHG entitlement trading, through which funding for bottom-up activities like NAMAs could be channelled. Robust monitoring, reporting and compliance with targets should accompany domestic actions undertaken under the contraction and convergence scheme.

The options for a future climate system are endless, but only a few will achieve the dramatic emissions cuts desperately needed while still accommodating developing countries’ need to develop their economies. Policy that is most effective will account for the fact that future emitters will come from the developing world, and policy that is most equitably will embrace the opportunity to address growing global economic inequality. While it may be difficult to achieve because of potential resistance from developed countries, the ‘contraction and convergence’ scheme is the best way to reconceptualise the principle of common but differentiated responsibilities in a way that can maintain the principle’s relevance into the future and still achieve dramatic and lasting emissions reductions.

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Session II: Environmental Resources and Ecosystem services

By Improvement of the Green Infrastructure towards Sustainable Landscapes and Resilient Environments

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INTRODUCTION

Most of the European regions can be considered as cultural landscapes as the natural environments have been shaped by man through centuries. Human activities like agriculture, urban development, transportation and industry have all shaped the natural landscape and added a new layer to the original environment. All these interventions have shaped the phenomenon of the cultural landscape - the environment which we perceive all around, except in untouched natural areas.

Cultural landscapes appear in diverse forms, i.e. urban, peri-urban or suburban areas; industrial areas, agricultural or forest landscapes and undergo ongoing development and changes. Nowadays, they face challenges of global environmental and climate issues. In order to achieve a sustainable development of cultural landscapes and improve their resilience to internal and external factors, strategic landscape planning and design tools are needed to respond to these challenges.

In this paper, we introduce green infrastructure (GI) and urban agriculture (UA) in terms of their relevance for creating sustainable and resilient multifunctional cultural landscapes. Both initiatives have the potential to make the development of European cultural landscapes smarter, more sustainable and resilient. Therefore, they are included in the Europe 2020 Strategy issued by the European Commission. The Europe 2020 along with GI and UA represent the main issues in this paper. All these issues are crucial in the contemporary urban ecology and environment.

1. GREEN INFRASTRUCTURE FOR SUSTAINABLE LANDSCAPES

Green infrastructure (GI) is a strategically planned system of natural and semi-natural areas, elements and green spaces in rural and urban areas with environmental components designed and managed in order to provide a wide range of ecosystem functions like water management. It includes terrestrial (green spaces) and aquatic ecosystems (blue spaces) and its components provide health-improving elements like fresh and cleaner air or better water resources. In the urban landscape, GI includes also anthropogenic elements like green roofs, ecoducts, cycle trails or restored natural areas. The American Society of Landscape Architects (ASLA) defines GI as a framework for understanding valuable services provided by nature for human environments. At a national and regional level, interconnected park system networks and natural corridors sustain ecological functions, regulate the water system, create environment for wildlife, create and sustain the balance between built-up areas and natural environments. GI includes all natural elements in settlements which provide ecological and ecosystem services (i.e. parks, green walls, green roofs etc.); they support biodiversity and enable the ecosystems to provide functions like interlinking urban, peri-urban and rural areas. The implementation of GI components in the urban environment has also a significant social dimension as it improves the community, initiates volunteering activities of the public and helps to avoid social isolation. GI represents a physical, psychological, emotional and socio-economic benefit to individuals and the community as a whole (Benedict and McMahon, 2006; European Commission, 2010, 2012, 2013; Naumann and others, 2011; Pauleit, 2012 and others).
The proximity of GI to urban areas is associated with a high potential in providing multiple services for the society (Losarcos, Romero, 2012). By effective utilisation of the GI at a settlement level, we are able to reduce energy consumption through passive heating and cooling; filtrate air and water pollutants; create clean and temperate air, lower the heat island effect; lower the costs for stormwater infrastructure management; ensure flood protection and food resources; stabilise the soil through preventing or reducing erosion. A document dedicated to multifunctionality of GI states that the role of GI is to improve life in different ways, through its environmental, social and economic potential based on the multifunctional utilisation of the natural capital (European Commission, 2012). Thanks to all mentioned attributes, we can state that the GI represents a significant ecological, economic and social benefit to our society and at the same time a tool to reduce the effects of the climate change, creation of healthy environments and improving the life in cities, towns and villages (ASLA, 2013). GI is a successfully verified tool to ensure ecological economic and social benefits through natural solutions which usually is a high-return investment. Thanks to GI, we understand the importance of nature for the human society and for the mobilisation of investments for sustaining and strengthening the natural systems. GI helps to avoid the dependence on gray infrastructure which is much more expensive to establish and build compared to permanent natural solutions. It is based on the principle that protection and supporting nature and natural processes is accompanied by several benefits for human society if they are intentionally integrated into spatial planning and development. Compared to the single-purpose gray infrastructure, green infrastructure is not limited to spatial development; it supports natural solutions if they represent the best alternative. Green infrastructure can sometimes offer alternative or comparable solutions to standard forms of gray infrastructure (European Commission, 2013).

GI can be strengthened by strategic and coordinated initiatives which focus on sustaining, restoration, improvement and interconnection of existing and creation of new areas and elements (Naumann and others, 2011). The contemporary research into GI can be divided into two main categories: conceptual research and practical application (Mell, 2008). Kabai (2011) focuses in his work on visual impact of the green infrastructure. He states that the visual function is a significant component of social functions of the GI and must be considered when planning the GI as it can reduce the negative visual impact of rapid urbanisation and contribute thereby to formation of the settlement and landscape image. Melnichuk and Ignatieva (2012) understand GI as a factor of sustainable urban development and they conducted a wide range of principles for the urban GI.

In order to contribute to creation of a common GI strategy as an efficient tool for protection and creation of sustainable landscapes, it is crucial to continue in the comprehensive research into historic development and current state of the GI. Based on this research, it will be possible to conduct conceptual tools for implementation of the GI into planning tools and contribute thereby to a sustainable development of the cultural landscape. The urban GI includes areas and elements with productive or utilitarian functions. These production areas within and around urban areas in the peri-urban contact zones serve as a proximity food resource improving the food resilience of urban environments. Besides the productive functions of these GI components, their social, environmental and ecological functions are similarly significant. Agriculturally used components of the urban GI located in urban and peri-urban areas are commonly known as urban agriculture.

2. URBAN AGRICULTURE FOR RESILIENT URBAN FOOD SYSTEMS

Urban agriculture (UA) plays a key role in two global challenges: urbanisation and food security. It has a potential to contribute significantly to sustainable urban development through creation and management of multifunctional urban landscapes (COST-Action UAE, 2012). Lohrberg (2011) describes UA as an initiative for strengthening the resilience of settlements towards diverse stress factors. Based on this fact, we can define UA as an efficient tool of landscape planning and architecture for creation of sustainable urban green infrastructure. Bryant (2012) states that UA has existed as long as there have been urban structures and urban landscapes as such. However, agricultural activities in urban environments were not always designated as UA. Also within the urban structures, there were many farmers who focused their production on self food supply or barter. There is a significant share of agricultural land also in urban areas of Slovak settlements, depending on a wide range of morphological, geographical, historic, functional and socio-demographic factors. In Slovak conditions, there are diverse typological categories such as vineyards, orchards; private production gardens for vegetable or grain production at family houses or blocks of flats; greenhouse production; allotment gardens and other forms of UA within in the urban area of the settlement. All these forms are significant components of the Slovak urban green infrastructure and provide a wide range of functions and services. Thanks to contribution to the society and according to Bryant (2012) include preservation of the cultural heritage in the form of historic landscape and structures and structures; sustaining the agricultural land and water resources; providing spatial resource for leisure and touristic activities; providing educational function and social integration and inclusion; enabling food production for involved families and/or urban consumers. The Barcelona Declaration on Urban Agriculture and the Common Agricultural Policy (Lohrberg and others, 2013) defines UA as involving all actors, communities, activities, places and economies which focus on ecological production in a spatial context that according to local opinions and professional standards can be considered as urban. In terms of space, UA takes place in urban and peri-urban areas. According to the COST-Action UA (2012), UA consists of six main components: space, function, market, origin, actors and stakeholders. UA has a new significance in cities all over the world. It is not only about vegetable production in the city, but mainly about discovering and implementation of new ways of achieving multiple targets through food and about the potential of a qualitative conversion of cities to more sustainable and resilient urban environments for inhabitants and urban biotopes of the green infrastructure (Jaggi, 2011). The popularity of UA increases together with the awareness of the public of environmental, economic, cultural and social benefits of different forms of UA to the society (Lehrer-Rombouts, 2011). The FAO (2007) defines UA as a dynamic concept including a wide range of diverse systems of livelihood from the basic level of production for self supply and food processing in households, up to more commercial forms of agriculture, which are located in diverse areas and in different socio-economic conditions. The main attribute of UA is its diversity, as it can be adapted to a wide range of urban situations and to needs of different users. According to the FAO, UA must be understood as a permanent and dynamic component of socio-economic and ecological systems of the urban environment, using typical urban resources and competing with other land use forms in space and water (except of green roofs), influenced by urban policies and planning and contributing to social and economic urban development. UA represents a permanent or temporary component of settlements and thereby an important attribute of a sustainable urban development (FAO, 2007).

2.1 Contemporary Research into Urban Agriculture at the European Level

Currently, there are two main European research projects within the Cooperation in Science and Technology (COST) focusing on urban agriculture - the COST-Action Urban Agriculture Europe (UAE) and the COST-Action Urban Allotment Gardens (UAG). While the COST-Action UAE responds to the need for a European approach to the globally emerging research field of UA, the UAG Action focuses on studying the urban allotment gardens and their relevance for sustainable urban development. Both actions conduct research based on reference regions and selected case studies. The UAE Action focuses more on the wider issue of cultivating the land in the urban environment, while the UAG Action focuses on a particular component of the urban agriculture and green infrastructure and provides a more in-depth research into this component concerning diverse issues like urban development, sociological, ecology and urban design.

The motivation behind both initiatives can be seen in the increasing need for more knowledge of resilient and sustainable urban green infrastructure and food systems in the context of contemporary urban development facing internal and external challenges.

Resilient food systems represent also an emerging issue and interest of researchers within and outside Europe. At the beginning of this year, an international and interdisciplinary research project has been launched at the University of Canterbury in New Zealand.
Zealand, where professionals from different backgrounds look for diverse patterns of UA in the city of Christchurch and work on a resilience model for food system which aims at measuring resilience of the city. Besides these Pan-European research projects, there are also research initiatives on UA at national levels (e.g. Supuka, Feriancova and others, 2008). Besides urban development, food security and food resilience are also topical and crucial issues that need to be responded by suitable strategic tools. In the context of building resilient food systems, urban agriculture can be understood as a reasonable tool that needs to be researched at the global level. The European research approaches represented mainly by the two ongoing COST Actions - Urban Agriculture Europe (2012-2016) and Urban Allotment Gardens (2012-2016) can both be understood as steps towards creating knowledge of productive agricultural lands in urban environments and building resilient urban food systems for future European cities. Besides these Pan-European research projects, there are also research initiatives on UA at national levels (e.g. Supuka, Feriancova and Toth, 2013). We consider the Europe 2020 strategy and the two mentioned COST Actions integrating green infrastructure and urban agriculture as main issues and perspective tools for improvement of the European ecological, environmental and energetic systems and creation of sustainable and resilient multifunctional European cultural landscapes.

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The Urban Ecosystem: Integrating Human and Natural Systems

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INTRODUCTION

Humans are still largely dependent on natural resources for economic and social wellbeing. Yet current human activities are degrading these ecosystems at unprecedented rates. Rapid urbanisation represents one of the largest environmental sustainability challenges of the 21st century through the consumption of land and resources. This consumption negatively impacts on biodiversity and associated ecosystem services. Integration of natural areas into urban landscapes is crucial for provision of ecosystem service benefits to urban residents. ‘Green infrastructure’ in the form of city parks, gardens, green roofs and walls, provides important services such as stabilisation of the urban climate (including reduction of the heat island effect), carbon sequestration, stormwater management, increased food security and enhanced mental health. Most of the urban area that will exist in 2030 is yet to be built, presenting vast opportunities for sustainable city planning. Therefore, understanding and implementation of green infrastructure strategies is essential for long-term environmental sustainability.

1. THE PROBLEM OF URBANISATION

More than half the world’s population currently reside in cities and in many countries the proportion of urban residents exceeds 80% (Cities and Biodiversity Outlook, 2012). An expanding urban population has led to unprecedented megacities (containing >10 million residents) (Madlener & Sunak, 2011) and encroachment of urban areas upon protected areas (Wade & Theobald, 2010). While expansion of cities themselves is an important environmental issue, the consumption and climatic properties of urban areas generate a number of resource related issues. These are expanded upon below.

1.1 Urban expansion

Urban expansion is one of the leading causes of habitat loss, degradation and fragmentation world-wide and contributes significantly to global loss of biodiversity (Goddard, 2010). For some species, urban development has been the primary cause of their decline (McDonald, Kareiva, & Forman, 2008). Urban areas are expanding faster than the growing urban population, with a projected tripling of urban area between 2000 and 2030 (Cities and Biodiversity Outlook, 2012).

The density and pattern of urban expansion has implications for its environmental impact. Traditionally, urban areas have expanded in an unorganised and uneven pattern across the landscape, following site specific topography and water features (Chhetri, Han, Chandra, & Corcoran, 2013). This “sprawling” development is more destructive to the environment than consolidated (high density, compact) development, due primarily to increased land consumption and high demands on the transportation system leading to a higher carbon footprint (Camagni, Gibelli, & Rigamonti, 2002; Sushinsky, Rhodes, Possingham, Gill, & Fuller, 2013). In Australia, urban consolidation policies are being promoted to curb this destructive development (Wallace, 2010). However, urban consolidation limits the extent of green spaces, particularly private gardens, within urban centres and is often perceived by residents as damaging to the social or aesthetic character of their town (Brunner & Cozens, 2013).

Greater than 60% of the urban area that will be present in 2030 is yet to be built or is under development (Cities and Biodiversity Outlook, 2012). There are, therefore, outstanding opportunities for proactive urban planning to build more sustainable cities. However, a large majority of this urban expansion will occur in developing countries that are limited in resources to respond with sustainable solutions, and are nested in some of the world’s richest biodiversity hotspots.
1.2 Urban consumption

While cities take up only 2-3% of the world’s surface, it is estimated that urban populations consume 75% of the world’s resources, and thus impact an area far beyond their denoted physical bounds (Madlener & Sunak, 2011). Rapid expansion of cities places increased demands on a country’s fiscal resources for construction of infrastructure. For example, it has been estimated that China will not have enough resources to support its rapidly urbanising cities, and is in need of technologies to reuse or lower resource use (Shen, Cheng, Gunson, & Wen, 2005).

1.3 Cities and Climate Change

Human built structures in urban areas drastically change the temperature conditions and hydrology of cities. Generally, cities maintain higher average surface temperatures compared to their surroundings, an effect termed the ‘urban heat island’. This is due to an increase in heat absorbing surfaces such as concrete and asphalt, as well as a decline in vegetation cover. In addition, increased proportions of impermeable surfaces radically alter hydrological flows. Recent models suggest that, globally, land use change has increased surface run off by approximately 7.5% and reduces evapotranspiration by 5% per annum (Sterling, Durcharme, & Polcher, 2013). Furthermore, though indirectly, the carbon footprint of cities is contributing to global climate change by alteration of the carbon cycle. Even if zero global carbon emissions were attainable tomorrow, historical emissions will have already altered the climate for future decades (Gill, Handley, Ennos, & Pauleit, 2007).

Conversely, a changing climate presents major problems for urban centres, especially the majority that are situated near rivers and coastlines, or in disaster prone areas (UN, 2008). Many cities are likely to be affected by water uncertainties, more severe weather events or sea level rise in the near future that will lead to high infrastructure damage costs and loss of life. In extreme cases, certain areas may become uninhabitable. For example, experts have predicted that the ‘Thai megacity of Bangkok is likely to be under water for at least 6 months of the year by 2030 due to the combination of sinking landmass and predicted sea level rise (Chialangka, 2010).

2. Water Management

Changes to the hydrology of urban areas have caused management of both waste and stormwater to be a prominent issue for many cities. The degradation of urban streams due to a combination of increased nutrient and pollutant uptake, altered flows and biotic assemblages, erosion and sedimentation, is so consistent across cities it has been conceptualised as the ‘urban stream syndrome’. This has led some authors to suggest that water management should be the centre of all sustainable infrastructure developments (Beauchamp et al., 2013). Overall, urban streams have lower water quality and more severe fluctuations in water flows, the latter of which causes frequent overloading of the existing drainage systems to which they are connected.

2.1Stormwater Management

Green infrastructure aids in controlling both the quantity and quality of stormwater flows. Increased permeable surfaces as well as additional canopy layers aid in retention, decrease surface run off and slow the delivery of stormwater into the grey infrastructure system (Gill et al., 2007; Pataki et al., 2011). This prevents overflows of existing drainage networks and allows for the recharge of ground water. Filtration through soil layers improves water quality by decreases in suspended solids and sequestration of contaminants such as nitrogen and phosphates. Life-cycle analysis of these systems has also shown them to be, on average, 24% more cost-effective than alternative grey infrastructure solutions, even when indirect benefits such as improved water quality are not taken into account (Jaffé, 2011; Montalto et al., 2007).

3. Climate Change Mitigation

Increases in the proportion of green infrastructure within cities significantly aids in reduction of temperatures through both evaporative and shading effects (Gill et al., 2007; Pataki et al., 2011). Modelling by Gill et al. (2007) showed increasing green cover by just 10% meant up to 2.5°C lower temperatures compared to climate scenarios in which there was no cover change. Contrastingly, in scenarios where 10% of green cover was removed temperatures increased between 2-4°C above temperatures under constant cover projections.

This cooling in turn reduces emissions due to lowering requirements for air conditioning services (Benedict & McMahon, 2002). A recent modelling study of low impact developments that included green infrastructure in New York City reported annual energy savings of 7.3 GJ and greenhouse gas emissions reduced by 0.4 metric tons (Spatari, Yu, & Montalto, 2011). These energy savings can then be translated into financial gains for households and businesses (Dunn, 2010). In addition, carbon sequestration by urban plants may aid to offset carbon emissions by cities.

Within cities too, the increased capacity of green infrastructure to decrease surface run off can help reduce flooding from severe storm events. However, its capacity to do so is limited by the storage capacity of the matrix (Gill et al., 2007), which can also be improved by green infrastructure.

3. Human Health and Well-being

Provision of urban green space has been shown to influence both human physical and mental well-being. Access to open spaces greatly can encourage exercise, decrease stress and mental fatigue as well as increase longevity of elderly residents (Benedict & McMahon, 2002; Tzoulas et al., 2007). Natural areas have also been strongly linked to a people’s sense of place and belonging, regulation of feelings and an enhanced sense of community (Tzoulas et al., 2007). Contrary to public concerns, increased presence of trees has been linked to reduced crime rates in inner-city areas (Kuo & Sullivan, 2001). In addition, improved air and water quality benefits may have positive feedback onto human health. For example, a study in New York suggests that an increase number of street trees may reduce the incidence of childhood asthma (BBC News Online, 2008).

3.4 Food Security

Integration of small scale community gardening or even large scale agriculture in urban areas enables more reliable and low cost local supply of food to urban residents. This has the largest benefits for the urban poor, which typically struggle with high food prices (Dunn, 2010). In addition, locally produced food decreases the ecological footprint of the society.
by decreasing the distance food must travel to reach consumers.

3.5 Biodiversity Conservation

Globally, urban areas are situated in some of the most biodiverse regions, and contain ecosystems that are presently underrepresented in protected area networks. Maintenance of remnant bushland, as well as parks, gardens and other artificial green spaces within cities provides important habitat for a multitude of city dwelling species including some threatened or rare species (Madre, Vergnes, Machon, & Clergeau, 2013; Miller & Hobbs, 2002). A recent global analysis revealed that most of the bird and plant species within cities are native and even endemic to the region (Aronson et al., 2014).

With increasing land use change causing the degradation of natural systems, integration of conservation into cities may be the only way for human-nature co-existence and continuation of the rich biodiversity that provides us with the ecosystem services on which we depend. At the regional scale, greening urban areas may contribute to creation of corridors that link protected areas. Connection of protected areas is integral to the preservation of biodiversity and large scale ecosystem process, especially to enable resilience of the system as whole to ongoing climate change.

Furthermore, initiation of conservation projects within cities aids in public education and appreciation of nature as well as an awareness of environmental issues. This awareness is essential for continued public interest in conservation of more remote areas (Miller & Hobbs, 2002).

4. RECOMMENDATIONS FOR FUTURE URBAN DEVELOPMENT

4.1. Know what you have

With increasing losses of biodiversity as well as associated constraints on resources and ecosystem service flows, there is a growing need for countries to create inventories of their biodiversity resources. This is particularly important to achieve in rapidly urbanising areas where development is likely to lead to removal of green spaces that may serve unreconised but vital ecosystem functions. These sorts of inventories are particularly lacking in the rapidly urbanising cities of developing countries, where they arguably are most needed. For example, the majority of datasets on bird and plant species in cities are sourced from highly developed European and North American cities (Aronson et al., 2014). Moreover, provision of ecosystem services is not uniform across the landscape and understanding the biodiversity within and around cities will enable us to better plan to avoid destruction of sensitive habitats as cities grow.

4.2. Prioritize protection over restoration

Restoration of damaged natural areas or creation of grey infrastructure to replace its functions is far more costly than the preservation of intact green spaces. For example, it is estimated that replacement of the Catskill/Delaware watershed system that provides New York City with its water supply would cost the city $6-8 billion in construction and approximately $110 million in annual maintenance costs. In contrast, the city has spent $168 million on land acquisition and spends less than 100 million per year on education and outreach to preserve the watershed (Mass, 2007). Furthermore, reduction of green cover will only hinder our efforts for mitigating against predicted climate change scenarios (Gill et al., 2007).

4.3. Making the connections

The key to an effective green infrastructure system in cities is the integration and co-ordination of the management of all its parts (Benedict & McMahon, 2002). On a local scale, this means creating connections between green spaces to enable movement of species, and continuity of services across the landscape. In many countries, most of the remnant vegetation and open park spaces occur in the outer metropolitan areas, with decreasing patch sizes and connectivity within inner city regions (Stenhouse, 2004). In these areas, provision and connectivity of open green space is only possible through restoration projects that are both costly and difficult to implement. In these cases, construction of green infrastructure that integrates with existing built infrastructure (i.e. green roofs and walls) is the best option for maximising green space area and connectivity. Further, integration of vegetation on roofs and walls of buildings could aid in mitigating habitat destruction, and subsequent biodiversity loss, caused by new developments. Present studies also suggest that vegetated rooftop spaces can create viable habitat for conservation of arthropod and bird species as they allow for the persistence of even specialist and rare species (Madre et al., 2013).

At a policy level, it is necessary to have co-ordination between local governments, as well as state and national government bodies in identifying important green spaces and ensuring connectivity between them. Already, the U.S.A. is leading the way with a number of state-wide and regional strategies, including some transnational agreements (Benedict & McMahon, 2002). A recent Australian example is the single state policy of Queensland which aims to unify local government policies on land use planning across the state. In addition, Australia has seen several policy initiatives for creation of large scale corridors such as the Great Eastern Ranges Project which brings together 180 organisations to aid in connecting major wilderness areas across a 3600 km expanse in Eastern Australia.

Although such regional plans may lay down important foundations for green infrastructure planning, there remains the issue of implementation at the local scale, and engagement of the public. There are often communication issues in the co-ordination of local councils on biodiversity and land use planning, as in many cases there is currently no mechanism by which this co-ordination is achieved. For example, land governance issues between different government departments are hindering plans to create greenway connections between urban parks in Bangkok.

Furthermore, a large amount of the land area within cities is privately owned and there is a need for co-operation between the public and private sector in order to achieve sustainability aims. For example, the cost effectiveness of green infrastructure installation for stormwater management was greatest under scenarios modelled with shared public and private participation (Montalti et al., 2007). While private gardens are often ignored in green space connectivity assessments, they are recognised for supporting a large diversity of species, including urban sensitive species, and have a large role in natural education (Goddard, 2010).

Finally, there is a need for linkages of expertise and funding to aid developing countries to support their capacity to plan and control urban development. These will be the hotspots for urban development in the coming years and many such areas have high conservation values (Cities and Biodiversity Outlook, 2012). However, these developing nations may struggle to match economic imperatives to their conservation agenda.

5. CONCLUSION

Today more than ever, humans are tasked with finding ways to be able to ‘live on the land without spoiling it’. Globally, rapid urbanisation is both a major issue and an opportunity for sustainable development. Integration of green infrastructure at the city and larger regional scales creates a framework for conservation of natural resources while enabling sustainable development. This sustainable development allows for continuation of vital ecosystem services such as food provision, stormwater management, climate regulation and recreational opportunities, therein improving quality of life for urban residents. While understanding of the extent of urban biodiversity is still in its early stages for many developing countries, it is important to act now and protect remaining wild habitats. These areas are of most concern because they reside within some of the world’s richest biodiversity hotspots and may be ill-equipped to fund integration of green infrastructure into their cities. Overall, the key to a successful and effective green infrastructure will be strong linkages between government bodies at all levels, the public and private sectors and across legal borders to ensure a long lasting connection of people with their environment.

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Community Participation on Food Security Projects Among Low-income Households of the Sedibeng District Municipality

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INTRODUCTION

Globally, household food security in both rural and urban areas is still a major problem. As a result, community participation is an important component of community development and reflects a bottom-up approach to overcome the high rates of poverty. The reduction of poverty has been a central concern of South Africa’s government since 1994. The attainment of food security requires the increased involvement of community participation for designing, implementing and monitoring the development mandates of any country. Above all, the realisation of food security requires co-ordination among local institutions to support food insecure groups.

The South African government has developed household food security measures to empower local communities to assess their food security and incorporate their results into the national nutrition monitoring system. Community participation programs in community development planning can vary depending on the nature and scope of the planning problem. Barron (2006: 14) identifies four criteria’s for enhancing community participation, namely: establishing the goals of participation; determining the key stakeholders; determining the appropriate level of participation; and minimizing conflict. This study only looks at the third criteria for “determining the appropriate level of participation”. This is realised by analysing the perceptions and potential of community participation for improving food security among low-income households. The study further looks on how low-income household’s participation can be of greatest use in the food gardens. The sections below present the methodological approach for this study. The conceptual framework for public participation and food security is outlined below. The results of the study are also presented to report the level of participation of low-income households in the SDM. A summary of suggestions is also offered for improved implementation and community participation on food security programmes.

METHODOLOGICAL APPROACH

Data collection for this study comprised of secondary data, primary data, and interviews by means of semi-structured questionnaires. The secondary sources used in this paper enabled the researcher to relate to the historical context and trends in food security over time. The primary data for this study are drawn from the three local municipalities of the SDM, namely: Emfuleni, Lesedi and Midvaal local municipalities; starting in September 2008 and ending in September 2009. A total of 112 households were interviewed. Institutional interviews involved the Community Development Directorate from the SDM and the Directorate: Agriculture from the Gauteng Department of Agriculture, Rural Development (GDARD). Specifically, the interviews targeted the GDARD regional offices situated at the Germiston Region, servicing Ekurhuleni Metro and Sedibeng District Municipality. Both the SDM and the GDARD are responsible to coordinate and monitor food security programmes in the Gauteng province, especially in the SDM. The community sample consisted of low-income households selected from Evaton; Sebokeng Hostel; Sharpeville; Rust-veaal Hostel; Bophelong-Muvhang; Sicelo Extention 4 & 5; and Heidelberg locations. In order to assess the level of community participation, the interviews were mainly held during the spring and summer seasons (September to March in South Africa) to showcase the household agricultural initiatives.

AN OVERVIEW OF COMMUNITY PARTICIPATION AND FOOD SECURITY

Food security is defined as a “situation when all people have access to food production and processing at all times”. Access to food security entails gaining access to physical and economic resources in order to achieve sufficient safe and nutritious food preferred by various household (Food and Agriculture Organization (FAO), 2008:3). The Municipal Systems Act (32 of 2000) requires municipalities to promote public participation and to build the capacity of residents, councillors and municipal officials to engage in participatory processes. Public participation has been a hallmark of government policy since the advent of democracy in 1994 in South Africa, although judgements of its efficacy in practice differs (Everatt & Gwagwa, 2005:12). Essentially public participation is the process of ensuring that those who have an interest in a decision are involved in making that decision (Harrison, Schmidt, Avis, et al., 2001:2). Public participation is seen as crucial to good governance and a constituent of democratic principles.

The concept of ‘food security’ has developed over the past three decades (Young, Jaspars, Brown, et al., 2001:10). The scope of food security dates back to the proceedings of the World Food Summit held in Rome in 1996; the World Food Summit: 2002, and the Millennium Development Goals. The Millennium Development Goals further highlight the importance of confronting the scourge of poverty and the despair of food insecurity. All these proceedings underline the importance of food security (Rivera & Qamar, 2003:ii). The discussions in these gatherings concentrated of stabilising the country’s food levels. The question of worldwide availability of surplus products and the storage of food reserves was at the core of the discussion. (Bals, Harmeling, & Windfuhr, 2008:42). Specifically these proceedings aimed to halve malnutrition in developing countries by 2015. Concerns about food security mainly focused on the national and international level and concentrated on the country’s ability to secure adequate food supplies. Food security on a global scale analysed overall trends on a global scale and to understand which effects climate change might have on agricultural production, fishery production, and livestock production at the global level (Bals et al., 2008:44).

The role of national government is central for catalysing its country’s energies to combat food insecurity and poverty (Rivera & Qamar, 2003:2). Concentration on these two levels was aimed at reviewing their national food security policies. By this the planners developed strategies for filling arising policy gaps, suggest new measures that will eliminate policy obstacles and streamline inter ministerial and inter-departmental initiatives. (Rivera & Qamar, 2003:vii). The focus on the international and national levels had its own implications as it did not consider the citizens challenges caused by globalisation and ageing. The concept of household and individual food security was also developed (Bals et al., 2008:43). Luckily, policy analysts also include its focus on food security at local level particularly to the household and individual level (Young et al., 2001: 10). These notions strategically lead to the support for policies focusing on production increases (Bals et al., 2008:42).

GOVERNMENT INTERVENTIONS AND FOOD SECURITY PROGRAMMES

Agriculture is seen as a potential way out from poverty (Rivera & Qamar, 2003:19). Globally governments have invested a lot of public policy instruments to realize food security mandate as guided by the MDGs. Food security is a human right as it is enshrined in the Constitution of the Republic of South Africa Act of 1996. The food security mandate is preceded by the Department of Agriculture, Forestry and Fisheries (DAFF) at the national sphere of government. The DAFF is responsible for production and resource management; agriculture support services; trade and economic development; food safety and bio-security; forestry and marine aquaculture (Van Niekerk, 2012). To reduce food insecurity, the South African government initiated the Integrated Food Security Strategy (IFSS) in 2002. The IFSS is implemented throughout the nine provincial governments and the 276 municipalities. Food security in the Gauteng province is lead by the Department of Agriculture and Rural Development. In support of this mandate, the Department of Health, the Department of Education and the Department of Social Development are involved to promote food secured communities. Furthermore, municipalities play a larger role in the lives of all citizens of the country. Municipalities provide basic household services (water, electricity and waste removal) and infrastruc-
Three government strategies are identified to realise the food security objectives, namely: the “targeted direct feeding programmes”; “food-for-work programmes” and “food-for-work programmes” (Stamoulis & Zezza, 2003). Targeted direct feeding programmes include school meals offered to learners and in the developmental centres and in primary health centres. The food supplied may include a soup kitchen during winter season; for breakfast and for supper. In Bophelong, the ASEDI community development centre provides meals for learners on daily basis in the afternoon. Food-for-work programmes serve as an incentive to vulnerable communities as they are absorbed to community development projects. In return the state provides liveable wages for the participants for sustaining food insecure households. Examples of this include, the Expanded Public Works Programme (EPWP); small business development; early childhood development and agricultural projects. Income-transfer programmes include the cash transfers such as disability, old age, child, foster and war veteran grants. Such grants are issued on a monthly basis to the beneficiaries.

Livelihood-support programmes

About 8, 5 million people depend directly or indirectly on agriculture for their employment and income (Van Niekerk, 2012). In South Africa, community members may participate in the following programmes, namely “income-support programmes; agricultural-support programmes; livestock-support programmes; and fishing-support programmes” (Young et al., 2001:11). Agricultural activities range from intensive crop production and mixed farming to cattle ranching in the bush-veld, and sheep farming. Agriculture is seen as a potential way out from poverty (Rivera & Qamar, 2003:34). Nearly 80% of agricultural land in South Africa is mainly suitable for extensive livestock farming (Van Niekerk, 2012). In addition to the abovementioned interventions the state developed the following programmes to realise the developmental mandate on food security. The programmes include: household food gardens, community food gardens, school based gardens also forms part of the environmental factors of the systems theory (Burchi & De Muro, 2012:32).

Community food gardens are established as investments in agricultural development and are recognized as good business. Food security focuses on income generation. The school based gardens are established government’s intervention to improve school-age children’s education is school feeding (Burchi & De Muro, 2012:32). Government make use of agricultural extension services to support food security programmes. Agricultural extension services is a non-formal educational function aimed at disseminating information and advice to agricultural projects beneficiaries. The main intention of the service is to promote knowledge, attitudes, skills and aspirations to the project beneficiaries (Rivera & Qamar, 2003:7).

FOOD SECURITY’S RELATIONSHIP TO PUBLIC POLICIES

Food security’s relationship to public policies comprises of the following characteristics, namely: food security is a public good; food security is a social and economic good; food security is a process leading to human development (Rivera & Qamar, 2003:34).

- **Food security is a public good**
  Public goods “non-excludable” and does not “diminish” when consumed in any given time (Paarlberg in Rivera & Qamar, 2003:34). Public goods are goods which are meant to benefit all citizens.

- **Food security is a social and economic good**
  Agriculture is considered to be a contributing factor for increasing economic growth in any country. Agricultural economists have maintained that greater concentration on small farmers leads to faster growth rates of both aggregate economic output and employment (Rivera & Qamar, 2003:34).

- **Food security is a process leading to human development**
  Food insecurity is a great impediment for knowledge and education (Burchi & De Muro, 2012:31). Food security is regarded as a process to human development (Young, et al., 2001:1). The state of being food insecure directly contributes to destitution and damaged livelihoods in the long term. Such situations encourage the vulnerable to take part in waste picking, whereby they will eat unhealthy food and dead animals obtained from the landfills. Unhealthy food consumption poses “nutritional risk” among the food insecure households (Young et al., 2001:1). As a process for human development the state initiate programmes such as education, health, nutrition to encourage community participation.

Food security is associated with a goal as it encompasses the broader environment focusing on the internal and external environments. With this food security can therefore be seen as an outcome of the performance of the food system at the national level and the relevant international framework conditions (Bals et al., 2008:31).

**FINDINGS: POTENTIAL OF LOW-INCOME HOUSEHOLD’S PARTICIPATION**

The findings of this study comprise the responses of the low-income household’s and the institutional based on the study conducted by Mzini (2010) in the SDM. Food security is a component of public policy which strives to reduce the high levels of poverty and unemployment. The assessment of household’s participation on food security programmes is a multifaceted process. Such assessments make use of “multiple methods of enquiry and argument to produce and transform policy-relevant information” (Dunn, 2008:1). This section focuses on the following aspects: demographic characteristics and target group; policies; access to food; community resources; food availability and affordability; community food production resources; and local agriculture. These aspects have been used by Cohen, Andrews & Kantos (2002:166) and Fisher (2013) as measurement tools for assessing various issues of community food security and to determine the level of food security participation.

**Demographic characteristics and target group**

The table below presents the characteristics of the respondents for the study conducted in the SDM.

The analyses also include the 24 food garden facilities interviewed in the SDM.

**Table 1. Sample size in SDM**

<table>
<thead>
<tr>
<th>Subjects/ Elements</th>
<th>Area</th>
<th>Sample size (equal allocation)</th>
<th>Sample size (proportional allocation)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community members</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emfuleni Local Municipality</td>
<td>10</td>
<td>10</td>
<td>10</td>
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<tr>
<td>Mamelodi Local Municipality</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Soweto Local Municipality</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Sedibeng District</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Total community members</td>
<td>132</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>

**Institutional policies**

This section aimed to ascertain the implication of government policies on food security programmes. In South Africa, the subject of food security is expressed in Section 27 of the Constitution of the RSA of 1996 and compels the right of every citizen to access sufficient food and water. Section 152 of the Constitution of Republic of South Africa Act of 1996 further compels municipalities to promote social and economic development. The South African government launched the Integrated Food Security Strategy (IFSS) in 2002 for eradicating hunger, malnutrition and food insecurity by 2015. At the implementation level, both the SDM and the GDARD outlined that their policies aimed at building sustainable communities and contribute to halving poverty.

Based on the legislative framework, Masenumule (2007:79) points out that the municipalities in South Africa plays “catalyst role”. The catalyst role is aimed to realise the strategic imperative of the national democratic transformation and to enhance the quality of lives of the citizens. The SDM developed the
Sedibeng District Municipality Pro Poor Strategy to improve household participation on poverty alleviation programmes (Richardson, 2005:50). Food security objectives for the two institutions are incorporated into the integrated development planning (IDP) and the local economic development (LED) programmes; and are linked to the departmental objectives and to its annual performance strategic plans. The two institutions also indicated that the funding is allocated for food security programmes is not issued directly to the beneficiaries instead the institutions purchase farming implements for the intended beneficiaries. Further, the both institutions have a dedicated team to monitor the food security process.

Access to food

Access to healthy and affordable food is an important component for achieving food secure communities. The determination of household’s participation does not focus only on hunger and nutrition. Factors such as the provision of basic services, human settlement and access to food security network are also essential for realising sustainable livelihoods. Access to food security is multifaceted and encompasses food produced within a household level and the food processed outside the household level by different chain stores. In terms of human settlement, the study discovered that community members had access to their own housing structures.

This study also examined whether these households’ had access to the chain stores and for assessing if such stores traded culturally appropriate food items. The SDM has decent and legal chain stores for community members to purchase their consumables which are not detrimental to the health of the participants. Each selected location has a shopping complex, trading food and non-food items. These chain stores are internationally and nationally recognised. Examples of this are the Evaton Plaza, Thabong and Sebokeng Plaza and the Rathanda shopping complex. In addition it was found that the shops have created employment opportunities with liveable wages for local residents who reside in the low-income communities. In the SDM there are more that ten shopping complexes developed within the locations to supply processed food for the communities.

Hunger and nutrition

When one conducts research it is crucial for the researcher to analyse the background of the respondents. Hunger and nutrition looks at food security factors such as: residential area, median household income, growing vegetables on household level, income generation, knowledge of poverty alleviation programme, and participation in government programmes.

Residential area

In terms of the living patterns a variety of residential structures were identified the researcher discovered that the participants lived and owned a house (21%); a flat (6%); Hostel (13%); a Low Cost house (RDP) (36%); and in the informal residence (shack) (24%). Such structures are situated in the following locations, namely: brick houses in Sharpeville and Rathanda, hostels in Rus-te-vaal and Sebokeng low-cost houses (RDP) in Bophelong-Muvhango and Heidelberg and Sicelo; and the informal settlements in Evaton and Sicelo Extention 4-Silahlile. These dwelling types are serviced by the municipality for accessing basic services such as water, sanitation, waste removal and electricity. However community members residing in the informal settlements do not have access to residential basic services. Such resident’s make use of communal taps and use the brazier, firewood and gas stove to heat water and for cooking. The respondents living in the flats were unable to participate in the crop production as they did not have access to a portion of land; however some flat occupants are growing herbs and tomato in their corridors.

Median household income

The study also assessed the employment status of the respondents. Sixty-two (62%) percent of the respondents were unemployed as compared to the 27% who were employed. Some respondents (11%) indicated that they were involved in the informal sector employment. Interestingly, those who took part in the informal sector employment sold vegetables, beverages, prepared food and clothes and rendered entertainment services (Dee-jays for parties and weddings). There was one female respondent who reported that she was never employed in her life, and that she grew up in the homelands, whereby community members relied on their abilities to provide food for the family. She reported that she produces brooms made from grass, and she was happy with her lifestyle. During the interviews the brooms produced by the lady-participant were placed on her head (rolled in a rope) in the process of selling to the prospective customers. Besides the forms of income generation mentioned in the preceding sentence, some participants indicated that they obtain income in a form of government protection schemes. These programs represent an investment in human capital because they reduce the long-term effects of malnutrition (Adato, Ahmed and Lund, 2004:3). The 28% of the respondents depend on pensions, whereas as 26% depend on child support with an amount of 220.00 ZAR per month. The respondents indicated that they balance the income by selling beverages, clothes, some bake cakes and sell (5.00 ZAR); fat cakes(2.00 ZAR) in the street corners, taxi ranks and school premises in order to support their families. Government protection schemes seemed to be the main source of income generation in the SDM.

Knowledge of poverty alleviation programme: community food garden

This section assessed the awareness of household’s knowledge on food security programmes. The respondents indicated that they (57%) were aware of the programmes developed for improving food secure communities in the SDM. Some participants (43%) indicated that they were not aware of the government interventions for improving food security in the SDM. Some of the respondents participate in food gardens which are not linked to government programmes. For example, the residents of Sebokeng-Hostel grow their crops on their own, their crop field was green during the interview (November 2009). Observations also confirmed that community members make use of vacant land and open areas near the railway station to grow their crops. It is evident that some community members participate in these activities, but they are not recognised by the authority in their respective locations.

Participation in government programmes

The respondents were asked to indicate their involvement in government programmes. Participation in agricultural activities was minimal (18%) although there is no sentiment in this outcome. Lack of community participation in food security programmes is a concern which requires a robust discussion between the state and the larger communities. This includes respondent who were employed, those who are currently employed and the respondents who did not partake in any programmes. 14% of the respondents participated in the recycling project. In SDM currently the municipality regards this activity as an employment creation strategy, whereby the respondents were taken to workshops, for skills in recycling waste. This category increased enormously, to an extent that the municipality provides transportation of the respondent’s goods to the waste depot where the products are sold. The 5% belongs to the Spatial Programmes in the SDM. In this category there are respondents who took part in the installation of bulk water in LLM (the project is in its implementing stage 2009-2010) and the refurbishing of streets of Meyerton CBD (current projects in 2009-2010). Almost 46% of the respondents never participated in government programmes. Some respondents are currently employed as a result they are unable to dedicate their time to community development activities. Some respondents said that they have lost trust in government programmes because the selection is biased and politically influenced. In other cases the involvement was satisfactorily.

Growing vegetables on household level

Ninety-four percent (94%) of the respondents had a backyard food gardens. It is interesting to observe residents growing their own vegetables. When asked about the rationale behind this activity, they claimed that they can not afford to purchase the produce since some are unemployed. The elders reported that they enjoy consuming fresh organic produce, which is not infected with chemicals used by industries to preserve the plants. 6% of the respondents are those households who reside in Silahlile, Sonderwater and Rathanda Hostel. In Silahlile, the researcher observed that the residential area (erf/plot) which is equivalent to a normal residential area in urban areas comprise of four families (housing structures). In Sonderwater, the allocation of residential housing structures is in accordance with the residential property guidelines. Further, they reported that they use communal taps, which makes it difficult for them to obtain the amount of water required for daily consumption and for growing crops. Some respondents are current participants of the food gardens with an
aim to reduce the burden of poverty in SDM. Further, the participants indicated that they would be happy if the respective institutions could disseminate adequate information, grant available land to them and also give the beneficiaries resources for attainment of fruitful outcomes. 6% of the respondents are unable to participate due to employment commitments, disability and age effects.

Community resources

Community resources focus on existing community food resources as well as materials for assessing households. This section discusses aspects of the nearby community gardens, skills competency and agricultural skills.

Nearby community gardens

The study observed the seven CFGs and the 17 school based gardens established in the Quintile 1 schools. Among the seven CFG observed, one facility was discontinued due to theft and lack of community participation. Among the 17 schools observed it was discovered that nine schools projects were active; four were discontinued; whereas the remaining two were established and the inception did not take place. The CFGs in the SDM are also registered as co-operatives and non-profit organisations involved in agribusiness. The challenge in these programmes is that the community representation is lacking, the projects are facilitated by the middle aged and elderly people. Most participants indicated that they grew up in the farming communities, for example in Gauteng, Free State and North West provinces. The identified community food projects use sustainable practices and also sell their produce to the local communities.

Agricultural skills

The respondents were asked to indicate if they have attended training. Skills development looks at the intentions of government to provide skills to community members in order to maintain their families in future with minimal support from government. The GDARD provides capacity development to its beneficiaries (households, CFGs and in school based projects). From the response given by the SDM, it was evident that the municipality support the citizens in SDM.

Skills competency

The respondents were asked to indicate their skills competency. The respondents are capable to provide income for themselves without relying on government’s protection scheme. Government programmes are aimed at promoting sustainable livelihoods among low income households. The participants possess the following skills to enhance sustainable livelihoods among the low-income households: namely agricultural; Soft Skills, confectionary; dress-making, artisan/trade skills for. It was indicated that these skills were offered either by government or through formal education. In this case places like Thusoeng Centres and vocational centres will serve a purpose for developing self-reliant communities in SDM.

Local agriculture

Effective community engagement in government’s developmental programme relies on a sustainable food supply in order to maintain food secured communities in a longer-term. The GDARD established community food gardens (CFGs) and school based gardens. The food gardens are also established on vacant land, clinics, and faith based organisations and along railway lines. In addition, there are chain stores selling fruits and vegetables to the community. Besides the chain stores, community members are employed as informal traders selling agricultural items in residential places, street corners, central business districts and transport hubs. Furthermore, some households are involved in food processing whereby the own butcheries, spaza shops. Dairy products also form part of the local agriculture. There are community members trading with processed milk, eggs, yoghurt and processed juice. Animal production also forms part of local agriculture. In the street of Sebokeng, Evaton and Sharpeville there are local farmers and the livestock is seen along the streets grazing in the open veld. Local agriculture practices enable people to be sustainable since most community members are employed by local business patrons and in some cases the wages does not meet the standard of living.

HOUSEHOLD PERCEPTIONS ON FOOD SECURITY PROGRAMMES

The following section presents the factors that contribute to the lack of community participation in the food security programmes. The participants reported that they do not have the necessary information or knowledge to partake in the food security programmes. The urban lifestyle seemed to cause conflicts among the generations. The culture of agricultural production among households living in urban areas is lacking as opposed to residents in the rural areas. The rural communities depend on agricultural production for survival and this is practices from the early childhood development. Whereas in the urban areas the agricultural activities are optional, community members often purchase basic agricultural consumables instead producing their own crops and livestock. Stakeholders do not believe in their ability to influence the outcomes. This may be due to a lack of supportive democratic institutions or of a public participation culture (Mzini, 2010:131). The culture of community participation is still in its infancy stages, however this does not prevent the household’s to be involved in decision making processes that affects their developments. Some people may be interested, but are not willing to participate as individuals, as they lack the organizational capacity or other means of presenting their views.

This study observed that on a number of occasions some interested groups deliberately stay out of a participatory process because they see better opportunities to influence outcomes from the outside. Many public involvement activities seem to be and may “inconvenient” (Mzini, 2010:132). Given the number and complexity of public issues at the local level, most people rather focus on balancing their family priorities and social commitments. The participants indicated that the crop production process and it delays the food consumption process. Hence they opt for better opportunities. Interestingly, the participants were engaged in the informal sector employment and trading practices. The youth of SDM assume that the CFGs are meant for the elderly of the country, since “we grew up relying on our elders to grow the crops in various households”. The participants expressed that the informal employment sector enables them obtain quick cash and also serve as a relief strategy for alleviating poverty. The informal employment practices are regarded as illegal economic practices, as these practices unable the state to obtain accurate figures on the poverty profile and unemployment rate. Occasionally, the public is not adequately aware of the opportunity to participate in a public decision making process. In some cases, only a limited segment of the public is aware of the opportunity, which may bias the results of public involvement.

WAYFORWARD

Food security projects have achieved steadily, however such projects suffered from insufficient coordination and institutional capacity for implementation. A proposal of a methodology for analysing the support staff and the processes is essential for programme improvement. Allocation of transparent policy outcome is crucial for winning the trust of the local community and for their buy-in. Investing in food security programmes is cost effective. Enhancing resilience on food security calls for a long-term approaches which is responsive and accessible. The implementation strategies required to achieve food security may need to change over time in order to address new threats or barriers. The right to adequate food allows for holding governments accountable with regard to their adaptation policies to climate change. Governments must develop a national strategy for the implementation of the right to adequate food, which should encompass at least the following five elements as suggested by (Bals et al., 2008:61).

• Governments must assess and identify the most vulnerable groups concerning the right to adequate food and food insecurity or those who are malnourished and hungry;
• Governments have to make sure that existing legislation addresses the concerns of these groups and that the legislation is not leading to de jure discrimination and violations;
• Governments have to make sure that their policy response and choice of instruments (de facto) is reasonably focused towards the most vulnerable;
• Governments are obliged to monitor the outcome of their policies;
• Governments must also allow for accountability mechanisms, including functioning complaint mechanisms and access to recourse procedures.

CONCLUSION

The main premise of the paper was to analyse the perceptions and potential of community participation for improving food security among low-income...
households. The study further looked at the benefits of food security participation. This study found that agriculture is not only a source of the commodity food but it is a source of economic and income generation. These projects open up opportunities to the participants as they enter into small business enterprises. The role of the international organizations is remarkable in a way that the food security is operational on a local and individual level. Governments departments face socio-economic dilemmas in dealing with the escalating figures of poverty and unemployment. With these issues, the public sector commitment is acknowledged in its plans to promote agricultural extension and communication for rural development and food security.

Recent and recurring food crises on the global agenda is a concern and particularly among low-income households. Poverty worldwide is excessive. But lack of income and access to adequate incomes is paramount, and is closely related to asset poverty. Investments to improve the food security situation have been shown to provide high returns and benefits for national social and economic development. Improving food security requires cooperation and efficient coordination mechanisms linking a wide range of ministerial and non-governmental stakeholders. Strategies for agricultural in rural and urban development require situational analyses and needs assessments.

REFERENCES


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1. INTRODUCTION

Water is essential for human survival. Potable water should be free from contaminants. Children bear the greatest health burden associated with unsafe water supplies through preventable diseases like diarrhoea. In developing countries about 2 million people die every year due to diarrhoeal disease; most are children of less than 5 years of age (WHO, 2006).

Water quality depends on the physical, chemical and biological characteristics. Natural water contains impurities such as suspended and dissolved substances which can be from organic or inorganic sources. These impurities include: clay, minerals, bacteria, inert solids, microbiological organisms, oxidized metals, organic colour producing particles and other suspended materials. Water for domestic uses including drinking must not contain disease substances. The quality desired for drinking water usually needs treatment to bring it up to the desired state. Certain processes are used to purify raw water to make it suitable for water supply. The process of water treatment involves four basic steps which include: aeration of dirty water with oxygen to remove iron III, sedimentation and coagulation, filtration with carbon slurry to remove solid particles and odor and disinfection with chlorine. The main focus of this paper is on the coagulation process. Coagulation of water involves the use of coagulating agents (either from chemical or biological sources) to bring the suspended matter in the raw water together for the purpose of settling and for the preparation for the filtration stage. The dosage of coagulants depend on several parameters such as type and concentration of contaminants, pH and temperature. Chemical coagulation may leave certain residuals such as aluminium; this raises a health concern. In Nigeria, like in other developing countries, portable water for drinking and domestic uses constitutes a serious problem. According to UNICEF and WHO, over 70% sources of Nigerian drinking water are on high-risk categories and less than 5% had the required chlorine content (Abdulsalam et al., 2006). Poorly processed water leads to water-borne diseases. Over 80% of all illnesses in the developing countries are water-related ones (e.g. cholera, dysentry and diarrhoea), and about 75% of the world population are living in the developing countries. These problems can be attributed to constraints encountered in the use of chemical coagulants, such as scarcity of foreign currency for importation, inadequate supply of chemicals and competing uses of aluminium sulphate in the world today. Also, these chemicals are causative agents for illnesses such as neurological diseases (e.g. pre-senile dementia or loss of memory) due to the presence of aluminium ions in dissolved form (Abdulsalam et al., 2006). Hence, the need for a safer and more efficient way to providing portable drinking water.

Crushed seeds of the pan-tropical tree, Moringa oleifera are now used as natural coagulants by locals in rural areas of Northern Nigeria. M. oleifera seed solution has been shown to be an effective natural coagulant for the treatment of river water exhibiting relatively high levels of suspended particles. Seeds of M. oleifera have been very effective in treating turbid waters with turbidity values in excess of 100 NTU (Nephelometric Turbidity Units). With such amazing clarification ability, it is surely no exaggeration to call Moringa “The Magic Seed”.

2. ORIGIN AND DISTRIBUTION OF MORINGA OLEIFERA

Moringa oleifera is one of the most widely cultivated species of the family Moringaceae. This mono- genic family include 13 known species. Moringa stenopetala is native to Ethiopia and northern Kenya. M. peregrinae is found in the Sudan, Egypt, the Arabian Peninsula and as far north as the Dead Sea. M. ovali-
Table 1:  Physicochemical results obtained from the treatment with Moringa and Aluminium sulphate as illustrated in figures 3 and 4 above.

<table>
<thead>
<tr>
<th>Coagulants</th>
<th>pH before treatment</th>
<th>pH after treatment</th>
<th>Turbidity (NTU) before treatment</th>
<th>Turbidity (NTU) after treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moringa oleifera seeds (A)</td>
<td>9.8</td>
<td>9.8</td>
<td>300</td>
<td>1.3</td>
</tr>
<tr>
<td>Aluminium sulphate (B)</td>
<td>9.8</td>
<td>6.8</td>
<td>300</td>
<td>1.1</td>
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<tr>
<td>Control (C)</td>
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3.1 Household Water Treatment Process Using Seeds of Moringa oleifera

The traditional use of Moringa oleifera seeds for domestic household water treatment is often practised in the rural areas of northern Nigeria. Village women and children collecting their water from streams, rivers and ponds often employ one of two methods of clarifying the water before use: the seeds are crushed into fine powder and poured into the water, which is then vigorously shaken and allowed to settle for some time, or the powdered seeds are placed in a small cloth bag with a thread attached. This is then swindled around in the turbid water to bring about coagulation and flocculation. The flocculated solids are allowed to settle and the treated water is removed for boiling as the disinfection stage, and subsequent consumption (Folkard et al., 1999).

Seed solutions may be prepared from either seed kernels or from the solid residue (press cake) obtained following the extraction of seed oil. The steps involved in the purification of turbid water at the household level are:

- The seed pods are allowed to mature and dry naturally on the trees until they turn brown.
- The seeds are removed from the harvested pods and shelled.
- The seed kernels are crushed and sieved to produce fine powder (0.7mm mesh or similar). This can be achieved locally using the traditional mortar and pestle technique.

At this point, the powdered seeds can be poured directly into the turbid water and shaken to ensure thorough mixing. Alternatively,

The finely crushed seed powder is mixed with clean water to form a paste. To treat 20 litres of water, make a paste using about 2grams (2 teaspoon) of seed powder. As a general rule of thumb, use the powder from one kernel per litre of water when the water is very turbid and per two litres of water when the water is only somewhat turbid. (Treatment experience helps in determining the optimum dosage).

Dilute the paste in a cup of clean water and shake the solution for at least five minutes so as to release the active ingredients in the powder.

Remove the insoluble material by filtering this solution through a fine mesh/cloth into the bucket of water to be treated.

Stir the water rapidly for two minutes and then slowly for 10-15minutes.

Leave the bucket to sit undisturbed for 1-2 hours.

As soon as the solid materials settle to the bottom of the bucket, the clarified water is decanted or poured into another container.

The water is then boiled before consumption or few drops of chlorine or bleach (2drops/litre) can be added to render the water completely safe for drinking.

Unlike the powder which can last for longer periods, it is important to note that the paste solution should be freshly prepared for each new treatment.

3.2 Community Water Treatment Using Seeds of Moringa oleifera

It is very important that both water and waste-water technology for developing countries is no more complex than strictly necessary. It should as well be robust, cheap to install and maintain. A prototype treatment works was designed founded on this philosophy and built in the town of Thyolo in Southern Malawi. The pilot plant was constructed adjacent to an existing rural water treatment works with seeds of Moringa oleifera replacing aluminium sulphate (alum) as coagulants. River water is pumped at 24m3/day to a header/mixer tank where the M. oleifera seed solution is dosed. An 18 minute flocculation period is provided within the gravel packed columns prior to sedimentation. A rapid gravity filter removes residual floc carried over in the outlet flow from the sedimentation stage. The system was successfully commissioned during the rainy season with the source river exhibiting turbidity levels in excess of 400 NTU throughout the study period (Sutherland et al., 1994).

M. oleifera seed was dosed at 200mg/l. Raw water turbidity of 1000NTU was reduced to below 10NTU by coagulation/sedimentation. As the sand filter “worked in” the final outlet turbidity was below 1NTU. Presumptive coliform reductions were in the order 96%. Solids removal within the plant was consistently above 90% following a gravel bed flocculation stage and plain horizontal low sedimentation stage. Subsequent rapid gravity sand filtration gave a final treated water turbidity generally well below 5NTU. M. oleifera seed dose ranged from 75-200mg/l depending on the initial raw water turbidity.

Trials using Moringa seeds gave water treatment results which were similar to those obtained with commercial chemicals at a fraction of the cost. As at 1993, alum and soda ash for the rural water works in Thyolo village were imported from South Africa at an annual cost of US$39,000. It was estimated that if the water utility established and maintained a plantation of M. oleifera trees for oil production/presscake coagulants, a net operating profit could be achieved.

As with all coagulants, the effectiveness of the seeds may vary from one raw water to another. Jar testing should be undertaken to determine their effectiveness on particular water and to establish preliminary dosing regimes depending on the season. The practical application of dosing solutions is exactly the same as for all other coagulants. For practical reasons of solution preparation, the use of powdered seed kernels is only recommended for treatment system of up to 10m3/hour (Folkard et al., 1999).
One advantage of seed use is that there is a wide dose range over which effective treatment may be achieved and maintained. The dose ranges shown in Table 1 above are given as a guide only and jar testing should be carried out to determine more specific dose requirements for the raw water in question. Dosages are given as equivalent weight of seed powder or press cake material required to make up the dosing solution.

4. MORINGA TREATMENT PLANT vs CONVENTIONAL WATER TREATMENT WORKS

There are some similarities between Moringa treatment plant and a conventional chemical treatment plant in terms of effectiveness. *Moringa oleifera* seeds may substitute conventional chemicals in water clarification based on its effectiveness at a relatively lower cost. A simple analysis to illustrate this is, if the area under cultivation to produce the annual seed requirement depends on the size of the treatment plant and the quality of raw water, then assuming the average seed kernel yield for a matured tree is 3kg, therefore, at an average seed dose of 100 mg/l, the harvest from a single tree will treat 30,000 litres of water. Using the same assumptions and a recommended spacing of 3 metres, the harvest from one hectare of matured trees (approximately 3000kg) would treat 30,000m3 of water. This equates to a small treatment works producing 10m3/hr if operated for 8 hrs a day for a full year.

4.1 Advantages of Moringa Seeds In Water Clarification

The effectiveness is, in general, independent of raw water pH.

The treatment does not affect the pH of the treated water.

Relatively cheap and readily available

4.2 Disadvantages

Despite this incredible clarification ability, Moringa seeds do not possess the ability to kill germs and bacteria in water. It is therefore highly recommended that the water be boiled or few drops of chlorine be added before consumption.

5. CONCLUSION

Water is an essential component for human survival. It is rather unfortunate that not everyone has access to portable drinking water. In most developing countries for instance, they rely on river water for their domestic chaos and such water is usually characterised by high turbidity particularly in the rainy season. It is therefore of great importance to reduce the turbidity before it could be used for human consumption. Unfortunately, the cost of installing and maintaining a conventional water treatment plant in such rural areas of the developing world is too high and that makes it difficult a project to embark upon.

This paper looked at an alternative method of clarifying turbid water in northern Nigeria using seeds of *Moringa oleifera*. The seeds were found to contain series of low molecular weight proteins which are positively charged. When crushed and added to raw water, they bind to the sediments, dirt and bacteria which are predominantly negatively charged, thereby forming flocs, which leads to the water being clarified. This process has the capacity to remove up to 90-99% of the sediments, dirt and bacteria in the water. It is efficiently used in water treatment at a household level, and when modified, can be used for a community water treatment plant. However, this paper also points out one of the disadvantages associated with using seeds of Moringa as coagulants in that it does not kill germs and bacteria in water.

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Challenges and Steps to Launch a Global Youth Movements for a Sustainable Future

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A mosquito cannot do anything against a rhino, but thousands of mosquitoes may force a rhino to change its direction.

1. HOW DO WE, YOUNG PEOPLE, EXPERIENCE GLOBAL CHALLENGES?

We, as people, know a lot, we are capable of more and more, but we also face extreme challenges. We young people are not only inheriting an unimaginable debt from the generation in power, but far more unsolved problems and global challenges:

The world’s population continues to grow, and in a few years almost 50% more people than today will be living on this earth, who will all be seeking a resource-intensive standard of living equivalent to that of Europe or the USA today. This will, however, exceed the carrying capacity of the Earth many times over.

The since broken promise that was made around the time we were born in 2000, namely the implementation of the United Nations’ development goals, the so-called Millennium Development Goals (MDGs), by 2015. Supposedly, there was no money.

The cost of the 2008 financial crisis and the bail-out of the banks, who caused this crisis themselves, cost many times more than the MDGs. Today, the bankers continue to play with financial transactions that take just a fraction of a second in a financial system that is still regulated inappropriately.

We young people condense and evaluate these complex problems into two main problems, as shown in the study by Bertelsmann and Shell: 3/4 of all young people in Germany consider the climate crisis and global poverty to be humanity’s two greatest challenges. “Climate Justice”, therefore, summarises the demand of many young people worldwide.

1. The poverty crisis, with 30,000 people, mainly children, who die of starvation every day. Even though we officially abolished slavery over 200 years ago, today’s process of plundering is modern-day slavery, just more intelligently organised.

If I lived in Ghana and my mother was seriously ill, I would previously have gone to a voodoo priest. My mother would have survived or died. Today, I would know via the internet that an appendectomy for my mother would cost over $1,000, but our family has an annual income of less than $1,000. I would share these circumstances with half the people on our planet.

2. The climate crisis in which we take as much carbon (C) in the form of coal, crude oil or natural gas from the earth every day as the sun has taken a million days to store there. We then pump it out into the atmosphere as CO2.

For many people 9/11 is the darkest day. 3,000 people were killed by this terrible act of terrorism. For this reason, we are still at war today. We ask ourselves, who fights for the 30,000 people who die of hunger every day?

12/11 is the darkest day for us. For nearly two decades many heads of Governments have promised that the temperature would not rise by more than 2°C and they negotiated on the climate. Most recently with a clear mandate to agree on a subsequent contract for the Kyoto Protocol, which ended in late 2012. On 11th December 2011, they announced the results at the climate change conference in Durban, six young Canadians stood up and turned round. On the back of their t-shirts it said: “Turn your back on Canada”. All six were expelled from the halls and the conference.

BUT WHY IS SO LITTLE BEING DONE?

We know for example from Canada that the future of us youth is worth less than $14 billion to its government. In order to ensure the future of car companies, banks or states, much larger sums of money have been and will be paid. But why don’t we invest similar sums or much more in fighting climate change. If we consider that, one way or another, us youth must one day inherit and pay back all of these debts, we understand the ones in power even less. Why don’t they incur the debt for something useful for a sustainable future?

Why is so little being done? Is it because of the different perceptions of the future? Or does a simple experiment with monkeys explain the whole complicity?

The poor suffer the most from climate change, and therefore the gap between the poor and the rich has increased. At the same time, national democracies are under the pressure of globalisation: as a result, social justice deteriorates even, and meanwhile, in a rich and formerly socially-just country like Germany, we speak openly of the precariat. A precarious situation exists where income and security are below certain standards.
ed situation? If you let a monkey choose between one banana now and six bananas later, the monkey always chooses one banana now. If lots of adults think like the monkeys, then we youth have a big problem. Convenience and indifference are obviously major human character weaknesses.

Is it, therefore, that we youth cannot hold the today’s powerful accountable, because they will be dead when we have to pay for the problems they have not solved? And if that were not the case, would they behave differently?

In May 2011, 16-year-old Alec Looze and his friends filed a lawsuit against the United States of America. The young people demand a guarantee, from both the Federal Government in Washington DC and the individual US states, that the governments embrace sufficient measures to reverse the destruction of the climate. The atmosphere, say the plaintiffs claimants, who are still too young to vote, is a shared asset that belongs to all citizens. If the plaintiffs win, companies would have to make provisions in their financial statements. If the lawsuits are dismissed, other young people will once again try to sue the adults for their ongoing behaviour.

4. WHAT WOULD OUR GREAT LEADING FIGURES DO TODAY?

Whether Christianity, Islam, Judaism, Buddhism, or Hinduism, all big religions have two common foundations: the dignity of the human being, that is, social justice, and the preservation of creation, so ecology. Even if human beings have already lived for a while in a world that was essentially changed by them, it is actually no longer a natural environment.

Jesus and Mohammed but also Martin Luther, Martin Luther King, Mahatma Gandhi and other great religious and public leaders would probably also support climate justice, and as such ecological and social justice, and therefore sustainability and intergenerational justice, now and over time. The churches, religions and all religious people are basically born allies in our fight for sustainability.

Those who do not believe in higher powers can perhaps learn to follow the golden rule: “One should treat others as one would like others to treat oneself”. If we make this simple rule, which is essentially adopted in all religions and also effective outside of the religions, the basis of our action and include the future generations in the “others”, then we have a strong worldwide foundation for sustainability.

5. WHY DO WE NOT MAKE SUSTAINABILITY PART OF OUR SURVIVAL CONCEPT?

This image goes back to the sociologist Ulrich Beck: People stand in a river. Half-dead people get floated downstream. We dive into the water, save them, wrap them in blankets, supply them with medicine, give them something to eat and drink. An easy competition prevails, who will look after these injured people best and who has the best instruments. In addition to our immediate action, what we need is an expedition up the river to penetrate the root of the evil and remedy the cause of the suffering.

For us youth, sustainability is not an empty phrase for Sunday speeches and business reports. Sustainability, combined with freedom and human rights are the only survival concepts for us youth. Business do not need departments for sustainability; rather, sustainability must be the aim of every business. And quickly, because otherwise we youth have no future.

The adults should learn from the European foresters who “discovered” this term 300 years ago. More specifically, Saxon “Oberberghauptmann” Carl von Carlowitz established the principle of sustainability in 1713. Everything that the foresters reap, they owe to the work of their ancestors. Everything the foresters work for their whole life they do for the following generations. Some businesses are proud of their profits. However, is it an achievement to reap profits at the cost of us youth, comparable to the reaping of trees without reforestation? Chief Shaw, chief of a Native North American tribe, explained his council of leaders to us youth in the summer of 2009. They analyze every major decision to determine whether it will also bring advantages for the seventh generation after them.

If we also had such a sustainability council, then there would be neither nuclear power nor the burning of fossil fuels; we would have none of the modern turbo-financial-instruments that no one understands or needs anyway and we would also have no people who speculate with food whilst others starve. So far no one has been able to explain to us what we need speculators for.

6. DO WE STILL LIVE IN A DEMOCRACY AFTER ALL?

Whichever outstanding democratically-elected politician we take, Barack Obama as one of the most powerful man, or Angela Merkel as one of the most powerful woman, in both cases we can see that they are nationally elected and legitimized. However, the challenges to humanity described above are not, or are very inadequately, solved with national instruments.

At the same time, the precedence of politics over the economy is lost in globalisation. So we are not only in a dilemma, but equally in a trilemma, as globalisation, national sovereignty and national democracy are not possible simultaneously. What we are experiencing at the moment is a development clearly to the detriment of democracy.

Today, democracy is undermined above all by money. Lobbying has existed since there were parliamentarians, but what we are experiencing today is no longer respectable lobbying. What we are experiencing today is the sheer power of money, and today’s system of government can in all honesty be referred to, as Al Gore does in his book “The Assault on Reason”, as plutocracy, the reign of money.

Following the model of plagiarism detection projects for dissertations, Lobbyplag transparently lists the source and the use of formulations by lobbyists on lobbyplag.eu. A cynic would call it a free service for all MPs who would like to know from where their own legislative applications stem, or it can be seen as a free tool to monitor the success of lobbyists.

In January 2010, the US Supreme Court gave corporations human rights – and therefore opened the floodgates for uninhibited lobbying. Companies may exercise the same extent of “free speech” as individuals in supporting candidates and political concerns. Therefore with their financial power, corporations are not only able to afford intelligent campaigns, which promote their own self-enrichment, but can also openly financially support candidates who promote their own interests. So, democracy is undermined in the country of democracy.

In order to be able to understand the large numbers we deal with every day, the following image may help: $30,000 is a decent annual income even in the richer parts of the world. However, there are corporations that routinely make a yearly profit of $30 billion or more, for example, BP, Exxon and Shell. If $30,000 in certain banknotes is a stack 3 cm high, then $30 billion is a stack of 3 kilometres. If we then imagine that against the aforementioned stack, half of all humans are less than one millimetre high, then that cannot go well for long.

Another example showing the inequality in the USA, and described by Joseph Stiglitz, the U.S. Nobel prize winner for economics, in his book “The price of Inequality”, is the Walton family. The six heirs of the Walmart Empire have assets of nearly $70 billion, which is equal to the total assets of the bottom 30% of American society.

Today a lot of the money belongs to 1% or even 0.1% of the population, not just in the USA, and this money massively influences politics.

7. WHAT MUST WE CHANGE URGENTLY?

“We are the 99 percent”, one part of the Occupy movement, therefore demands two things: a market economy that delivers what it promises and democracy. Markets need game rules defined by the state, and precisely for this reason, we need democracy, which primarily depends on the people and not just on money. To achieve this we need a better balance of the distribution of income and therefore also fair taxation.

Actually it sounds mundane, but it probably has to be said: a political system can only function when the citizens and businesses of a country contribute their skills and also have a means of taxation available in order to be able to pay for collaborative tasks. We are all dwarves standing on the shoulders of giants. Without our ancestors who invested their taxes in infrastructures like schools and universities, we would neither have education nor any roads. Nobody is successful solely from their own power. The most intelligent in a developing country have few chances, whereas they have unequally greater chances in Europe and the USA.

Some seem to have forgotten, but Amazon, Apple, Facebook, Google, IKEA and Starbucks, the multinationals corporations with modern image, are using the double taxation agreement between states more and more boldly (which is actually meant to prevent
a person who receives income in two states from being taxed twice), in order to escape taxes in various countries. The internet companies in particular, unlike other global players in industry and trade, have no clearly visible physical production sites and so can move their profits from country to country much more easily. That’s how Google made £2.5 billion in sales in England and paid only £6 million in corporation tax, so 0.24%; with Apple it’s 0.19%. Whoever buys an iPhone in Germany pays a lot of money to the apple store, which buys the products relatively expensively, for example from a Dutch company. In Germany there is less profit and therefore less tax.

But even the taxes in Holland appear too high to those responsible, and so the money is booked against another Dutch company that is controlled in the Caribbean, for example, and to which all the patents belong. Who can prove where the ideas originate? The largest US technology companies are supposed to have around $430 billion in these tax swamps. They are even negotiating with the US government on how they can get the money from there back to the US, reports Claus Hulverscheidt in the Süddeutsche Zeitung. Our suggestion is that Barrack Obama should impose sanctions on them – they should invest that money for Sustainable Development.

One can still hope that the USA will take forceful action with their own and also the British tax loopholes similar to that they rightly took with Switzerland. The USA dried up the swamp in parts of Switzerland. This was a great step upon which the international communities in their various forms, like the UN, the EU but also the G20 and others must unconditionally build upon.

8. HAVE WE LEARNT ANYTHING FROM THE 2008 BANKING CRISIS?

Nowadays, the economic machine apparently functions only for the one percent who is at the top of the pyramid. With the best salaries and their bonuses, the bankers are still rewarded even when their contributions to the good of the community clearly has had a negative impact.

Many people are ashamed of these bankers. In the last five years there was at least the hope that the political system would bring those who caused the crisis to justice. But only today, six years after the bubble burst, are the first trials slowly beginning. To date, only a few perpetrators in the world’s financial system have been brought to justice. We do not expect that this will change much. As a result, Joseph Stiglitz, Nobel Prize laureate for economics, has reached the conclusion that the problem must lie in the economic and political systems themselves.

The strength of the market is its efficiency. But even more important is its effectiveness. This relates to the goals that the market should tackle. Obviously the markets cannot

- get the destitute out of poverty,
- rebuild the world economy so that it is equal to the challenges of global warming,
- make available sufficient jobs for all the unemployed, instead of producing people who are poor despite having work (Working Poor).

The markets today are clearly not achieving what they should. This lack of effectiveness is therefore once again a question of regulation and indirectly of democracy.

9. HOW DO WE GET OUR DEMOCRACY BACK?

The financial crisis has shown us that the supposedly stable market can be very unstable, with devastating consequences: banks made bets. Without government help they would have torn apart the economy. Due to government help, states are now in much deeper debt. Therefore the financial sector now demands higher interest from these states for the same loans. The rescued now earn because we saved them. The states impose tough economic measures on its citizens in order to service its loans, and as a result the rich get even richer. Such a system is unbearable.

After having almost ruined the economy, the bankers are now appointed as advisors on the policy for saving the financial system. In this way, politics itself is shaping the market so that the votes of the rich are given even more weight.

The 99 percent are not only unprotected, but the one percent can get richer at their expense. This current economic system is not fair. As a result, the feeling increasingly arises that the democratic principle “one person = one vote” has been replaced by “one euro = one vote”.

The negotiations behind closed doors between the EU and the US about the Transatlantic Trade and Investment Partnership (TTIP) are just another example where the interests of companies are valued higher than those of the public. It is alarming that our elected representatives grow weak in the face of lobbyists’ advances.

We must once and for all ban what has brought the world into this intolerable distress and what is for most people simultaneously senseless or repulsive, namely when

- people speculate with basic food,
- people speculate in a fraction of a second,
- people bet, but do not lay the wager in cash on the table; rather, when they lose, they allow it to be paid by others or
- insiders can influence the probability of success to the disadvantage of others.

For planes, trains and cars we have an MOT, but no clearly visible physical production sites and so the markets cannot regulate something that clearly cannot be regulated.

- in the case of mass destruction, have not required any considerable approval procedures for a long time. To stay with this illustration, there is currently an arms race between the few experts who constantly think up and put together new financial products, whose actual functionality is only understood by a few experts. But even these experts cannot predict all the functionalities of their products. Do we really believe that any rules can regulate the complexity of today’s financial system? Or is the next financial crisis as certain as saying Amen in church? When will we finally wake up? Why don’t we finally ban these “weapons of mass destruction” that nobody needs, instead of trying to regulate something that clearly cannot be regulated?

10. WHAT GLOBAL RULES DO WE NEED?

Neither poverty nor environmental destruction are irreversible necessities; rather, both are human-made through the rules of the game or even through missing rules. Here are a few examples:

Why is international air traffic exempt from tax?

Since Charles Lindbergh crossed the Atlantic, the fuel for international flights has been exempt from fuel duty and sales tax. Back then that was okay, but aren’t we now stering the behaviour of people in the wrong direction, down a dead-end street? This cost to nature must be included in the price of fuel. Flying is not a human right.

Why is there still no financial transaction tax?

For nearly two decades, organisations critical of globalisation have demanded the introduction of a financial transaction tax. In September 2011 the attempt to tax all financial transactions EU-wide by 0.1% and the derivatives at 0.001% failed. In mid-January 2013, a group of eleven EU countries declared reinforced cooperation. These eleven countries now want to finally introduce a financial transaction tax. It has taken 20 years for perhaps 5% of the countries in the world to introduce an all-round sensible thing, from which more than 99% of the population gain an advantage.

Why were the Millennium Development Goals of the United Nations not implemented?

On 9th September 2000, 189 member states of the United Nations passed, with the Millennium Declaration, a catalogue of fundamental, mandatory aims for all member states. Poverty reduction, peacekeeping and environmental protection were stated as the most important aims of the international community. Unfortunately the aims were not legally binding and were deposited without funding, and for this reason these important human aims will not be achieved as promised.

The international community should now continue to develop the aims, deposit money and fix legal obligations.

11. WHAT CAN WE YOUNG PEOPLE DO?

The approaches mentioned above, like the financial transaction tax, the regulations for the financial sector, the draining of the tax swamps, fair taxation on the big global players, fuel duty for international flights, the UN Millennium Development Goals, these are all global solutions in which we must all participate in order to have success. We need these global top-down approaches, but they are expensive and it takes a lot of time to reach a consensus. We are
fighting against lobbying forces that spread doubt through intelligent campaigns, and success will only be visible in decades.

So we hope that many politicians will put themselves at the forefront of the movement for sustainability. Thomas Clarkson was the name of a student in Cambridge, England, who in 1785 had the vision to abolish slavery, and he inspired the young Tory politician William Wilberforce, who in 1807 finally succeeded in abolishing slavery over 200 years ago. Here I just want to add as a side note – slavery has only been abolished officially, but unfortunately there is still such a thing as modern day slavery. Today the slavery is economic, and although we formally have democracy, in this we are manipulated so that it is not a real democracy, just as slavery is also not really banished from the earth. Now it is just much better hidden. This fact in no way lessens the contribution of William Wilberforce. Therefore our appeal to all politicians, please make “sustainability” your central demand.

At the United Nations Conference on Environment and Development in Rio de Janeiro in 1992, Severn Suzuki spoke, a 12-year-old girl from Canada. Altogether, the video versions of Severn’s speech on the internet have achieved 20 million hits over 20 years. Today, good videos get 20 million hits in just two days. Some other videos like “Gangnam Style” even break the one billion limit in just a few months.

Al Gore once said: “Wrong is still wrong even if everyone is doing it. Right is still right even if no one is doing it.” We must stand up and fight for what is right. We cannot necessarily rely on the one in power.

12. CAN WE ACHIEVE SUSTAINABILITY TOGETHER WITH FREEDOM AND HUMAN RIGHTS THROUGH EVOLUTION OR MUST IT BE THROUGH REVOLUTION?

2 to the power of 33 is 8 billion. If two people convinced two more of the validity of an idea and then these four inspire four other people with this idea within a month and so on, then in 32 months the whole of humankind will share the same idea.

Profound changes often happen in an uncoordinated interaction of many dedicated people. Pope John Paul II encouraged the Poles in their belief in themselves, Lech Walesa was able to call upon greater strength with the trade union Solidarność.

The anti-nuclear power movement in Germany has been preparing the groundwork for over 40 years. Chernobyl was not enough, but the terrible catastrophe of Fukushima brought the breakthrough, and Angela Merkel put herself at the forefront of energy change with her sentence of the year in 2011, “Fukushima changed my attitude towards nuclear energy”.

Now, we still have to implement energy change and take a stand against the extremely successful lobbying from the nuclear industry that wants to stop the process. Even if ever so subtle attacks are used that want us to understand that the changing energy is too expensive, we must fight for it. The whole world, the many young people are looking to Germany. If the Germans have success with the energy changeover and prove what should be evident to every clear-thinking person anyway, that the sun does not send us an invoice, then no state in the world can refer to it saying that it won’t work. With the energy changeover in Germany much more is at stake than resonates in national discussions. If the lobbyists try to overturn the stated wish of the majority this time, then it would look very bleak for our future. We must prevent this!

Do not misunderstand me, I am not calling for a revolution. I only point out that rage and despair is building up inside even more intelligent young people. At the Climate Summit in Cancún, the young people donned t-shirts with the inscription: “You have negotiated for as many years as we are old. Do not tell us you need more time!” Many young people have since withdrawn, desperate and frustrated. They no longer believe that it makes sense to get involved. In Barcelona I got to know many excellent, skilled young people who have studied and cannot find jobs in Spain. Nearly every second young person is affected by unemployment.

So that you understand what I mean by desperation, you should view the internationally award-winning feature film Revolution available at therevolutionmovie.com. The movie producer Rob Stewart recorded some very personal experiences of desperation of my friends and mine during the failed Climate Summit in Cancun, Mexico in December 2010. You will later better understand that many of my extreme, dedicated, peaceful and constructive friends have lost all hope that today’s powerful people want to change anything about the current imbalance.

For how long can desperation and frustration pile up? Eventually, a less significant event can then lead to an uncontrollable chain reaction.

In June 2009, we talked for a long time with Wael Abbas, a blogger in Egypt, who told us how he and his friends had mobilised people for years in the hope to soon reach critical mass. Just 18 months later, on 17th December 2012, the Tunisian grocer, Mohamed Bouazizi unleashed the Arabic Revolution by setting himself on fire. We are closely analysing the Arab Spring. One of the weaknesses of the Egyptian revolution was that the Egyptians had no proper plan for the time after the revolution and therefore carried their social media enthusiasts on their shoulders across Tahrir Square, and the reactionary forces were later able to steal the power of the initiative and thus the revolution from them. The Egyptians lacked someone like the former German Chancellor Helmut Kohl, somebody who, at the right moment, presented a ten-point-plan and used the window of opportunity the revolution of the citizens in East Germany for the German reunification.

Our opponents are the lobby groups only interested in short-term profits and the experts, financed by them, who start intelligent campaigns costing lots of money to achieve the opposite of sustainability. For decades the cigarette industry killed their customers by creating doubts about the health hazard. In exactly the same way, oil companies nowadays use their financial power to make campaigns that are supposed to spread doubts about the climate crisis: They also accept that they are therefore killing people.

We no longer want these lobbyists overturning and destroying rational laws and developments.

A study what the costs of a global revolution would be in terms of financial strength would show, similarly to the report written a few years ago for the British government in 2006 by renowned economist, Nicholas Stern, that preventing the climate crisis would cost 1% of the global Gross Domestic Product every year, but that failure to act would cost 5%. It is our conviction that the powerful will soon no longer be able to decide between “business as usual” or “be sustainable”. Siding with “business as usual” would lead to an intensification of global injustice, destruction of the ecological necessities of life and the removal of democratic decisions. We young people cannot put up with this any longer.

13. INVITATION FOR A GLOBAL YOUTH CLIMATE PLAN

In our “Global Youth Climate Plan” we are going to propose a way for achieving effective action for climate security.

For the process of preparing our climate plan we would like to learn from political, strategic and climate experts whether they still see a way to keep the 2°C limit or even below, and if so, what they would propose as the most important steps into this direction.

Concretely we raised the following questions:

• Which concrete measures could keep global warming below 2°C?
• Which political structures would be needed to implement the proposed measures?
• Which other planetary boundaries will future generations have to respect?

Based on the expert’s recommendations, we intend to develop a 10-point-plan for reaching a stable climate for our future which will be discussed and passed by an international youth conference from May 20 – 25, 2015 in Tutzing at Lake Starnberg, Germany in proximity to the G8 Summit regarding time and place and then be presented to political leaders from all over the world in personal negotiations and by an intervention in in the UN-General Assembly in September 2015/.

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Crack the Code of Mass Collaboration: Opportunities and Challenges

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Social networking websites such as Facebook, YouTube, and Twitter may be all the craze today. But they are only the dawn of something really big: a new era of mass collaboration. Like never before, hundreds, thousands, even millions of people have been able to simultaneously generate content, share opinions, communicate with each other, and do other forms of creative work. Just like mass production, mass distribution, and mass marketing before it, mass collaboration is the next big evolution in the business world and is the future of competitive advantage. It can help companies achieve broad and sustainable success and give them unique capabilities to create value for customers, employees, and other stakeholders. Mass collaboration can bring enormous business potential. It can turn a company’s customers into an extension of its sales force, bring all of its research and development (R&D) personnel together on its biggest design challenges, and gather its managers from a variety of departments and local areas to formulate and implement critical changes. The possibilities are limitless.

Firms already use mass collaboration to gain business value from various areas such as marketing, innovation, operations, and leadership (Bradley and McDonald 2011). For example, McDonald’s is building and supporting online communities and nurturing a wide range of customer engagement including competitions and other sponsored events. Volvo, Nike, and Lego are using virtual consumer environments to collect new ideas and improve existing products. Mass collaboration helps Capital One to create business value by empowering knowledge to flow within, and into the organization. Mass collaboration benefits SAP in terms of leadership by offering strategic insight and speeding up the strategic execution.

Companies are eager to find out how to engage members more deeply and often, and then design environments and processes to enable and encourage crowd participation. Several conceptualizations of the mass collaboration motivation mechanism exist, but they have not been systematically measured and validated. The purpose of this study is to fill this critical research gap by proposing a new set of motivation measures for mass collaboration.

1. CONTEXT

1.1 Collaboration and Network/Online Environment

Collaboration/cooperation has been defined in sociological theory as the dissolution of conflict among competitive agents working toward the same goal (Simmel 1955). Collaboration is based on the summation of individuals’ voluntary actions and its result is beyond a single individual’s effort. Collaboration, which shows the characteristics of the “public good”, has been thought to produce the problem of free riders (Stein 1982): since each person’s contribution to the whole is small and the benefit is not exclusive, a rational individual would not pay the cost while still enjoying the benefit of other participants’ efforts.

However, collaboration has become ubiquitous on the web. A collection of people assemble, often loosely, around some collaborative focal point, such as a shared interest, an idea, a concept, an opinion, a product design, a political position, a common experience, or a medical condition (Bradley and McDonald 2011). For example, SUPERVALU, the third largest grocery chain in the U.S., has a network of 4,300 stores. Store managers used to meet only once a year at an annual conference and did not talk regularly with one another. After CEO Craig Herkert joined the company in 2009, he supported the use of a mass collaboration tool across the organization. More and more managers began using the tool to exchange ideas and share photos or videos of successful product displays and promotions. Research showed that stores participating on the mass collaboration platform had 13% more sales revenue than non-participating stores (Kiron et al. 2012). Furthermore, more than 35% of Procter & Gamble’s new products...
in market have incorporated ideas that originated from outside the company and 45% of the initiatives in its product development portfolio had key components that were discovered externally from mass collaboration (Tapscott and Williams 2008). Mass collaboration also helps governments develop solutions to the grand challenges of our time. For instance, in 2012, NASA hosted the first International Space Apps Challenge that was the largest government-initiated mass collaboration event to date. It brought together 2,083 participants (ages 16-70) to work on 71 challenges. More than 100 unique solutions were developed in less than 48 hours during the event (http://spaceappschallenge.org accessed in Jan 2013).

Organizations are eager to find out what will motivate members to engage deeply and often, in order to come up with technologies and processes to enable and encourage crowd participation. This motivation issue has been identified as one of the essential questions mass collaboration researchers need to answer (Richardson and Domingos 2003).

1.2 Motivation Structure of Mass Collaboration

Mass collaboration can be classified under the general topic of “sharing/contributing knowledge”. Intensive research has been done within the information system literature about knowledge sharing within an organization. General motivation factors have been identified such as expected rewards, expected associations, expectation contributions (Bock and Kim 2002), subject rewards, reciprocity, identity, self-efficacy, enjoyment in helping others (Kankanahalli, Tan, and Wei 2005), trust (Ridings, Gefen, and Arzine 2002), self-rated expertise, tenure in the field, centrality, commitment (Wasko and Faraj 2005), pragmatic motives, social/political motives (Hertel, Niedner, and Herrmann 2003), self-discovery, mutual agreement, mutual accommodation (Dholakia, Bagozzi, and Paeo 2004), social interaction ties, shared language, shared vision (Chiu, Hsu, and Wang 2006), we-intentions (Bagozzi and Dholakia 2002), perceived relative advantage, perceived compatibility (Chen and Huang 2010), and incentive systems, social capital, social and personal cognition, organization climate, and management leadership (Bock and Kim 2002; Bock et al. 2005).

Specifically, in online mass collaboration literature, multiple motivation factors influencing the decision to participate in mass collaboration have been identified. For example, Kollock (1999) argues that anticipated reciprocity, reputation, and efficacy are sources of motivation for mass collaboration. Benkler (2002) explains motivation for mass collaboration using a framework of monetary rewards, intrinsic hedonic rewards, and social psychological rewards. Lerner and Tirole (2002) distinguish between immediate payoff and delayed payoff motives. Although the existing mass collaboration literature has recognized that motivation to participate in the online production of a public good can reflect both self-interest and altruism, it focuses mainly on individual level motivations. People participating in mass collaboration projects have a notion of membership, whether formal or informal (Sproull and Faraj 1997), and the membership suggests strong norms and expectations for behavior (Sproull and Kiesler 1991). Group/context level motivations such as group norm, social identity, and trust have been identified in the general “knowledge sharing” literature as significant influences on individuals’ contributions of their knowledge but have been left out of the online mass collaboration literature.

1.3 Individual Differences

The relationship between personality and motivation has been observed in the psychology literature (e.g., Humphreys and Revelle 1984). In the current project, instead of examining the Big Five personality dimensions of extraversion, emotional stability, agreeableness, conscientiousness, and openness to experience (e.g., Barrick and Mount 1991), I will focus on two traits which have been found to be closely related to consumer interactions (Doorn et al. 2010): moral identity and self-enhancement (or the desire for positive recognition). For example, consumers with a higher moral identity (Winterich, Mittal, and Ross 2009) are more likely to participate in helping others, such as providing useful and helpful suggestions to other users, helping service staff to better perform his or her job, or providing advice and suggestion to other users who may experience product or service failure (Hennig-Thurau et al. 2004; Sundaram, Mitra, and Webster 1998). Moreover, customers who are high on self-enhancement, or the desire for positive recognition by others, have been shown to be more actively participate in

Word-of-Mouth (WOM) behavior (Hennig-Thurau et al. 2004; Sundaram, Mitra, and Webster 1998) and are more likely to help other consumers and blog more. I will also examine the effect of demographics (such as age, gender, education level, and income) on the motivation structure. For example, gender has been related to an agentic or communal focus (He, Imman, and Mittal 2008). Those with a communal focus, typically females, are more likely to be motivated by the group’s common good. Thus, it may be the case when communal customers see potential harm to the group they are more likely to respond: speaking up, complaining, and spreading out negative WOM. Moreover, with the rise of E-generation (aged 16 to 35), it is valuable to examine their online collaboration behavior and how different it may be from their parent’s generation.

2. METHODOLOGY

I propose a measurement system consisting of a motivation scale (with 8 dimensions and 50 items), 2 antecedents, and 2 consequences. I also identify 6 covariates. Next I will discuss each of them sequentially.

2.1 Dimensions and Items

I classify the proposed motivations into two categories: individual level motivations (including reciprocity, reputation, self-efficacy, enjoyment in helping others, and entertainment) and group/context level motivations (covering group norms, social identity, and trust). The first category is predominantly based on social exchange theory (e.g., Blau 1964), which explains human behavior in social exchanges. Different from economic exchanges, in social exchanges, obligations are not clearly specified. Social exchanges focus on relatively long-term relationships of interest rather than one-off exchanges (Molm 1997). The second category is derived from social capital theory (e.g., Nahapiet and Ghoshal 1998). Social capital refers to the resources rooted in networks of human relationships. Social capital provides the necessary conditions for the occurrence of knowledge sharing. All motivation items are measured on the 7 point Likert scale from “Strongly disagree” to “Strongly agree.”

2.1.1 Reciprocity

Reciprocity usually refers to a set of socially accept-
to measure self-efficacy.

2.1.4 Enjoyment in helping others

Prior research in online networks suggests that individuals have two major intrinsic motives when they contribute their knowledge and effort to others: (1) they have fun when engaging in intellectual activities and they feel challenged when solving problems, and (2) they enjoy helping others (Wasko and Faraj 2000). This motivation category is derived from the concept of relative altruism (Smith 1981) and research shows that knowledge contributors’ altruistic behavior bring themselves (Wasko and Faraj 2000). Such satisfaction stems from their intrinsic enjoyment in helping others (Ba, Stallbaert, and Whinston 2001; Constant, Sproull, and Sproll 1994; Constant, Sproull, and Kiesler 1996). 4 items are adopted from Kankanhalli, Tan, and Wei (2005) to measure this construct.

2.1.5 Entertainment

Individual may contribute knowledge to be entertained, to play, to relax, or to pass the time away when bored (Dholakia, Bagozzi, and Pearo 2004). For example, one of the main personal motives Torvalds and Dammond (2001) identify for publishing the source code of the first Linux kernel version is simply “fun to program”. 4 items measuring the entertainment value are adopted from Dholakia, Bagozzi, and Pearo (2004).

2.1.6 Group norms

Group norms are defined as the degree of shared goals between the self and the group members in the current research. Group norms are important constructs in an online group setting (Postmes, Spears, and Lea 1998). Research shows that overlapping values bring individuals together and motivate them to seek out and maintain membership in online groups. Eagly and Chaiken (1993) suggest that such values can be broadly defined as beliefs and attitudes, as well as more abstractly described as moral tenets. I adopt 2 items from Dholakia, Bagozzi, and Pearo (2004) to measure group norms.

2.1.7 Social identity

Social identification here refers to the defining features that are stereotypically “interchangeable” with other group members but stereotypically distinct from outsiders (Hogg 1992). Online environments are socially rich environments which allow social identity to develop for, and subsequently influence, individual members (Postmes, Spears, and Lea 1998). Ellemers, Kortekaas, and Ouwerkerk (1999) propose that 3 components comprise one’s social identity: a cognitive component, an emotional component, and an evaluative component. I will adopt 2 items for each of the components from Dholakia, Bagozzi, and Pearo (2004).

2.1.8 Trust

Trust has been found to be a key element in fostering the voluntary online collaboration between strangers (Ridings, Gefen, and Arinze 2002). Theories about trust (e.g., Gefen 1997; Jarvenpaa, Knoll, and Leidner 1998) propose explanations on how knowledge sharing and communication operate. Trust is a set of implicit beliefs that the other party will not take advantage of the information sharing (Gefen 2002; Homser 1995). With online mass collaboration, more often than not, rules cannot really provide sufficient guarantee that others will behave as they are expected. Trust steps in as a subjective substitute to such rules, creating the necessary atmosphere that makes engagement with others more open and friendly (Butler and Cantrell 1994). Trust is multidimensional, consisting of 3 distinct beliefs or factors: ability, benevolence, and integrity (Blau 1964; Gefen 1997). Each dimension has been shown previously to be relevant in the case of online communication (Jarvenpaa, Knoll, and Leidner 1998). I adopt 6, 3, and 3 items to measure the 3 dimensions of trust respectively from Ridings, Gefen, and Arinze (2002).

2.2 Antecedents and Consequences

I have identified moral identity and self-enhancement (Doorn et al. 2010) as 2 antecedents of the motivation for mass collaboration. Moral identity is measured by 5 items from Aquino and Reed’s (2002) Self-Importance of Moral Identity Scale on the 7 point ranking from “Strongly disagree” to “Strongly agree”. Self-enhancement is measured by the Self-Decisive Enhancement Scale (SDE; Paulhus 1984, 1991a, 1991b) consisting of 20 self-descriptive statements (e.g., “I am fully in control of my own fate”) endorsed on a scale of 1 (not true) to 7 (very true). Only extreme responses (e.g., 6 or 7s) are scored as self-enhancing. I have identified 2 constructs (i.e., participation intention and past participation) as consequences. Participation Intention is measured by 2 items developed by Harrison, Mykytyn, and Riemen Schneider (1997). Past Participation is measured by 2 self-reported items (Kim, Malhotra, and Narashimhan 2005).

2.3 Covariates

Besides the demographics such as age, gender, education level, and income, I add two other covariates to the measurement system: Internet experience and online forum experience. Each construct will be measured by multiple items adopted from Chen and Huang (2010).

3. Contribution and Future Research

Mass collaboration is the most significant driver of success in today’s marketplaces. We now have seen hundreds of examples of organizations that have substantially magnified their capabilities by tapping into the power of the masses such as utilizing external talent, keeping up with users, reducing costs, shifting the locus of competition, and taking the friction out of collaboration. Unfortunately, in many countries, few companies have seized this extraordinary opportunity. As the window for competitive advantage through mass collaboration is closing, how business leaders respond today to the mass collaboration movement may determine whether their businesses thrive, survive, or disappear in the not too distant future.

The current research proposes a new measurement scale for the motivation to participate in mass collaboration based on intensive literature review. However, it is proposed in a general sense and no industry-specific or stakeholder-specific insights have been offered. This is a problem because different types of organizations (e.g., retail, government, manufacturing, and health care) may have different manners of operation, cultures, and mechanisms to define roles and responsibilities, engender shared understanding, enrich trust, and harness benefit. Therefore the motivation structure is very likely to vary by business type. In addition, within each industry, to maximize the benefits mass collaboration can bring, organizations need to foster productive collaborative effort not only among employees but also among customers, clients, and others along the value chain. In the future I plan to fill these critical research gaps by examining the interaction between the motivation structure and the business type, and investigating how the motivation factors vary across multiple stakeholders within industries.

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Impact of Multicommunicating on Interpersonal Communication Competence During Face-to-Face Meetings Between Users and IT Analysts

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1. CONTEXT
Multicommunicating, an emerging communication practice within a technology-enabled workplace, has recently garnered increased attention (Cameron & Webster, 2013; Reinsch, Turner, & Tinsley, 2008; Stephens, 2012). Yet, few studies highlight the social perceptions associated with this practice (Schlosser, 2002). We currently know little about unintended consequences of MC in the presence of others, especially during user-analyst interaction, identified as perhaps the weakest link in the design and implementation of systems (Kaiser & King, 1982). As a step toward addressing that need, this research examines the extent to which analyst MC behaviors during meetings with users influence users’ perceptions of the analyst’s interpersonal communication competence (ICC), a very important set of skills to maintain a cooperative relationship with users. Moreover, we examine how the subject of the second conversation initiated by the analyst using his smartphone moderates the relationship between MC and ICC.

2. THEORY
2.1 Multicommunication (MC)
People are increasingly using their mobile devices to multitask and carry on multiple conversations in organizations. In today’s workplace, it is common to see a manager checking his BlackBerry during a meeting or an employee on the telephone with a client while typing an instant message. This behavior, termed multicommunicaton (MC), is a recent organization behavior that involves the managing of multiple conversations at the same time (Reinsch et al., 2008). MC is engaged in by a focal individual who interacts with multiple communication partners and can occur using a variety of combinations of media; text messaging while in a face-to-face meeting, emailing while on the telephone, or engaging in multiple instant messaging conversations at the same time just to name a few.

Scholars mentioned many positive outcomes of MC; for example MC allows employees to perform several tasks at once, thereby increasing their effectiveness (Reinsch et al., 2008; Turner & Tinsley, 2002). Dennis, Renneker, and Hansen (2010) found that using instant messaging organizational meetings improves the efficiency of collaborative decision making as it enables quick clarifications, and can quickly expand the discussion to include other actors. However, MC can also have negative impacts such as increased errors or reduced quality of the work performed while engaged in MC. Renneker & Godwin, 2003, 2005; Turner & Reinsch, 2010), the behavior may be also considered inappropriate during professional meeting (Johnson & Indvik, 2001; Phillips & Smith, 2003; Schlosser, 2002). Cameron and Webster (2011) have found that MC could be a starting point of spiral incivility (Andersson & Pearson, 1999). Cameron, Barki, and Plante (2012) found that analyst MC while in a face-to-face meeting with a user resulted in increased user perceptions of the analyst’s incivility. Moreover, these increased perceptions of incivility in turn had an effect on the user’s willingness to help the analyst on future tasks.

2.2 Interpersonal Communication Competence (ICC)
Considerable attention has been paid to ICC, and different scholars have defined it differently. However, the process is likened to “climbing a greased pole” (Phillips, 1984), and competence is still considered a “fuzzy” concept (Jablin & Sias, 2001). Bochner and Kelly (1974) define ICC as a person’s ability to interact effectively with other people. Lacey and Canary (2002) define ICC as an impression formed by an interaction partner of an actor’s communication behaviors that are performed to achieve his/her goals while also to respect the partner’s goals. Communication competence was also defined as an impression or judgment formed from a person’s ability to manage social relationships (Rubin & Martin, 1994).

It is agreed by scholars that the concept of communication is multifaceted (Cegala, 1981; Rubin & Martin, 1994; Spitzberg, 1983), for example Wiemann (1977) perceives a competent communicator to be relaxed, empathetic, supportive, and able to change their communication practice depending on the interpersonal encounter. However, there is a lack of consensus about its conceptualization due to the complexity of the communication process and problems with measurement (Duran, 1983, 1992; Duran & Spitzberg, 1995). ICC is a matter of degree, it is not an absolute measurement (Duran, 1983, 1992; Duran & Spitzberg, 1995), and there are several ICC assessment scales – see review of Spitzberg (2003, P.107-116) - most of them are limited to the most relevant skills for the field of study and the context of interaction. In this study, we are particularly interested in the context of user-analyst interaction, the quality of this interaction highly dependent on ICC of the analyst (Joshi, 1992). Scholars have demonstrated the importance of analyst ICC in knowledge transfer (Ko, Kirsch, & King, 2005; Wang, Lin, Jiang, & Klein, 2007), and maintaining a cooperative relationship with users (Basseller & Benbasat, 2004; Gupta & Wachtler, 1998).

3. MODEL DEVELOPMENT

In this research, we examine the impact of the MC on ICC of the analyst during face to face meetings with users (figure 1 presents our research model). We propose that the user’s judgement of the analyst’s ICC is negatively affected when the analyst MC using his smartphone, and this because of the impact of the behavior on many facets of ICC such as alter centrisms that involve interest in others and attentiveness to what they say and responsiveness to their thoughts (Rubin & Martin, 1994), and immediacy which is often communicated through nonverbal behaviors such as facing the other directly, adopting an open stance, having a pleasant facial expression, using direct eye contact, and leaning forward, as well as nonverbal behaviors that convey a feeling of interpersonal warmth, closeness, and affiliation (Spitzberg & Hecht, 1984; Wiedman, 1977). Other facets of ICC may also be affected, such as supportiveness and civility (Cameron & Webster, 2011).

Hypothesis 1a: Analysts who MC while in a face-to-face meeting with a user will be perceived by the user as being less competent (ICC) than analysts who do not engage in MC.

A. In this research, we further analyze the moderating effect of the topic of the second conversation on relations between MC and ICC. In communication situations, shared cognition or common ground is one way to reduce ambiguity (Clark & Brennan, 1991). In order to increase shared cognition, information about the situation may be shared such as the subject of the second conversation. Informing the user about the topic of the second conversation can change the evaluation of the analyst’s ICC depending on the topic. For example if the topic is closely related to the current conversation, this enhances the evaluation of the analyst’s ICC comparing to a situation in which the analyst MC for reasons not related to the meeting. Bell, Compeau, and Olivera (2005) support this vision; they mention that given a general desire to appear socially competent, an individual working within a group setting is more likely to multitask with task relevant behavior than non-task relevant behavior. Topic of the second conversation can fall into four categories, each decreasing in relevance to the meeting: the topic of the second conversation is relevant to the meeting; is about another project in which the analyst is involved; is a personal matter; or is about a family matter.
**Hypothesis 1b:** The less the topic of the second conversation is relevant to the meeting, the more negative the perception of the analyst’s ICC.

When no information is available about the topic of the second conversation, the situation is more ambiguous and the fundamental attribution error suggests that we are more likely to make personal attributions for the individual’s behaviour (Ross, 1977). That is, instead of making a situational attribution such as “he is looking at that message because someone sent him a question and needs a response” observers are more likely to make personal attributions such as “he is looking at that message because he is bored” or “our conversation in not important to him”. Whether observers make personal or situational attributions can influence their perceptions, future actions, and behaviour (Heider, 1958).

**Hypothesis 1c:** When no information is available about the topic of the second conversation, the evaluation of the analyst’s ICC will be lower than when information is available.

Figure 2 summarizes our three research hypotheses.

**Figure 2. Summary of model hypothesis**

NoMc: no MC.

McMeeting: topic of the second conversation related to the meeting.

McWork: topic of the second conversation related to the analyst’s other work (a different project).

McFamily: topic of the second conversation related to a personal matter (for the analyst).

McNoTopic: topic of the second conversation related to a family matter (for the analyst).

McNoTopic: no information is available about the topic of the second conversation.

### 4. METHODOLOGY

Our research model was tested using a series of 6 video vignettes (NoMc, McMeeting, McWork, McPersonal, McFamily, McNoTopic) which were randomly administered to different respondents online. Vignettes are thought to be appropriate for gauging judgments and capturing perceptual outcomes (Torres, 2009), and randomly administering different versions of a vignette can be a rigorous way to manipulate constructs of interest and measure their effects (Alexander & Becker, 1978). The vignettes are 6-7 minutes long each and depict a series of three face to face meetings between a user and IT analyst. The NoMC and McNoTopic vignettes from Cameron et al. (2012) were used and the vignettes where different topics were created by adding subtitles (see Table 1) to the McNoTopic vignette. To ensure the subtitles were distinct and represented their manipulation correctly, a card sort was conducted with six participants. Through editing, the 6 videos were the exact same except for the MC and topic manipulations.

<table>
<thead>
<tr>
<th>Video</th>
<th>Subtitles</th>
</tr>
</thead>
<tbody>
<tr>
<td>McMeeting</td>
<td>Richard is communicating about David’s clarifications</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about David’s process for calculating delivery costs</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about his proposed solution</td>
</tr>
<tr>
<td>McWork</td>
<td>Richard is communicating about the status of a different project</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about customer requirements on another project</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about the schedule of an unrelated meeting</td>
</tr>
<tr>
<td>McPersonal</td>
<td>Richard is communicating about a dinner with friends</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about his plans for the weekend</td>
</tr>
<tr>
<td>McFamily</td>
<td>Richard is communicating about his family</td>
</tr>
<tr>
<td></td>
<td>Richard is communicating about his children</td>
</tr>
<tr>
<td>McNoTopic</td>
<td>Richard is communicating about a family matter</td>
</tr>
</tbody>
</table>

Table 1. Subtitles used in the vignettes

After watching their randomly assigned video, a post-video survey captured the respondents’ perceptions regarding outcomes, their attitudes, and demographic information. To measure ICC, the 27-item scale for Rating of Alter Competence (RAC) developed by Cupach and Spitzberg (1981) was used. This scale, widely supported by literature (Spitzberg, 1988), is relatively general and it has been developed to measure the ICC of others in any context according to subjective observation approach (McCroskey & McCroskey, 1988). The respondent’s general attitude and orientation toward MC was also measured as a control variable using polythetic communication orientation (PCO) scale used by Cameron and Webster (2011). Questions were added as manipulation checks for both the MC and topic manipulations. Additionally, two questions were used to check whether or not respondents had watched the entire video and had clearly understood its content.

The survey was pretested with graduate students and experienced professionals. The main survey was administered to organizational employees by Survey Sampling International (SSI, www.surveysampling.com). A total of 786 questionnaires have been recorded, 248 were eliminated for incompleteness, incorrect answer comprehension questions, or repetitive answers. The final sample is 41.2% female, 93% of the participants are 25 or older, and 88.8% have 5 years of professional experience or more. Volunteers are from over 20 different industries.

### 5. RESULTS

An exploratory factor analysis was performed on the 27 items measuring ICC, the 6 items measuring PCO and the 3 items for the MC manipulation check. After removing four items that exhibited cross-loadings, four factors (instead of three) emerged. One factor was PCO (Cronbach’s α = .96) and one factor was the MC manipulation check (Cronbach’s α = .82) and positive-worded ICC (COMP, Cronbach’s α = .90). In the following, we continue our analysis by considering each ICC factor separately.

A Kruskal-Wallis test and Mann-Whitney U pairwise comparisons were performed to test H1a, H1b and H1c with the sample of 538 respondents (refer to tables 3 and 4). Results indicate that analyst MC had an effect on COMP, but not on INCOMP, partially supporting H1a.

### 6. DISCUSSION

This study contributes to our knowledge by demonstrating the negative effect of MC to the analyst ICC regardless of the topic of the second conversation. This result is interesting as it demonstrates that even when the analyst is attempting to support the current context.
of IT analyst communication competence due to MC.

The results of this study argue that the decline in competence may be two independent constructs, and the theory states that job satisfaction and job dissatisfaction may be independent factors. The second interpretation is inspired by the theory of polarity, which suggests that we could also study incompetence (INCOMP) as a separate construct. The DATA BASE for Advances in Information Systems, 39(3).

Although this study makes several contributions, some limitations should be noted. First, many contextual factors were not considered in the present study. For example, workplace culture, relationship history, or the second conversation's interlocutor in the second conversation. Those factors may also play an important role in the evaluation of the analyst's competence. Another limitation is that the use of subtitling in the vignettes can be seen as a unrealistic way to report the topic of the second conversation to the respondent. Zooming on the analyst's smartphone to see what he was typing could have been an alternative, but that would also be unrealistic as usually we don't see the smartphone screen of other people in a meeting.

The limitations outlined above represent opportunities for future research, but there are other avenues for future research as well. Some respondents proposed that the analyst should explain or apologize for his MC behavior, which suggests that we could also study information – the process by which the individual is informed or becomes aware of the other person's MC – and the effect of informing on relational outcomes of MC. Future research should also examine MC across different sizes of groups, and take into account other contextual factors such as the role of the focal individual in the meeting; this will help develop a broader understanding of the behavior in a more general context.

Finally, Barki (2008) mentioned that while researchers can make significant contributions to research and practice in a field by introducing new constructs, they can also make equally strong contributions by better conceptualizing existing constructs. The lack of studies identifying interpersonal communication incompetence raises questions about this construct and its relationship with ICC. Clarification of such a relationship would help guide theorists in their future actions.

CONCLUSION

Despite controversies surrounding the positive and negative effects of information and communication technologies, their use has been observed and considered essential parts of our social systems (Ogan, 2007). In North America, there is a perception that being productive and efficient in the workplace requires being a multitasker (Manhart, 2005), however some negative relational outcomes should be considered while MC especially during user-analyst interactions which is a crucial event for the success of IT projects. As the results of the present study indicate, engaging in other communications while in a face-to-face meeting with a user results in decreased user evaluation of the analyst's ICC, whatever the topic of the second conversation. It is hoped that this research enriches our understanding of user-analyst relationship and provides some potentially fruitful avenues that can be investigated.

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1. INTRODUCTION

Being able to innovate effectively is critical in ensuring that organisations are able to effectively defend themselves against disruptive innovations, take advantage of new opportunities and achieve sustainable competitive advantage (Porter, 2008). The increased penetration of IT into organisation strategy and operations, as well as the widespread adoption of IT by consumers, has created innovation opportunities for incumbents as well as new competitors (Rampersad, Plewa, & Troshani, 2012). The expectations of the IT Function have expanded beyond the IT Function’s traditional role of implementing and maintaining the IT infrastructure and investments of the organisation to include being an effective force for innovation in the organisation (IBM, 2012). However, the ability of the IT Function to be an effective force for innovation in the organisation has been challenged by practitioners and academics alike, particularly with the rise of user-centered innovation and mobile development, with a rift being identified between IT and non-IT professionals. The IT Function is the initiator of new ideas, a limited number of non-IT professionals view the IT Function as “highly innovative”. Thirdly, a limited number of organisations view themselves as having the requisite skills to effectively engage in highly innovative activities such as mobile innovation (EIU, 2013). While high IT investment companies have cited IT innovation as an important driver of competitive advantage, organisations continue to underinvest in IT innovation, with innovation accounting for 12% of the average organisation’s IT investment in 2013 compared to 30% in 1999 (Eul, Hagen, & Miller, 2012).

There is consensus that while IT in itself has no competitive or innovative value (Carr, 2003); it is the complements which IT is supplemented with, including the IT Function and the organisation, that determines the value of IT. The potential value of IT has extended beyond the resource centric view (Mata, Fuerst, & Barney, 1995) to one where IT is viewed as having strategic value and delivering competitive advantage, in addition to the value achieved by IT’s ability to reduce costs. However the IT Function must be able to become an effective force for innovation, leveraging the full value of IT, in order for the true strategic value of IT to be realised. The CIO, as the leader of the IT Function, is thus principally responsible for creating an IT Function which is an effective force for innovation in the organisation.

2. THEORETICAL GROUNDING

The CIO is responsible for creating an IT Function which is an effective force for innovation in the organisation. However, the ability of CIOs to achieve this outcome has been challenged by academics and practitioners alike (IBM, 2012; King, 2011). This section firstly explores the perceptions of the IT Function as an effective force for innovation in the organisation, followed by an analysis of the CIO and their role. Following this, a case is made for research into the barriers that CIOs experience in creating an IT Function which is an effective force for innovation in the organisation, as well as the associated recommendations to overcome the corresponding barriers.

2.1 The Innovative Value of the IT Function

Extant literature has identified that the IT Function has the potential to be a significant force for innovation in the organisation; leveraging IT to achieve competitive advantage and improve the performance of the organisation (Chen, Mocker, Preston, & Teubner, 2010; Nevo & Wade, 2010). It has been argued that IT is a long term platform which can be leveraged for change and innovation, and is fundamental to organisations; “necessary for [the] survival of the organisation (Banister & Remenyi, 2005). However, the ability of the IT Function to leverage IT effectively and thus become an effective force for innovation in the organisation has been challenged by non-IT professionals (EIU, 2013). Firstly, while the IT Function perceives itself as being innovative, different perceptions are held by non-IT professionals, who view the IT Function as being resistant to change and new ideas. Secondly, even when the IT Function is the initiator of new ideas, a limited number of non-IT professionals view the IT Function as “highly innovative”.

3. RESEARCH METHODOLOGY

Investigating the barriers to CIOs creating an IT Function to leverage IT effectively and thus become an effective force for innovation, leveraging the full value of IT, in order for the true strategic value of IT to be realised. The CIO, as the leader of the IT Function, is thus principally responsible for creating an IT Function which is an effective force for innovation in the organisation.

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In addition to fulfilling multiple roles, the CIO has to achieve numerous and competing objectives; the CIO is required to be strategic while also satisfying the operational needs of the organisation and the CIO is expected to enhance the revenue potential of the organisation, while their budgets have not increased according to Christy and Goadsuff, 2011; CIO.com, 2012; Muller, 2011). There has been significant pressure and tension manifested in the role, with the CIO expected to manage numerous implicit assumptions which have been constructed by the organisation about the CIO and IT; control assumptions, centrality assumptions, IT skill value assumptions, justification assumptions and beneficiaries assumptions (Kaarst-Brown, 2005). Realising these expectations has resulted in CIOs experiencing, significant pressure and tension, and this is directly reflected in the CIO turnover rate being twice that of the CEO and CFO (Hunter, 2010).

Considering that CIO success is a rarity (Spitze & Lee, 2012) and that to-date a thorough investigation of Critical Success Factors for CIOs has not resulted in a significant improvement in the overall status of the CIO, there is a need for an identification of the barriers to CIOs creating an IT Function which is an effective force for innovation in the organisation as well as the recommendations to overcome the associated barriers.
Function which is an effective force for innovation in the organisation as well as the recommendations to overcome the corresponding barriers required an exploratory approach which enabled the collection of rich data. For the purposes of this study, a barrier has been defined as any factor which leads to the prevention, delay or distortion of the creation of an IT Function which is an effective force for innovation in the organisation. Thus a qualitative methodology was adopted which consisted of semi-structured interviews followed by the thematic coding of the interviews (Yin, 2010).

3.1 Data Collection

Data was primarily collected through semi-structured interviews with ten Australian CIOs from a variety of industries. Semi-structured interviews were the appropriate technique for identifying the barriers that CIOs experienced in creating an IT Function which is an effective force for innovation in the organisation as well as the recommendations to overcome the corresponding barriers. The semi-structured interview lowered for a balance between the increased consistency of responses associated with the structured interview approach (Trauth & O’Connor, 1991) and the ability to ask follow-up questions and engage the elite interviewee, the CIO, through unstructured elements (Oppenheim, 1992).

3.2 Data Gathering

It has been identified that there are “pitfalls and problems” that need to be addressed by researchers when conducting qualitative interviews (Myers & Newman, 2007). Thus the researchers utilised and considered the elements of the “Dramaturgical Model” when selecting interviewees, conducting the data collection and validating and analysing results and interview data (Myers & Newman, 2007). Considering the “actors” in the interview, ten Australian CIOs with considerable management experience were selected from a variety of industries; fulfilling the elite interviewee selection criteria of managing an IT Function of more than 8 staff, having more than 5 years of experience in management and being involved in at least one Community of Practice (CoP). The duration of the average interview was 1 hour and 15 minutes, with shortest interview being no less than 45 minutes and the duration of the longest interview being 2 hours (Table 1).

3.3 Data Analysis

The interviews were designed to ensure the interviewers were able to identify the barriers as well as the associated recommendations for CIOs to create an IT Function which is an effective force for innovation in the organisation. The notions of barriers and recommendations were used as seed categories for the interviews. If the CIO did not effectively engage in innovation or identified difficulty in creating an IT Function which is an effective force for innovation in the organisation, the interviewer probed to identify the cause of the lack of engagement, as well as obtain evidence and examples to support the barriers identified by the CIO. If the CIO effectively engaged in innovation, probing questions were asked to elicit the strategies the CIO employed which enabled them to effectively engage in these tasks, with additional documentary evidence being obtained, where appropriate. The interview data was validated by using a snowballing technique where barriers and recommendations identified in previous interviews were injected into subsequent interviews.

The interviews were transcribed following the completion of the interview and thematic coding was conducted based on the methodology of data reduction, data display and conclusion drawing (Miles & Huberman, 1994). The initial data reduction was conducted using the seed categories of barriers and recommendations. The data was then visualised using NVivo and consolidated into tabular form, allowing the researchers to assess the barriers and recommendations identified, prompting a consolidation in the number of barriers and recommendations. The final stage consisted of conclusion drawing by “noting the regularities, patterns, explanations, possible configurations, causal flows and propositions” (Miles & Huberman, 1994). Even though theoretical saturation was reached at the conclusion of the third interview, primarily due to the elite nature of the interviewees, additional interviews were conducted to enable the further exploration of the nuances of the barriers and recommendations which had been identified.

4. ANALYSIS AND RESULTS

The thematic coding of the interview data revealed five barriers that CIOs experienced when creating an IT Function which is an effective force for innovation in the organisation and six recommendations to overcome the corresponding barriers.

4.1 Barriers to Innovation

The thematic analysis revealed five barriers to CIOs creating an IT Function which is an effective force for innovation in the organisation (Table 2). CIOs identified that when they are solely responsible for the innovation of the IT Function or if the IT Function is viewed as a cost-centre, lower levels of innovation result. CIOs also considered indirect CEO reporting relationships as a critical barrier.

<table>
<thead>
<tr>
<th>CIO #</th>
<th>Industry</th>
<th>Time (hr:min)</th>
<th>Selection Criteria Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Banking</td>
<td>0:45</td>
<td>• 600 people are direct reports and 1,000 people are delivering directly into the CIO’s organisation</td>
</tr>
<tr>
<td>2</td>
<td>Education</td>
<td>1:00</td>
<td>• Department of 24 people; • 9 years management experience in e-commerce sites</td>
</tr>
<tr>
<td>3</td>
<td>Health Care</td>
<td>2:00</td>
<td>• 49 staff members, with 45 developers and 4 help-desk; • History in online start-ups, membership of CIO Forums</td>
</tr>
<tr>
<td>4</td>
<td>Pharmaceutical</td>
<td>1:30</td>
<td>• 9 people in the team, each person splits their time between support and projects</td>
</tr>
<tr>
<td>5</td>
<td>Education</td>
<td>1:30</td>
<td>• 200 people; • Regularly attends CIO Forums</td>
</tr>
<tr>
<td>6</td>
<td>Infrastructure</td>
<td>1:15</td>
<td>• 17 years senior leadership; • 9 years as CIO; • Experience in 3 companies as CIO</td>
</tr>
<tr>
<td>7</td>
<td>Biomedical Development</td>
<td>1:15</td>
<td>• CEO at a research and development company; • 20 years experience with this firm</td>
</tr>
<tr>
<td>8</td>
<td>Banking</td>
<td>1:00</td>
<td>• CIO at various banks in Australia and overseas; • &gt;25 years senior management experience</td>
</tr>
<tr>
<td>9</td>
<td>Health Care</td>
<td>1:15</td>
<td>• Leads a team of 34 people; • CIO for a hospital for 15 years</td>
</tr>
<tr>
<td>10</td>
<td>Consumer Goods</td>
<td>1:00</td>
<td>• 30 employees in Australia; • &gt;7 years in IT leadership positions</td>
</tr>
</tbody>
</table>

Table 1: Interviewee Information

<table>
<thead>
<tr>
<th>#</th>
<th>Barrier Description</th>
<th>CIO Ref.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Over-reliance on the CIO and/or Management for Identifying Innovative Ideas</td>
<td>1, 2, 3, 4, 5, 6, 9</td>
</tr>
<tr>
<td>2</td>
<td>Indirect Reporting</td>
<td>3, 6, 8, 9</td>
</tr>
<tr>
<td>3</td>
<td>The Organisation is Highly Risk-Averse</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9</td>
</tr>
<tr>
<td>4</td>
<td>The Role of IT is Viewed as an Integrator or Service Provider and has a Lack of Credibility in the Organisation</td>
<td>1, 2, 3, 4, 6, 8, 9</td>
</tr>
<tr>
<td>5</td>
<td>Critical Support Demands and Supply Side Constraints Restrict the Resource Capacity of the IT Function</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9, 10</td>
</tr>
</tbody>
</table>

Table 2: Barriers to Innovation
4.2 Recommendations for Innovation

The analysis conducted on the interview data revealed six recommendations which can be utilised to overcome the barriers identified by CIOs; and help them to create an IT Function which is an effective force for innovation in the organisation, consequently increasing the level of innovation in the IT Function (Table 3). CIOs recognised that innovative concepts can be sourced from outside the organisation and innovation is the responsibility of the entire IT Function. They also cited being perceived by the organisation as a trusted partner and a revenue driver as critical to being able to co-create innovations with the organisation. This results in an environment where “The IT Function is accountable for investing in technology and being at the leading edge” [CIO 8].

4.3 Linkages

The linkages between the barriers which CIOs experience in creating an IT Function that is an effective force for innovation and the recommendations to overcome the corresponding barriers are presented in Figure 1, while the justifications for the linkages are displayed in Table 4.

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Table 3: Recommendations for Innovation

<table>
<thead>
<tr>
<th>#</th>
<th>Recommendation</th>
<th>Description</th>
<th>CIO Ref.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gather Independent Perspectives on Innovative Concepts</td>
<td>Using CIO peers, obtaining customer perspectives, monitoring external activities and forming external partnerships assists in identifying innovative concepts.</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9</td>
</tr>
<tr>
<td>2</td>
<td>Create an Environment where Conducting Innovation is Considered a Legitimate Practice</td>
<td>To ensure that innovation occurs within the entire IT Function, innovation needs to be established as a legitimate activity. Coding competitions, dedicated resources, a dedicated team, financial incentives, ground up innovation and inflection points were identified by CIOs as ways to legitimise innovation.</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9, 9, 10</td>
</tr>
<tr>
<td>3</td>
<td>CIO is Given Autonomy but is also Accountable for Innovation as a Trusted Advisor Involved in Board Level Conversations</td>
<td>The CIO is given the right to make decisions regarding innovation and is also accountable as part of the executive team for innovation through an established investment strategy.</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9, 9, 10</td>
</tr>
<tr>
<td>4</td>
<td>Increase Organisation Awareness and Trust of IT</td>
<td>Increasing the organisation awareness of the IT Function through education enables the IT Function to support the organisation by conducting innovation related activities.</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9</td>
</tr>
<tr>
<td>5</td>
<td>Allocate Funding as a Function of Revenue</td>
<td>The provision of funds as a function of revenue allows the IT Function to have the ability to innovate.</td>
<td>1, 2, 6, 7, 9, 10</td>
</tr>
<tr>
<td>6</td>
<td>Use Geographic, Sequential Buffers and the Structured Operating Model to Separate Operational Activities from Development</td>
<td>Using geographic, sequential buffers and the structured operating model enables the IT Function to engage in innovation.</td>
<td>1, 2, 3, 4, 5, 8, 10</td>
</tr>
</tbody>
</table>

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Table 4: Justification of the Linkages between Barriers and Recommendations

<table>
<thead>
<tr>
<th>#</th>
<th>Justification for Linkages (Exemplar Quotes by CIOs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>CIO 1 gathered independent perspectives on innovative ideas through their customer innovation portal where, “we actually got our customers to come up with the best ideas and we paid the winner with the expectation that we would take the idea and implement it as well, [allowing us] to co-innovate with our customers and not just with our providers” [CIO 1] and thus reduce the reliance on the CIO to identify innovative concepts.</td>
</tr>
<tr>
<td>b</td>
<td>CIOs use a variety of tactics to obtain innovative ideas from their team which reduces the reliance on CIOs as CIO 3 identifies: “Before, there was innovation coming from key individuals within management and that’s great but it doesn’t scale as the organisation increases in size. I changed my leadership style, empowered the team and I’m getting white papers now from 3 or 4 levels down below me. It doesn’t have to come from me to be a great idea.” [CIO 3].</td>
</tr>
<tr>
<td>c</td>
<td>CIO 3 indicated that CIO 3 is in a unique position having a seat on the Board as “it enables him to have Board-level conversations which would be battered down every time under a CFO.” [CIO 3]. This enables CIO 3 to engage in Board level conversations and to raise issues with the Board that would not otherwise receive Board level attention when there is indirect reporting between the CIO and the CEO.</td>
</tr>
<tr>
<td>d</td>
<td>CIOs identify that IT investments always carry “residual risk and that it is a management decision” which determines whether the project proceeds. Being a trusted advisor enables the CIO to “bring the right things to the attention of the Board instead of having to put on an agenda.” [CIO 8].</td>
</tr>
<tr>
<td>e</td>
<td>Increased organisation awareness can be “built by increasing the understanding and educating the organisation as to the function of IT” [CIO 6], thus reducing the risk-averse nature of the organisation.</td>
</tr>
<tr>
<td>f</td>
<td>The CIO needs to be given decision making power by the executive team in order to direct the IT Function to conduct innovation. CIO 2 noted that “… as long as I keep hitting my forecast numbers, [the executives] are pretty cool with me conducting innovation” [CIO 2]. This enables the CIO to overcome the barrier of IT being viewed as an integrator by the organisation.</td>
</tr>
<tr>
<td>g</td>
<td>CIOs identified that the awareness of the capabilities of IT is directly related to the trust of IT by the organisation as “… one of the reasons we have been so successful is because staff trust us: If you’re close enough to the organisation they start trusting us and when we do go to them saying ‘Look guys, we want to do X’, they’ll sit down and have a conversation with you…” [CIO 9].</td>
</tr>
<tr>
<td>h</td>
<td>CIO 2 indicated that the allocation of funding affects his ability to innovate effectively as when the “… budget is largely a function of the revenue I can earn for the organisation and because the website for an online organisation is the primary source of revenue, that puts me in a very strong negotiating position to conduct innovation.” [CIO 2].</td>
</tr>
<tr>
<td>i</td>
<td>Providing sufficient funds to the IT Function enables it to conduct innovative activities and overcome supply side constraints. “The funds will always be a huge enabler or disabler. To me it’s more about the extent you can go forward with something and the speed at which you can go forward.” [CIO 6].</td>
</tr>
<tr>
<td>j</td>
<td>CIO 3 used a geographic buffer, locating his IT Function in a different city to the organisation and cited that this was “… one of the reasons why we get so much product out and are so successful as we do not get consumed by the strong personalities in the organisation” [CIO 3].</td>
</tr>
</tbody>
</table>
5. CONCLUSION

The current study is of academic and practical significance as it identifies the five barriers which CIOs experience in creating an IT Function which is an effective force for innovation in the organisation, the six associated recommendations to overcome the corresponding barriers, as well as ten linkages between the barriers and the recommendations.

The findings have particular relevance to IT practitioners, including CIOs, who can use the framework to conduct benchmarking exercises, discuss the findings with their peers through Communities of Practice (CoP) and ultimately increase the level of innovation which occurs in their IT Function and consequently across the organisation.

Findings from the current study are also applicable to the organisation's management and their approach to their relationship with the CIO. Specifically, CEOs should ensure that they consider the following strategies to leverage the full innovation potential of their CIO: engage the CIO in Board level conversations as a trusted advisor (5.1), select CIOs whose influence transcends the boundaries of the IT Function (5.2), adopt the perspective of the IT Function being a revenue driver rather than a cost centre (5.3) and develop expectations of a CIO who is able to deliver operational excellence, while also engaging in innovation (5.4).

5.3 Adopt the Perspective of the IT Function being a Revenue Driver rather than a Cost Centre

The organisation's perception of the IT Function as a revenue driver rather than a cost centre enables the CIO to create an IT Function which is an effective force for innovation in the organisation. This enables the CIO to have the autonomy to conduct, and where appropriate lead, innovation related activities within the organisation, rather than relying on organisation sponsorship for innovation related activities. CIOs and their IT Functions which were recognised by the organisation as contributing to the revenue of the organisation frequently used experiments and pilots to pioneer concepts. Providing CIOs with specific budgets, metrics and teams allocated to innovation related activities presents the cost focus of the organisation stifling the amount of innovation that the IT Function can conduct, whilst also ensuring that the innovation is relevant to the organisation's context and has the potential to lead to development of a future revenue source.

5.4 Develop Expectations of a CIO who is able to Deliver Operational Excellence while also Engaging in Innovation

Boards and the organisation should create the expectation that the CIO role encapsulates both innovation and "keeping the lights on", and should actively incentivise the CIO to achieve both of these priorities simultaneously. Specifically, Key Performance Metrics used to measure and assess the performance of the CIO should be evaluated to ensure that they encompass measures of operational excellence as well as innovation. Additionally, metrics used within the organisation should also be assessed to ensure that they facilitate the exploration and adoption of innovative concepts.

5.5 Limitations and Future Research

The limitations of the current study are associated with the exploratory nature of the study and the participants selected, which restricts the generalizability of the study. However, this study provides the foundation for future research to further investigate the relationships, the nuances and the empirical validity of the barriers and the associated recommendations identified in the study.

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In this paper we outline recent advances in the development of new algorithms of computational physics, high-performance computing (HPC) resources available for the deployment of such algorithms, and developments in new web-based cloud computing services which open possibilities for interactive virtual prototyping of new products and open the new era of all-digital manufacturing.

2. NEW AGE ALGORITHMS

As we do our daily work on computers and perform various tasks, whether it is visualization of 3D objects, searching through a large database, or simply opening a web page, the task is split into a set of simpler instructions forming an algorithm. Algorithms are essentially ‘cookbook’ recipes dictating the computer how to process data. They are the logic behind how computer thinks and makes decisions. And just like how to process data. They are the logic behind how computer thinks and makes decisions. And just like

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The designs of such unprecedented complexity are performed through hierarchical abstraction of processes and the use of custom-tailored algorithms for design at each level of the abstraction (Vahid, 2011). Deployment of such algorithms on powerful supercomputers tackles the remaining complexity.

In this paper we outline recent advances in the development of new algorithms of computational physics, high-performance computing (HPC) resources available for the deployment of such algorithms, and developments in new web-based cloud computing services which open possibilities for interactive virtual prototyping of new products and open the new era of all-digital manufacturing.

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in different ways - some obviously smarter than others. This makes computers only as clever as the algorithms they follow. As a result, smart algorithms can make a small computer more powerful than a supercomputer that takes instructions from a naïve algorithm. For that reason invention of new fast algorithms have brought revolutionary changes into various branches of science and industry in the past twenty years. The top 10 most impactful algorithms of the 20th Century (Cipra, 2000) include the fast Fourier transform (FFT) (Cooley, 1965), the Krylov subspace iterative methods (Golub et al., 1996), the fast multipole method (FMM) (Rokhlin, 1985; Greengard et al., 1987) and Lu et al., 1994) and others. Here we describe two revolutionary new algorithms, which emerged in the past two decades.

2.1 Fast Iterative Algorithms

Similar to how the introduction of the FFT in the 60s revolutionized the fields of signal processing and communications, the FMM revolutionized the field of computational physics in the 90s. An illustration of the impact of FMM is depicted in Fig. 1, which shows the size of electromagnetic scattering problem, which could be solved prior to introduction of the full-wave FMM in the 1992 and only a few years later in 1997. One can see that even the largest available supercomputers running the naïve algorithms could handle only a small fragment of the problem, which could afterwards be solved on commodity workstation with the use of FMM. Subsequently, FMM was deployed on large supercomputers (Chew et al., 2001; Ergul et al., 2011) and enabled solutions of problems of unprecedented sizes and allowed for virtual prototyping of electromagnetic wave phenomena in very large models that closely mimic real-life products.

2.2 Fast Direct Algorithms

As the FMM (Lu et al., 1994) and FFT (Bojarski, 1971; Bleszynski et al., 1996 and Okhmatovski et al., 2009) based algorithms of computational physics drastically reduced computational complexity in solving large-scale problems, they also revealed some related fundamental difficulties. The key challenge turned out to be the iterative nature of FMM and FFT based solutions. In the case of electromagnetic phenomena modeling, for example, the presence of quasi-static, resonant, and high-frequency interactions in complex models made pertinent formulations of the boundary element methods (BEMs) (Chew et al., 2001; Jin 2002) exhibit slow convergence to the degree where a solution would take too long to obtain. To address this challenge in the recent years there has been intensified research efforts into the construction of fast direct methods for solution of the matrix equations (Goreinov et al., 1997; Hackbusch, 1999; Tytlyushkov, 2000; Martinsson et al., 2005; Saffier, 2008; Greengard et al., 2009 and Born, 2010) that stem from both FEM and BEM formulations. Such methods have been shown to exhibit a comparable computational complexity to FMM and FFT based iterative methods but with the advantage of not being a subject to convergence issues due to the direct nature of the algorithms.

2.3 Higher-Order Methods

With the growing demand for solution of larger problems the demand for the accuracy of obtained solutions grows as well. When it comes to calculating solutions with higher accuracy in modeling of various physical phenomena, it turns out that it is done exponentially more efficiently with higher-order CAD models and the functions approximating the sought physical quantities. An illustration of such higher-order curvilinear BEM CAD model of B2 aircraft is shown in Fig. 2.

The superior performance of high-order techniques is also available when inherently flat-faced models are considered. For example, in solving for the current density in the IBM package shown in Fig. 4, a 3rd order model requires only 10% of the computational resources compared to those needed in conventional low-order schemes (Rao et al., 1982).

Figure 3. Distribution of electromagnetic field on the surface of B2 aircraft model calculated with controlled precision in BEM aided with FMM.

The model is constructed using Non-Uniform-Rational-B-Splines (NURBS) (Piegl, 1996 and McNeel, 2014) and is suitable for higher-order BEM electromagnetic analysis. Virtual prototyping of the electromagnetic fields produced by the antennas onboard the B2 aircraft (Fig. 3) can be computed at exponentially lower costs by using higher-order solution techniques compared to their low-order counterparts (Rao et al., 1982).

Figure 4. The IBM electronic package. The inset is the surface current density over a fragment of the model computed with FMM accelerated higher-order BEM method (Jeffrey et al., 2013).

In the same way, a 5th order scheme reduces the computational cost to 0.003% of the low-order method while providing the same accuracy in the solution. This is despite the fact that both the low-order and high-order methods approximate the geometry of such problem exactly highlighting the need for high-order modeling regardless of the accuracy in which the geometry is achieved.
can be represented by low-order schemes. Such exponential reduction in CPU and memory resources resulting from the application of higher-order methods can be dramatically reduced further when applied in conjunction with matrix implicit methods (Rokhlin, 1985; Greengard et al., 1987; Lu et al., 1994; Goreinov et al., 1997; Hackbusch, 1999; Tyrtyshnikov, 2000; Martinsen et al., 2005; Shaeffer, 2008; Greengard et al., 2009 and Borm, 2010) to enable today’s virtual prototyping of scattering phenomena of unprecedented sizes and previously unreachable accuracies (Jeffrey et al., 2013).

3. NEW SUPERCOMPUTERS

3.1 Trends in Supercomputing

With the revolutionary advances in the algorithms of computational physics in the last two decades, the computer systems have experienced their own exponential growth. Fig. 5 depicts the throughput of Top500 supercomputers (Prometeus, 2014) over the past twenty years in billions of floating point operations per second (FLOPS).

![Figure 5. Growth in performance of large supercomputers over past two decades on Top500 list (Prometeus, 2014).](image)

It is seen that over the span of just past 20 years the performance of the supercomputers increased over 100,000 times! These increases in performance, more or less translate directly into an increase of the computational model sizes that can be handled today; whether it is the development of new pharmaceuticals, design of a new cell-phone chips, or performing weather forecasts. Today’s number one supercomputer on the Top500 list is Tianhe-2 hosted in China (Prometeus, 2014). It features 16,000 interconnected servers, each with 88 gigabytes of memory and 195 CPU cores. This massive computational facility with its total of 3,120,000 CPU cores can solve problems 780,000 times larger in size than a commodity quad-core workstation that most of us use on the daily basis. The availability of computers with such power combined with scalable parallel software built on the latest algorithms of computational physics, chemistry, and mathematics, enables us to gain deeper insight into behavior of critical processes in known products and use this knowledge to further technological advancement.

3.2 Trends in Processors

The continued increase in performance under severe powerwall and memory-wall limitations forced the traditional computing systems into multi-core architectures in past ten years. Since then, the landscape has quickly changed and the special purpose processors such as graphics processing units (GPU) have bypassed the general purpose CPUs by order of magnitude in the computational throughput (Fig. 6).

![Figure 6. Trend over the years in theoretical peak performance of CPUs and GPUs for single-precision operations (Galloy, 2013).](image)

GPUs and other types of accelerators typically have large numbers of small processors, ranging from about 100 to thousands on a single chip. Under these trends the heterogenous CPU/GPU computing systems became highly advantageous for virtual prototyping of new products in HPC environments. New products in HPC environments. Now the right type of processor can be assigned to perform computational tasks it is most suitable for. In case of the FMM, deployment on heterogeneous CPU/GPU was shown to achieve computational speed-ups of up to 60 times compared to its execution of a single CPU (Gumerov et al., 2005; Cwikla et al., 2009). The rampant growth of inexpessive and at the same time very powerful computational resources such as the ones offered by the GPUs will further boost advancement of virtual prototyping of the new products.

4. CLOUD COMPUTING

With the algorithmic advances and growth of computing capacity, the capabilities of virtual prototyping for new product designs increase rapidly. This drives down the design cost and empowers smaller companies to develop sophisticated marketable products on their own. The results are much greater diversity of the products on the market and departure from the Henry Ford world where ‘Any customer could have a car painted any color that he wanted so long as it was black’ (Ford et al., 2003). These new trends stipulate the growth of cloud computing services. Such services are deployed at large supercomputing facilities (e.g. Amazon and Google) in which design companies can utilize vast computational resources at an affordable cost. Now in a much like the familiar ‘pay-per-view’ movie rental service manner offered by the cable providers, the designers can rent both the latest parallel CAD software as well as practically unlimited computational resources rivaling the Top500 supercomputers. These cloud facilities have made virtual prototyping of new products and their all-digital manufacturing a today’s reality for various industries.

4.1 Solving problems in constant time

The scalable parallel algorithms deployed on scalable supercomputers such as the ones offered by CAD vendors on the cloud computers theoretically offer solution of any design problem in a constant time (Wilkinson, 2005). In other words, if we, as designers, have a 10 times larger problem to solve, we can just engage 10 times more CPUs (or may be 100 times more CPUs if needed) and solve the problem within as short time as needed. As a result, today’s small businesses doing industrial design have at their fingertips the same capabilities as previously were available only at the US National Labs or at large corporations. These affordable cutting edge algorithms and hardware resources brought into masses by the cloud computing are expected to greatly boost productivity of future design cycles making designer’s creativity the only limit to what is possible.

4.2 Interactive design

With practically unlimited computational resources available on the clouds, the pertinent design data, which was previously painstakingly obtained after hours and even days of computations, can now be obtained blazingly fast. With that, the design process can go interactive. To illustrate consider the problem of GPS antenna placement on the rooftop of a car illustrated in Fig. 7.

![Figure 7. CAD model of the GPS antenna placed on the rooftop of Dodge Charger car (bottom) and its electromagnetics field computed with FMM accelerated BEM at 1.18GHz (CEMWorks, 2014).](image)
seeing in real time impact of its location on the antenna radiating characteristics and its performance metrics. Similar interactive design capabilities are already available in many types of design and are just around the corner for the others.

4.3 Security

The above described advancements in CAD capabilities made possible by cloud computing is the driving force behind their adoption into more and more industrial design cycles. The strongest detriment opposing a wider spread of today’s cloud services, however, has been inadequate security level associated with such services. Indeed, when a break-in occurs into a cloud server the amount of compromised information is orders of magnitude higher than when a similar breach occurs at an individual corporation. The situation is also exacerbated by the fact that most companies’ businesses are critically sensitive to the leaks of their latest designs to public or competitors. This makes more of today’s companies to resort to construction of smaller but more secure in-house cloud services rather than taking the risk of exposing their designs to outsiders. As the cloud technology matures, however, so do the security measures. It is expected that future adoption of the cloud-based services into industrial design cycles will gain momentum at a faster pace for both small companies and major corporations.

5. CONCLUSIONS

In the past two decades the revolutionary advances in algorithms of computational physics and rampant growth of the supercomputing power has made virtual prototyping of new products a reality. Deployment of such fast algorithms on widely accessible, inexpensive, and nearly unlimited cloud computing resources provides designers with CAD tools of unprecedented abilities for interactive design, physics based optimization, and abstraction of large data manipulation through web-based interfacing. These groundbreaking advances in CAD technology are changing how designs of new products are done today with the dramatic reduction of time-to-market and design costs ushering the new era of all-digital manufacturing.

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Nanotechnology: Small Is the New Big
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Derived from the Greek word *nano* meaning dwarf, nano is a prefix used to describe extremely small scales. When quantified, nano translates to one-billionth of a unit, thus a nanometer is 10-9 meters (0.000000001 m) (Figure 1) (Lieber, 2003). The minuscule scale of the nanoworld may be difficult to comprehend, however it is at this level that the most basic functions of life occur, such as photosynthesis and energy metabolism. For example, the processes running within the nanoworld ultimately allow plants to grow, bacteria to break down nitrogen-containing compounds and animals to extract energy from food. Nanotechnology therefore refers to the design, fabrication and development of materials at a nanometer scale (Vo Dihn, 2005).

The concept of harnessing molecules as precise tools was first inspired by American physicist Richard Feynman in his 1959 lecture ‘There’s plenty of room at the bottom’ (Feynman, 1960). Although Feynman himself did not spark nanotechnology as a research field, his talk later influenced its conceptual foundations. Molecular nanotechnology was born in the 1980’s with the work of K.Eric Drexter at the MIT Media Lab (Drexler, 1992) and advancements in microscopy (Binnig and Rohrer, 1986). Fullerenes and carbon nanotubes were the first molecules to have engineered nano functions as semiconducting materials (Kroto et al, 1985; Iijima and Ichihashi, 1993). In the subsequent 20 years there has been rapid growth in the field of nanotechnology to encompass more diverse molecules and systems. The field has generated great potential for next-generation green energies and advancements in medical science (Koo et al, 2005) that *Nature* has dedicated a daughtert journal, *Nature Nanotechnology*, to report solely on research in nanotechnology.

Traditional nanomaterials were composed mainly of inorganic materials. Their chemical properties lead to such materials being difficult to order into complex two-dimensional and three-dimensional assemblies and they lack versatility (Sarikaya et al, 2003; Rao et al, 2007). More recently, advancements in molecular biology and nanoengineering (Niemeyer et al, 2001; Ryu et al, 2000) have opened up new materials at a molecular level and allowed the field of biomimetics to merge and intertwine with synthetic biology (Seeman and Belcher, 2002).

The development of synthetic, organic materials based on existing biological systems has driven biomimetics and offers solutions to the shortcomings of inorganic-based nanomaterials (Bar-Cohen, 2006). Synthetic biology, focusing on artificially engineering biological systems, is an actively advancing field. One of the applications of synthetic biology has been the complete construction and development of a synthetic minimal cell (Gibson et al, 2010). This opens up many new avenues for medicine, fuel production, carbon sequestration and as providing practical models of ancient cells (Henry et al, 2010).

1. BIOLOGICAL MOLECULES AND SYSTEMS FOR NANOARCHITECTURE

The cell is the ultimate nanodevice; within it lies an abundance of biological materials and subatomic machines ideal for applications in nanotechnology (Vo Dihn, 2005). This bio-toolkit comprises a wide variety of structures, from simple liposomes and carbohydrates to complex self-assembled polymers and proteins. The diversity of structures and versatility of organic molecules has implications for the manufacturing of novel and synthetic nanomaterials that are useful to industrial, biotechnological and medical science applications (Howorka, 2011). Nanotechnology manifests as the manipulation of individual atoms and molecules in a very specific way to alter structure, behaviour or add new functions that may differ from the natural state (Roco, 2004).

1.1 Basic architectures as nanomaterials

Simple biochemical components are becoming more popular as templates in nanotechnology, particularly in medicine due to their simple design, non-immunogenicity and biocompatibility. Currently, peptides and liposomes are being used in the detection and treatment of disease such as HIV, cancer and influenza (Ranson et al, 1997; Hare et al, 2013; Clozel et al, 2013). Liposomes are composed of phospholipids that contain a hydrophobic stalk and hydrophilic head. This structure allows for self-assembly into soluble vesicles that can be disaggregated by a change in pH, temperature of polarity (Ciccoliniet al, 2012) (Figure 2).

The inhalation of modified liposomes is a promising avenue for the treatment of severe respiratory bacterial infections (Andrade, 2013). Rifampicin is a drug used to treat tuberculosis, however its slow water solubility has pushed for alternative methods to deliver it effectively to lung tissue. By coating liposomes with muco-adhesive polymers, encapsulation of rifampicin was increased and could be steadily released over three days (Andrade, 2013). Furthermore due to the linked polymers, adhesiveness to cells was enhanced leading to accumulation of the drug in the lungs and an improved therapeutic effect for patients (Zaruet al, 2009).

1.2 Complex organisations as nanomaterials

There is a plethora of complex molecules within the cell that are proving to be excellent frameworks for nanomaterials. DNA (deoxyribonucleic acid) is a biopolymer composed of nucleobases. The dimensions of double-stranded DNA are well understood and have been used to build structurally precise nanomaterials (Fan and Li, 2013). Scaffolding ‘DNA origami’ offers a way to build well-defined particles with arbitrary shapes (Han et al, 2011).
Recently, scientists from Harvard Medical School have synthesised detergent-resistant DNA nanotubes to function as binding scaffolds for membrane proteins (Min et al., 2013). Membrane proteins are involved in many diseases as they are located at the cellular interface and represent over 50% of current drug targets (Landry and Gies, 2008). Artificial DNA-nanotube liquid crystals can be orientated by magnetic fields and can be tuned in alignments over a range of buffers and temperatures. This has facilitated structural studies of membrane proteins essential for the development and evolution of new pharmaceutical drugs (Min et al., 2013). This particular application of DNA nanotechnology gives a valuable example of the productive interface between DNA and protein and how several molecules can work together to perform a task.

2. IMPORTANCE OF PROTEINS FOR NANOTECHNOLOGY

2.1 Structure of proteins

Proteins are a functionally and structurally diverse group of biomacromolecules whose roles in nanotechnology have been increasing at a rapid rate over the past decade. Despite their complexity, proteins are robust and versatile building blocks for a vast range of nanoscale applications (Gerrard, 2013). Proteins are complex biomolecules and extremely specialized in their function. They consist of chains of polypeptides that are coordinated by interactions between amino acid sidechains to fold in a specific fashion. Amino acids have different properties depending on the sidechain they carry, some introducing charge (aspartic acid, lysine) others being hydrophobic (alanine, leucine, valine) or polar (serine, glutamine) in nature. Some contain functional groups with the ability to absorb light at certain wavelengths (arising from tryptophan, tyrosine) or to form strong covalent bonds (cysteine) (McMurray, 2000). The intricate yet robust process of protein assembly occurs for each protein in every cell (Figure 3).

2.2 Proteins as a resource for nanotechnology

Proteins are currently seen as exciting templates to create bio-inspired nanodevices. In some cases, protein entities have the capacity to self- and co-assemble into ordered quaternary structures (Heddle, 2008; Whitesides et al., 1991; Zhang et al., 2003). This spontaneous assembly of biomolecules results in the generation of molecular organisations with highly specialized functions (Rajagopal and Schneider, 2004), and can be harnessed to engineer complex two-dimensional and three-dimensional arrays. Due to their structural diversity and ease of tuneability, proteins as building blocks or ‘nanolego’ are extremely powerful compared to liposomes and artificially developed viruses (Vazquez & Villaverde, 2012; Sarikaya et al., 2003). Native bacterial horodopsin, a natural light-driven protein pump, has for instance been used in modern storage nanodevices and energy transduction (Shibata et al., 2010).

The majority of proteins potentially suitable for nanotechnology will require some degree of engineering to enhance a specific function, encourage assembly of a desired higher-order structure or introduce a novel function (Astier et al., 2005, Howorka, 2011). Usually a reorganisation of structure via the fusion of proteins or protein domains is synonymous with the creation of a new entity with a new function.

A protein system that has undergone minimal engineering for nanotechnology applications is the membrane pore-forming protein a-hemolysin (aHL) (Astier et al., 2005). In engineering form, it has been extensively assessed as a highly sensitive nanosensor to detect pollutants, chemicals or biological weapons or medical analytes by stochastic sensing (Bayley and Cremer, 2001; Astier et al., 2005). An interesting development in pumping energy into nanodevices involves engineering aHL pores to contain molecular switches triggered in response to chemical derivatisation, specific metal ions and even light (Chang et al, 1995; Bayley and Cremer, 2001).

2.2.1 Ordered protein arrays

The cell surface of growing bacteria contains layers of identical protein subunits self-assembled into lattices (Pum et al., 1989). These S-layers, which form bacterial and archaeal cell envelopes hold promise in materials science on the nanoscale. One use for engineered S-layer lattices is as an immobilisation matrix for biomedical applications (Schuster et al., 2005). For example, fusion of a S-layer protein and an IgG-binding domain resulted in construction of a novel high-density absorbent for blood purification (Vollenkleet al., 2004). In vitro studies revealed this fusion protein array effectively removed excess autoantibody from patients with autoimmune disease at 20 times the capacity of current immunoabsorbents (Vollenkle et al., 2004; Weber et al., 1994).

Gerstmayr et al. (2007) genetically engineered S-layer proteins from a non-pathogenic bacterium to develop an allergy vaccine. A birch pollen allergen, BetVI was fused to the C-terminal tail of the S-layer protein (Breitwieser et al., 2002). The lattice increased the local concentration of allergen peptides presented to immune cell surface receptors, leading to a boosted immune response compared to single peptides (Gerstmayr et al., 2007).

2.2.2 Protein cages

Natural protein cages, such as ferritin, are roughly spherical in shape with a central hollow space that is completely enclosed (Heddle, 2008). The isolated interior of the structure provides the perfect environment to house materials or carry out reactions that are shielded from the bulk solution, making metalloprotein cages desirable for nanodevices in drug delivery systems (Suci et al., 2009).

A specific DNA-binding protein obtained from starved cells (named Dps) naturally occurs as a small protein cage that houses DNA, protecting it from degradation (Stillman et al., 2005). A ‘ball-and-spike’ nanostructure has been developed by fusing gp5 protein (part of the cell-puncturing machinery from a bacteriophage), to Dps via a linker (Sugimoto et al., 2006). The symmetry of dodecahedral Dps allows four gp5 trimers to be assembled externally on the protein cage surface. Dps can itself be filled with conducting molecules, or gp5 has been modified to behave as an electrode around the central Dps nanodot. Such a system is the basis of extremely small nanoelectronic components (Heddle, 2008).

Enzyme encapsulation within protein-based bacterial microcompartment has been explored using the Pdu shell protein and several cargo proteins such as glutathione S-transferase and maltose-binding protein (Fan et al., 2010). Successful encapsulation of the desired enzyme required the addition of a linker to the cargo protein to direct and bind specific sites on the inner surface of the shell protein. This organisation has potential as nanocarriers or in the transportation of small molecules (Parsons et al., 2010; Fan et al., 2010).

2.2.3 Ring-forming proteins

Tubule and ring-forming proteins provide a naturally appealing structure for the evolution of next generation nanowires and biosensors (Heddle, 2008), as well as for transport of molecules in drug delivery systems (Ostrov & Gazit, 2010; Yan, 2003). Arrays of ring proteins have potential as molecular ‘sieves’ (Figure 4) or as templates for microchips. Micro-arrays constructed of luciferase and GFP have been shown to provide effec-

Figure 3. The overall structure of a protein is a result of the folding of peptide chains into precise formations. Intrins-

ic interactions between these chains dictate how the protein will assemble.
Figure 4. Creating molecular sieves from ring proteins. Electron microscopy (EM) images and schematics show single rings before engineering and the resulting 2D array after engineering (Paavola et al, 2006).

The self-assembly of ring proteins containing metal-binding residues into controllable stable fibres has been observed in the presence of metal nanodots (Heddle et al, 2007). Homo-oligomeric Stable Protein 1 (SP1) from Populus tremulaforms a double-layered six-membered ring (Dganyet al, 2004). Metal-binding His residues introduced into each monomer served as recruitment points for gold nanodots. This caused the rings to self-assemble into tube like chains with each double ring bridged by a gold nanodot (Medalsy et al, 2008). As a two-dimensional array within phospholipids, SP1 forms a well-defined stable hexagonal-packed arrangement that has since been studied as a nanometric memory chip for nanoelectronics (Medalsy et al, 2008; Medalsy et al, 2010).

Covalent bonds between thiol (SH)-containing Cys residues have also been exploited when fabricating new protein systems. The insertion of extra Cys residues into the tubular ribonucleoprotein, tobacco mosaic virus (TMV) provided a platform for fluorescent chromophore attachment to this tubule-forming protein (Miller et al, 2007). The TMV monomers self-assemble into stacks of discs or rods that fluoresced underappropriate conditions so creating a novel light harvesting system. Such a system had applications in solar cells, photocatalysis and as a component in optical sensors.

The intrinsic process of protein self-assembly is the fundamental advantage that has lead to the development of bio-inspired future nanomaterials. Proteins are unlike any other current nanomaterial due their astounding range in structure and function, both of which are tuneable via engineering. The popularity of macromolecular nanotechnology has increased within the past decade (Vazquez and Villaverde, 2010) and will be an area of science to watch as protein building blocks with novel functions are incorporated into developing nanosystems.

3. IMPACT OF BIONANOTECHNOLOGY ON SOCIETY

The natural based nanomaterials discussed will have a profound effect on society and impact fields ranging from medicine to communications, biology and material science. Major benefits of bionanotechnology include improved manufacturing methods and energy systems composed of organic material. Novel water purification systems will improve public health in developing countries while next-generation renewable green technologies will take advantage of natural energy harvesting machines to decrease the dependency on fossil fuels (Ernest and Shetty, 2005; Manoharan, 2008).

Arguably the field that will be impacted most by bionanotechnology is medicine. Already contemporary methods employing biological-based materials are being successfully utilized to treat diseases and develop new vaccines. Medicine will benefit from the use of these materials due to their biocompatibility and no immunogenicity as previously discussed. Furthermore, protein nanovehicles, for example, can be engineered to selectively bind to tumour tissue in cancer patients to release drugs thus improving the selectivity of treatment. It may also decrease the need for invasive surgical procedures and will reduce side effects associated with radiation and chemotherapy (Etheridge et al, 2013).

An additional benefit to employing biological nanodevices is their low toxicity. In contrast to metals and other harmful chemicals, natural-based molecules will not build up in tissues and are readily excreted. This point is also applicable to the use of biomaterials in agricultural science. Biologically based pesticides will break down more readily that synthetic pesticides and will not decompose to form harmful products that poison soil, crops or water (Dreher, 2004).

Despite the positive impact bionanotechnology will have on society, there are also drawbacks. In particular, if natural systems have been engineered to become semi-synthetic or synthetic there is a chance these forms could be harmful to the body or environment since their toxicity would be unknown (Yearly, 2009; Dreher, 2004). Important lessons for nanotechnology can be learnt from genetic engineering, including public awareness as well as introducing pre-emptive policy initiatives and applying regulations in the beginning that can be relaxed over time. Education is also essential in minimizing risks in synthetic biology. Biosafety training and responsible handling of samples in tertiary education will provide future researchers with a sound grounding in synthetic biology safety.

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### Disaster Response Robotics

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#### 1. NATIONAL CENTER FOR DISASTER REDUCTION

NCDR act as the technology advisory staff to the National Disasters Prevention and Protection Commission, Executive Yuan (R.O.C. Taiwan). NCDR coordinates and collaborates with governmental sectors for planning, organizing and promoting technology innovation, providing a platform of information service and technology integration, plus designing the policies of disaster prevention as illustrated in Figure 1.

The sustainable development can then be consolidated by the improvement of disaster management capacity in whole and the assurance of the homeland security with the reduction of casualty and property loss. The function of the NCDR is illustrated in Figure 2. NCDR is responsible for integrating local Industry-Government-Academia capabilities in disaster prevention and response. It facilitate the vertical integration of the disaster prevention and response technical development system to bring technical R&D results closer to people’s surrounding environment and enhance security and happiness in life.

In addition to promoting developments in the disaster prevention industry, it is also proven that disaster prevention works fall under the technology service industry category. The major projects developed are summarized as:

- **Typhoon:**
  - The strengthening of the typhoon/flooding disaster response decision support system.
  - Typhoon/flooding disaster data collection and add-value analysis.
  - Typhoon/flooding disaster response analysis improvement technique.

- **Earthquake:**
  - Study on promotion of earthquake early warning system.
  - Research on large-scaled earthquake disaster mitigation and emergency response for metropolitan areas.
2. DISASTER REDUCTION PROGRAM

In 1998, NSC (National Science Council), Republic of China (Taiwan) began promoting "National Platform for Disaster Management Program". After Typhoon Morakot, there is an increasing demand for application of science and technology in disaster prevention from the government. Executive Yuan played the leading role in upgrading the management platform to ensure sustainable use of natural resources. NSC then promoted "Program on Applying Science and Technology for Disaster Reduction" so that science and technology on disaster reduction will be widely applied. The latest revised topic is illustrated in Figure 3.

The approved integrated and individual projects plans are illustrated in Table 1.

A total of 6 integrated and individual projects are accepted in year 2014 (with a passing rate of 21%), the research topics:
- Archive, application evaluation and prospects of Disaster Prevention Technology.
- Disaster prevention industry investigation and trend assessment.
- Set up performance evaluation system for disaster prevention and response.

3. CENTER FOR INTELLIGENT ROBOTICS

This section highlights the related R&D development of Center for Intelligent Robotics, National Taiwan University of Science and Technology, Republic of China (Taiwan). The achievement are summarized as follows:
- 2012, Developed a multi-axis robot system with the visual servoing technique for the object tracking mission. The system involves a robot with a camera unit, a 6-axis arm unit, a projection unit and a control unit. The stationary vision unit estimates the position of the interested moving target and the control unit moves the aiming direction of the end effector of the 6-axis arm so that the co-axial projection unit on the end effector can shoot (aligned to) the target. The projector unit can be replaced by a zooming camera or nay other device so as to deliver a rescue mission. The systematic diagram can be seen in Figure 4.

Figure 3. Topic in Disaster Reduction.

Table 1. Projects funded.

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<tbody>
<tr>
<td>Earthquake (tsunami) prevention technology</td>
<td>7</td>
<td>7</td>
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<tr>
<td>Disaster prevention and information service platforms</td>
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<td>2</td>
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<tr>
<td>Assessment and monitoring for Infrastructure (bridges)</td>
<td>7</td>
<td>1</td>
<td></td>
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<tr>
<td>Large-scale landslides prevention technology</td>
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<td>Flood prevention technology</td>
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<tr>
<td>Drought and water sources</td>
<td>5</td>
<td>6</td>
<td></td>
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<tr>
<td>New issues (volcanic eruption and complex disaster)</td>
<td>3</td>
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</table>

Figure 4. Systematic diagram.

4. AUTONOMOUS MOBILE ROBOT LABORATORY

The Autonomous Mobile Robot Laboratory is a member laboratory of Center for Intelligent Robotics in National Taiwan University of Science and Technology, Republic of China (Taiwan). This section highlights the R&D achievement in Disaster Response Robotics contributed to disaster prevention and rescue as follows:
- 2011, Developed and successfully conduct an autonomous UAV flight (taking off, landing, hovering and designed trajectory) with the 1st aerial mobile robot in National Taiwan University of Science and Technology.
- 2012, Develop the 2nd ground mobile robot in the world that is equipped an onboard novel micro-spectrometer which is also design and fabricated from the same research group (The first one is Curiosity Rover in Mars by NASA, USA). Successfully conducted remote sensing and perception to identify the unknown chemical solution in National Taiwan University of Science and Technology.
- 2013, Developed and successfully conduct an autonomous joint operation between ground and aerial mobile robot in National Taiwan University of Science and Technology.
- 2014, 1st fully Made-In-NTUST UAV (from design to fabrication, from hardware to software) is achieved and successfully conduct an autonomous UAV flight (taking off, landing, hovering and designed trajectory).
- 2014, Developing the Integration of marine AIS (Automatic Identification System) and UAV (Unmanned Aerial Vehicle) and WSN (Wireless Sensor Network) aiming at Marine Disaster Prevention and Rescue.

4.1 Aerial and Ground Mobile Robot Collaboration

Natural disasters had caused huge economic and life loss, such as Japan’s Fukushima Daiichi nuclear plant disaster. The wind and rain disaster, earthquakes and marine pollution also occur frequently in Taiwan. The demand for the disaster response robotics is increasing in recent years. However, few research pay attention on multiple robot collaboration especially between the aerial and ground mobile robot.
This work propose a visual servo navigation for UAV (unmanned aerial vehicle) and GMR (ground mobile robot) collaboration as the scenario illustrated in Figure 5.

Figure 5. Scenario.

Modelling of the system and stability analysis is performed to obtain the optimal parameters in hovering controller. The accuracy for UAV hovering is 23.87 cm in a horizontal plane and 32.79 cm in the vertical direction. The computation time of each image frame is 126.33 ms. The error in GMR final position is found to be 85.89 cm.

The visual servo control in UAV guides the GMR to arrive at the destination without obstacle collision. The de-centralized hierarchical architecture is applied in which the remote center acts as the primary control (high level control) in cooperation with UAV and GMR (low level control) to reduce the computation burden.

Figure 6. Communication protocol.

The UAV hover at an optimal attitude as shown in Figure 6 for visual perception, ground mapping and localization of GMR, target and obstacles. The shortest collision free path is generated for the GMR to arrive the target. A hierarchical networked control system consists of the main high-level navigation controller and a remote low-level closed-loop system is also proposed as shown in Figure 7.

Figure 7. Hierarchical networked control system.

A six and four rotors UAV are constructed as shown in Figure 8. The on-board sensors on both module include motor controlled CCD camera with fish-eye lens, compass, GPS, IMU (accelerometer and gyroscope) and barometer. The 6 rotor module have higher stability w.r.t. wind resistance but suffers from higher power consumption while the 4 rotor module is the other way around. A differential drive wheeled GMR is constructed as shown in Figure 9.

Figure 9. Constructed GMR

It is equipped with an embedded low level motion controller, 16 ultrasonic sensors in a circular arrangement, camera (Kinect and Pan Tilt Zoom), manipulator, gripper, laser range finder, micro-spectrometer, compass, GPS and IMU. This work has successfully proven of the concept of the prototype joint operation between aerial and ground mobile robot and demonstrated the stable UAV hovering and aerial image acquisition, objects detection and navigation of the ground mobile robot.

4.2 Localization and Quantification of Oil Spill

This work aimed at real-time, automatic and onsite localization and quantification of oil spill in water as shown in Figure 10.

Figure 10. Scenario.

The video, location, existence and thickness of the oil spill are transmitted to the ground station. UAV positioning error (Euclidean distance, altitude) rated at (14 cm, 20.7 cm) and (13 cm, 7.5 cm) hovering in 1.5 m and 2.2 m altitude respectively. The classification error rates from 4.36 - 19.72% between 10 - 250 ml oil, it reduces under higher number of hidden neuron and epoch. A novel system integrated UAV and micro-spectrometer. It’s the 2nd mobile robot in the world using the micro-spectrometer for remote sensing (The 1st one is Curiosity Rover in Mars). Unmanned localization and quantification of oil spill is achieved. The camera on-board is for tele-operation by remote station to search the desired target area. UAV maneuverer manually to the suspicious area and transmit back the video to ground station. It also allows the operator to control the UAV fly to the desired pose (altitude, latitude and longitude).

4.3 Real-time Face Tracking and Recognition

The terrain is complex and dynamic in a disaster.
This work aimed at constructing a multi-pose specific feature model for online face recognition and tracking in a search and rescue operation. This work proposes an integrated multiple pose face tracking and recognition system mounted on an UAV (Unmanned Aerial Vehicle) as shown in Figure 13.

Figure 13. Proposed system flowchart.

The results show that the proposed system achieves stable and robust tracking despite uncertainties (e.g. non-rigid human face, face expression changes, different face poses, complex background, varying illumination, partial visual occlusion, and pose changes). The target loss during tracking can be retrieved correctly.

In face recognition, the multi-pose specific face model can achieve an accuracy (above 70%). The results demonstrate the feasibility of the proof-of-concept using UAV or GMR (Ground Mobile Robot) for real-time faces recognition and tracking.

Hexa and quad rotorcraft are constructed to test the proposed system as shown in Figure 14.

Figure 14. Face recognition and tracking tested on 2 UAV.

4.4 Marine Disaster Rescue 8-9

The AIS (Automatic Identification System) is an automatic tracking system used on ships and by vessel traffic services (VTS) for identifying and locating vessels by electronically exchanging data with other nearby ships, AIS base stations. However, it suffers from the following limitation:

- Scan range from AIS base stations is short (line of sight).
- Limited height and location on AIS base stations.
- AIS base stations is stationary on land.

This project aimed to integrate AIS (Automatic Identification System), UAV (Unmanned Aerial Vehicle) and WSN (Wireless Sensor Network) to overcome the above limitation and apply it for marine disaster rescue (Coast Guard to search the marine ship in disaster) as shown in Figure 15.

Figure 15. Proposed scenario of marine rescue operation.

The advantage is:

- Larger of AIS scan range (line of sight increased).
- Larger AIS base stations height.
- Mobile AIS base stations.

The proposed task include:

- Development of a larger UAV (higher payload, longer time of flight, and higher altitude) for marine flight.
- Turbulence (Autonomous behaviors: obstacle avoidance or trajectory tracking).
- Develop autonomous landing of the UAV on the marine ship in motion.
- Develop the UAV module integrated with AIS (independent or integrated).

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“Vessel Traveler” New Type of Bio-Medical Machinery
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1. INTRODUCTION

Recently, keeping one’s health has been capturing people’s interest. As person gets older, because he/she is a human being, every individual’s body brings various illnesses. As soon as their bodies have problems, people get worried with their health and begin to look for check-ups. It would not be a hard task to have them examined if the patients are locating near local hospitals. However, people at medical blind spots the areas which there are no hospitals can not be served correctly by regular medical services. “Vessel Traveler” (VT for entire paper) is invented to solve this difficulty of medically blinded patients. By using VT, these patients can be examined remotely easily. Therefore the subject of this paper is focused on introducing innovative aspect of VT, related technologies used for VT and design issues.

2. INNOVATION

In modern medical research field, remote diagnosis using newly developed technologies has been a controversial issue globally, whether to approve the technology as a legal pursuit. However mechanical devices for human body check-ups are in great demand for people mentioned above. The group mentioned earlier includes elderly people, physically disabled and individuals located in places where there is no medical service facility. Commonly, these people require remote medical examination in their residence. In this prospective, inventing a new type of mechanical machinery is apparently a mandatory procedure. VT can be a solution for this demand. Mainly focused on diagnosing a patient’s body condition, VT can provide various data, based on analyzing patient’s blood sample. Basically, VT is designed extremely small so that it can travel through blood vessels. At this point it is clear that the machinery should be smaller than the width of the narrowest blood vessel which is capillary. Capillary has diameter of about seven to nine micrometer which is even quite narrow for blood cells to pass. In order to produce VT, we need precise and minimized manufacturing technology. Another innovative aspect of VT is that this machinery can operate without leaving any scars on patient’s body. By inserting extremely small machine through needle into blood vessels, all the external procedures are finished. Once it is inserted, it automatically travels around and performs its duty. Not making scar on patient’s body has been important factor in modern operation procedure because patients’ aesthetic interest has been enlarged. Along with further research it would be possible to perform simple operation such as stent insertion for coronary occlusion. Through inventing of VT, it is possible to open wide area of medical innovation via deeper understanding of technology.

3. TECHNOLOGY

VT is a cluster of various technologies. VT should function as automatic machine which can operate without controlling. To accomplish this task the machine should be programmed so that it can perform, just as an engineer intended. Programming should be focused on movement of the machine. Creating stable movement is highly important for users due to patient’s safety. VT performs inside blood vessels, therefore machine’s stability and reliability should be guaranteed. In control engineering view, an engineer can apply Routh Array stability criterion and Nyquist stability criterion to estimate the system’s reliability. In addition, for VT’s main function which is collecting data and measuring various numerical values, it should be equipped with sensors to sense out targeted substances, also it should be able to do simple calculations. But most basically, the machine should be able to communicate with external instrument to visualize the result of performance. First, minimalized computing chip can calculate simple calculations based on designed program. Next, remote communication with external instrument can be accomplished with radio communication technology which is applied commonly in electrical appliances. However using radio communication device as a remote access to an external instrument can be hazardous for human body because of electromagnetic wave
diffused out from the device. Lead has been known as a protection for electromagnetic wave but lead itself is a toxic material to use as a bio-mechanical machine. This is a major problem in designing VT. Further research should be approached in this direction to solve the problem. Selecting appropriate material is another key issue to consider. Possible option can be a stainless steel and cobalt-chrome alloy. These metals are materials used for stent surgery. In stent surgery a surgeon uses a device which should be located inside blood vessels. Consequently the materials are to be the most reasonable selecting option for VT. But difference between stainless steel and the cobalt-chrome alloy exists. Cobalt-Chrome alloy has more ductility which is beneficial for engineers because they should create extremely small and compact machine. In addition, Co-Cr alloy has large capability of corrosion resistance which means VT can be durable for long duration while it is placed inside human body. This feature is critical. Result of missusage of material would be fatal, because, due to watery environment, VT can be corroded then it can arouse artificial occlusion in blood vessels. Lastly VT should be equipped with cooling method to maintain adequate temperature. Cooling device also have to be compact and effective so that it can dissipate heat easily. Recommendable technology can be a heat pipe. Heat pipe technology is also applied to heat dissipation method for cellular phones. Phase Change Material (PCM) can be another option. However since PCM’s phase is liquid in human body temperature, it can be difficult to apply PCM in the VT. Also limited amount of liquid would not have sufficient amount of heat dissipating capability.

4. DESIGN

Main focus in designing VT should be a minimizing the machine. VT’s size must be smaller than a diameter of the narrowest capillary. It would be approximately 7 micrometer. Yet modern nano technology cannot manufacture such size machine. With current manufacturing skill, it is difficult to succeed in precise production as well. Therefore, further studies should launch looking for solutions for this problem. External design can be also discussed. Especially outer shape of the machine might be circular shape which would not damage vessels. Inducing scars at inner wall of vessels can arouse side effects. Discussing specific design of the product has difficulties because this machine is in middle of invention. Appropriate design will be devised as more improvements are committed.

5. CONCLUSION

About 78% percent of patients who abandoned their opportunity to be cured, give up their chances to be served with sufficient medical service because of high medical payment. People happen to have severe disease which can be cured if they had chance to be examined earlier. These problems are becoming global social problem. World needs cheap technology to save these people from suffering. VT’s invention is based on a cheap technology. This machine is devised to erase out medically blinded spots and to decrease economic burden of patients. Although the invention is not apparently clear, further research would finish developing the device which can perform medical duties for human being of this planet.

Microfluidics and Lab-on-a-chip Technology for Cheaper, Better And Faster Health Services

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Those of a certain generation will immediately remember that a tricorder is a handheld device scanned around a person in the television program StarTrek. This science fiction device could diagnose nearly any ailment and even treat some of them, and isn’t a bad place to start a discussion of microfluidics and lab-on-a-chip technology.

A science fiction device (a tricorder) being used to diagnose a character on the television program StarTrek Voyager.

Miniaturation, microfabrication and nanofabrication have been key engines behind the information technology revolution that has so recently and profoundly changed our daily experience. Semiconductor research at Stanford University in 1970s made it possible for an analytical chemist there to micro-fabricate the first miniaturized gas chromatography system in a silicon wafer [1]. The reduction in size meant molecules could be separated much faster than on conventional systems, and this engineering innovation marked the beginning of microfluidics.

It took a decade to gain momentum as scientists and engineers began to exploit the advantages of miniaturization for analytical chemistry, advantages including increased speed and higher performance. The blood glucose monitor and the home pregnancy test were good examples of point-of-care diagnostics, but for more than a decade these two examples stood alone, and they only did one thing. It wasn’t until 1990, when Andreaz Manz coined the term Micro Total Analysis Systems [2], that we could say that scientists began to work on the dream of the tricorder.

This idea, the integration of various chemical and biochemical analyses into a single device, was immediately attractive, especially in the wake of ultra large scale integration in microchips and the tech industry bonanza that was Silicon Valley. The new field of microfluidics and lab-on-a-chip devices required a very multidisciplinary skill set and had relevant outcomes across a similarly broad range of industries. Universities researchers in physics and chemistry departments, electrical, mechanical, chemical and biomedical engineering departments, medical science and pharmacology began to work in this area The late nineties and the noughties produced the highest impact scientific discoveries in the field, new journals and conferences dedicated to the area were established, and many start-ups were created.

One early landmark was from Stephen Quake and colleagues at Stanford University who pioneered devices made of biocompatible silicone rubber and demonstrated a fast, reliable fluidic valve. A direct analogy to the power of integrated circuits, these tiny valves enable precise control over biology and chemistry on a micron scale.
Mainstream chemical separation technology quickly adopted miniaturization, while academic researchers demonstrated new ways to separate biomolecules such as DNA on microchips. Nanotechnology was developing in its own right, and directly reading DNA on a base pair at a time began to look possible. Instead of just borrowing techniques from the semiconductor industry, thousands of papers were published on microfluidic device fabrication, bonding and integration. Researchers also demonstrated many different optical and electronic schemes for detecting molecules on reusable and disposable cartridges. This skill and knowledge base has been essential to the more recent commercial success of microfluidic devices.

Scaling processes that were once conducted in a test-tube were being converted to micron-sized channels or chambers. This amplifies the importance of surface tension and surface chemistry, including adhesion, sorption, and surface chemistry work, led to a new understanding of circulating tumour cells in 2007. Toner and Colleagues at Harvard University used a microfluidic device to show that tens of metastatic tumour cells can be found per mL of blood when a solid tumour is present somewhere in the patient [4]. Promising new techniques abound, well-mixed containers of water) in a wide range of academic and industrial processes.

Creating structures on exactly the same size scale (1-10 microns) as biological cells has also lead to unexpected results in separation and detection of cells. The approaches have essentially solved the problem of membrane clogging in particle filtration. ‘Deterministic lateral displacement,’ a sort of miniaturized fluidic coin sorter, continuously sorts blood cells by size using an array of tiny obstacles. Another exciting advance in microparticle and cell manipulation has been inertial separations which use forces that only exist at very high laminar flow rates coupled with smart microchannel design to extract large cells from complex mixtures without clogging.

Experimental set-up and scanning electron microscope image of microfluidic device for isolation of rare circulating tumour cells [4].

Particle separation work, combined with surface chemistry work, led to a new understanding of circulating tumour cells in 2007. Toner and Colleagues at Harvard University used a microfluidic device to show that tens of metastatic tumour cells can be found per mL of blood when a solid tumour is present somewhere in the patient [4]. Promising new techniques abound, well-mixed containers of water) in a wide range of academic and industrial processes.

In contrast to the many failed microfluidic start-ups, a pioneer in commercial microfluidics, Agilent has been selling the Bioanalyzer for nearly a decade. It is a benchtop device the size of computer that uses glass microfluidic chips to analyse DNA and other molecules by electrophoresis with fluorescence detection. They have sold many thousands of units and have expanded the machines’ capability to include basic flow cytometry.

The Agilent Bioanalyzer, one of the earliest and most enduring microfluidic products.

In 2011 the chip-maker for the Bioanalyzer, Caliper Life Sciences, was purchased by PerkinElmer who launched a competing compact analysis system using microfluidic chips.

Other recent success stories include: Gyros, who recently partnered with biotech giant Merk Millipore to supply automated workstations using plastic microfluidic discs for pharmaceutical testing and development; TearLab, which sells a device for rapid diagnosis of an ocular disorders in 50 mL of tear fluid; Abbott Point-of-carewhich has sold more than 50,000 handheld, point-of-care, cartridge-based devices for measuring blood chemistry [5]; Alere, which offers a wide range of point-of-care devices for diagnostics and is selling millions of tests per year; and Cepheid which makes a PCR-based device and kits for rapid detection of hospital-acquired infections such as methicillin-resistant Staphylococcus aureus and C. difficile.

Clearly what has changed since 2002 is that there are now countless examples of microfluidics and microfabrication in commercial biomed and biotech products that are actually selling and being used. These products are a diverse range of specific applications of microfluidics where the microfluidic components remain largely hidden.

According to a 2012 article in Drug Discovery World [5], 9 of the top 15 pharmaceutical companies are using micro reactors. These micro-reactors may be nanolitre wells or droplets which deliver all the promises of microfluidics: precise control of time, temperature and mixing, delivery of better quality control, and lower chemical and chemical development costs. The same article claims that the top 15 medical diagnostic companies have invested more in microfluidic technology in the last 3 three years than in the previous 15. RnR Market Research [6] and Drug Discovery World have predicted that the microfluidics market will grow at an annual rate of 18% and 24% annually over the next few years.

With almost certain growth in this new industry, we can ask what is the state of the art and what current research areas will next be commercialized. Some of the most exciting work of late has involved organs on chips. Here, researchers are producing devices that demonstrate significant functional capacity that resem-
bles organs such as lungs and intestines. These devices recreate the tissue interfaces, spatio-temporal chemical gradients and mechanics of human organs and are providing researchers and drug developers with non-animal models to conduct basic science and product development [8].

The majority of commercial point-of-care devices currently available make use of chemical tests, but there is a need for cell-based assays such as chromosomal testing, white blood cell counts, and abnormal cell counts including tumour cell detection. There has been a significant amount of work done in this area recently, particularly on detecting circulating tumour cells. It is likely that commercial devices for this will soon enter the mainstream medical diagnostic market. This, coupled with advances in genomics and proteomics, means it may soon be routine to find abnormal cells (such as cancer cells) and determine just how dangerous they are on a single device from a routine blood sample.

While microfluidics technology is certainly making entries into the high end of healthcare, it has not yet fulfilled the goal of improving healthcare access in the developing world. To do this the cost per test needs to fall well below what is acceptable in the biggest healthcare markets and often different diagnostic tests need to be developed. Paper based microfluidics are one current area that make enable this. Paper-based microfluidics use the wicking ability of paper to move fluid samples, much like the lateral flow assay in the familiar home pregnancy test, but implement more complex structures for sample prep, control, timing and multiplexing [9].

Expanding the capacity and improving the user experience of microfluidic devices, including paper-based devices, may involve the smart phone. The international popularity of this device, coupled with its technical sophistication and high quality camera have enabled many researchers to demonstrate smart-phone readers for microfluidic devices [11]. A smart-phone adapter that enables operation, read-out, analysis, and communication of a medical test is likely to lower the cost per test and may be a way forward for some point-of-care tests.

From a clinical perspective, there are possibly too many point-of-care devices. It would be ideal if some of these multiple devices would coalesce into something more universal and ultimately much more powerful. Just as the universal serial port (USB) has enabled interchangeability of computer devices, moving toward a more user friendly point-of-care device will require standardization of optical, electrical and fluidic connections. An actual tricorder is still science fiction, but the lab-on-a-chip is a reality.

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Figure 1. PWR SNF XRF 12 hour measurement showing the low signal to noise ratio at the 103.7 keV Pu XRF line (July, 2008) [1]

If we reduce the background we can have better signal to noise ratio. And if the signal to noise ratio is better quantifying the Pu content will be easier too.

The previous works (Goodsell A.V., 2012) show that it is possible to use a quartz-crystal spectrometer. This system consists of several parts: two collimators, Bend–crystal, HPGe detector and a sample. A simplified installation scheme proposed in a study by Goodsell A.V. (2012) is shown in Figure 2.

1. INTRODUCTION

The aim of this project was designing equipment and conducting an experiment with the natural uranium.

There is a challenge of accurate quantification of the plutonium content of non-destructive assay. For fulfilling this task it is possible to analyze the ratio of Pu and U to the energy spectrum of the spent nuclear fuel. However, the problem is that the percentage of Pu content is a little higher than the rate of the noise. Goodsell A.V. described the occurring situation. There is a spectrum in Figure 1.

Figure 2. The basic experimental setup for the transmission-mode, quartz crystal spectrometer mode [1]

Where λ - is the photon wavelength, d - is the crystal’s interplanar spacing, θ - is Bragg angle of the diffraction and n - is a positive integer. Thus, an array of x-ray energies and their corresponding wavelengths will each have a unique, first-order Bragg angle.

If a single crystal quartz at orientation (4,0,4) on the face is used, then the energy range of interest for the peaks correspond to the angles shown in Table 1. For this crystal the manufacturer guarantees a fixed orientation with high accuracy, with the lattice parameter d = 0.164 nm.

Benchmarking a Crystal Spectrometer for Direct Measurement in SNF

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X-rays pass through the first collimator and then a narrow quantum flow comes to the crystal. Then this beam goes through the quartz crystal for diffraction. As consistent with Bragg’s Law different energy of the quanta will have different angles of diffraction. In addition the secondary collimator behind the crystal is designed in such a way that only photons of about the desired energy pass through to the detector.

Wavelength-dispersive spectroscopy uses a crystal of known properties to diffract x-rays according to Bragg’s law (Goodsell A.V., 2012):

\[ n\lambda = 2d\sin\theta \] (1)
The peak of plutonium is to be allocated 103.7 keV for the experiment, for which the double Bragg angle is 8.447 degrees.

Since the peaks of different energies are very close to each other and the angles of the neighboring peaks differ insignificantly, it is necessary to create the design of the installation carried out with high accuracy.

2. THE EXPERIMENT

Firstly there was some concern about position of the bend – crystal; there could be a big inaccuracy in diffraction. Nevertheless, there are several points which settled this issue such as:

- The vendor guarantees that the inaccuracy of the crystal orientation can be less than 0.20
- Considering any inaccuracy of the quartz position the central line still will not change.

Figure 3 and Figure 4 show experimental equipment that was designed. In this project the installation design was based on the previous work (Goodsell A.V., 2012).

3. CONCLUSION

During the project the equipment was designed and assembled for the Direct Measurement in SNF. The design of the installation is shown in Figure 5.

The experiment showed that there was not enough X-rays in the case with the first collimator and the mathematical cone model proves it. There was not enough intensity in natural uranium.

Thus, the next step is to check this theory with the sources for the experiment. The data of article “The Use of Self-Induced XRF to Quantify the Pu Content in PWR Spent Nuclear Fuel” shows that intensity is really high. The most important is that the quantum flow will be parallel because the collimator has length of roughly 1,5 meters. (Fig.6).

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Overview of Intense Pulsed Ion Beam Technology for Application in Material Science in Tomsk Polytechnic University

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1. INTRODUCTION

The development of advanced materials with preselected properties is one of the main goals of materials research. Of especial interest are electronics, high-temperature and superhard materials for various applications, as well as alloys with improved wear, corrosion and mechanical resistance properties. The energetic charged particle, electron and ion beams offer the possibility of modifying the properties of the near-surface regions of materials without seriously affecting their bulk. One of the most promising methods for modification of material surfaces is Intense Pulsed Ion Beam (IPIB) treatment. IPIBs have been under investigation since 1970s in Japan, Russia, Germany, and the United States for materials processing applications since they have unique features. IPIB treatment (treatment time < 0.1 microsecond) provides intense heating and cooling of the material surface at a rate of more than 10^9 K/s, allowing compounds and structures to be realized in surface layers which cannot be made by traditional industrial methods. IPIB treatment changes the characteristics of materials, such as: solidity, strength and wear resistance with the operational characteristics of treated items improving.

In this paper we present an introduction to and summary of intense ion-beam technology for materials processing developed at Tomsk Polytechnic University.
Self-magnetically insulated diodes utilizing an explosive-emission cathode, graphite being the most common choice of material, have an operational lifetime of up to 107 shots, since there is negligible degradation of the electrode surface, which make it promising for various technological applications.

4. APPLICATION OF INTENSE ION BEAMS

Possible applications of the ion beam formed by the TEMP-4M accelerator developed at TPU are vast and include: 1) surface hardening of items made from steel and other hard alloys, 2) formation of biocompatible CaP coatings on medical implants, 3) deposition of GaAs and InP semiconductor film, 4) short-pulse implantation of carbon ions and protons in a silicon target.

4.1 Treatment of cutting tools by Intense Pulsed Ion Beams

One of the earliest directions of IPIB application was connected with strengthening cutting tools. Treatment of steel tools irradiated by TEMP-4M ion beam, with a current density of more than 100 A/cm², leads to the formation of fine-grained structures in the near-surface layer. After IPIB treatment, previously polished specimens were found to have increased surface roughness, whilst with unpolished specimens the surface roughness was reduced. IPIB treatment leads to an increase in iron carbide content in the surface layer of steel specimens. The molecular structure is modified in a surface layer up to a depth of 40-50 µm (leading to an increase in microhardness). Modification of the surface layer though IPIB treatment lead to increased wear resistance of cutting tools by a factor of between two and six [3]. Fig. 3 shows a SEM (scanning electron microscope) picture of treated and untreated steel item.

Research on strengthening cutting tools, made of hard alloys on a base of tungsten carbide and titanium carbide has been carried out. Fig. 4 shows the dependence of wear on time for a hard alloy cutting plate. The operational (cutting) time is increased after the IPIB treatment and post-treatment thermal annealing by as much as three times, compared with untreated tools.

4.2 Surface cleaning from impurities

The IPIB irradiation of items results in removal of light-melting and carbohydrate admixtures. An increase in the current density leads to removal of the surface layer [5]. Layers with 0.1-1 µm thickness can be removed with one shot of the TEMP-4M accelerator. The energy consumption is about 1 kW/h/m². The efficiency of such treatment is very high. The beam erosion treatment can be used for cleaning the surfaces before the deposition of different coatings. In particular, the adhesion of wear resistant titanium nitride coating is increased when the samples were cleaned by IPIB before the deposition. The beam erosion treatment was used for cleaning blades of gas turbines after use in aviation engines. Operation characteristics of the used blades, made of VT9 and VT18Y, were increased up to the level of new blades [5].

4.3 Formation of biocompatible CaP coatings on medical implants

Biocompatible calcium phosphate (CaP) coatings are widely used in stomatology and traumatic surgery. This material is very appropriate for the medical areas, due to it provides connection hardness of metal implants with bone tissue. Method of coating deposition from ablation plasma, which is generated during interaction of CaP target and intense pulsed ion beams (IPIB), has very promising potential. Researches in [3] show that IPIB technique allows produce nano-sized, multilayer coatings of any kind of materials: metals, alloys and ceramics. Structure of such coatings is inter-change of nanosized layers, in turn growth and size of formed phases are restricted by thickness of depositing layer. The schematic of coating deposition is given in Fig. 4.

Calcium-phosphate coatings deposited by ablation plasma, which, in turn, was generated as result of interaction of high-power pulsed ion beams with natural hydroxyapatite target have high nano-hardness, good elastic and plastic properties. Adhesion of coating is too fast deposition speed. Mechanical and tribological characteristics of deposited coatings allow to consider an ablation plasma of high power pulsed ion beams as very promising methods of biocompatible calcium-phosphate coatings production for reconstructive surgery of bony tissues.

CONCLUSION

The TEMP-4M pulsed ion beam accelerator is a prototype of a technological machine which by using a graphite electrode has provided years of service free operation. Furthermore the ion beam parameters can be

Figure 1

Figure 2

Figure 3

Figure 4
Applying the Synchrotron Radiation for the Studying Combustion of the Aluminum Nanopowder in Air

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INTRODUCTION

Scientific and practical interest in aluminum nanopowders is firstly due to the prospects of their use in rocket propellants, hydrogen power engineering, and powder metallurgy. Meanwhile, an example of specific application of Al nanopowders is obtaining aluminum nitride by combustion in air [1].

The modern electronics industry widely uses substrates of aluminum nitride because it has high thermal conductivity and is a dielectric, so that studying the mechanism of aluminum nitride formation and improving its production technology are urgent problems [2].

RESULTS AND DISCUSSION

At atmospheric pressure, aluminum nitride does not form a liquid phase, and it grows only from a gas phase. In the classical view, this process requires low temperature gradients and small vapor supersaturation and should occur at low rates for a relatively long time [3]. Under high temperature gradients or large supersaturation, i.e., under nonequilibrium conditions, aluminum nitride whiskers are formed [2]. At the same time, combustion of aluminum nanopowder under the influence of a constant magnetic field produces aluminum nitride microcrystals of hexagonal shape [2].

In the combustion of aluminum powder with free access of air, the main final product is aluminum nitride in the form of an independent crystalline phase. In this phase, the weight content of aluminum nitride is 30–90% [1]. The combustion of an Al nanopowder sample in the form of a freely poured cone or a compacted cylinder occurs in two stages: the first is characterized by low temperatures due to burnout of the hydrogen absorbed by aluminum nanoparticles, and the second corresponds to aluminum oxidation with oxygen and nitrogen in the mode of thermal explosion. The thermal explosion is characterized by a sharp increase in the sample temperature from 800 to 2400˚C for 5–10 s, and is not accompanied by expansion of the burning sample (combustion products) and formation of a high-velocity gas stream. The second stage of combustion is the formation of aluminum nitride in the form of whisker crystals [2].

The experiments were performed in the Budker Institute of Nuclear Physics, Siberian Branch of the Russian Academy of Sciences, Novosibirsk, using the Station “Precision Diffractometry II” (SR channel No. 6 of the VEPP-3 electron storage ring), and the wavelength of the incident radiation was 1.0731 Å. Detailed information about the equipment and parameters and photographs of the diffractometer with the OD-3M one-coordinate detector are available on the Internet [4].

EXPERIMENTAL PROCEDURE

The samples were prepared by compacting the aluminum nanopowder in a steel press mold under a pressure of 7.5 MPa. The diameter of the obtained cylinders was 10 mm, the height was 7 mm, and the weight 0.4 g.

According to the results obtained, aluminum initially reacts with air oxygen, which heats the sample. In the range of 8–15 s from the beginning of combustion, the combustion products are in the gas phase and are varied by using different diode configurations. TEMP-4M is fully equipped with diagnostic equipment, providing operational control of the main parameters of the ion beam. The combination of high efficiency, good shot-to-shot reproducibility, simplicity of design and configuration, and long service life (more than 107 pulses), makes the TEMP-4M machine very promising for industrial applications where high-energy beams are used for the surface modification of materials. It is obvious that the mentioned investigations include only a small part of the possible applications. Evidently, the industrial applications of IPIB sources are very promising.

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not detected using synchrotron radiation. Formation of the crystalline phases of the products on the sample surface starts at the 15th second after the initiation of combustion. Based on the ratio of the reflection intensities, the main products of combustion of aluminum on the sample surface and in the volume of the sample are Al2O3 and AlN, respectively.

According to the diffractograms of the burning sample surface obtained using the synchrotron radiation (fig. 1), the formation of the crystalline phases goes through the following stages.

1. After initiation of the combustion and heating of the aluminum nanopowder, the intensity of the diffraction maxima of metallic aluminum decreased: the diffractogram shows the first stage of the two-stage combustion process, which involved melting of aluminum inside the powder nanoparticles at a temperature 660°C.

2. During the reaction of nitride formation, which corresponds to the second stage of combustion, the diffractogram did not show reflections of metallic aluminum and the temperature of the sample abruptly increased.

3. About 15 s after the initiation of combustion, the crystalline phases of aluminum oxide and silicon oxynitride (Al5O6N) began forming.

4. The formation of the crystalline phase of aluminum nitride and metallic aluminum was observed after about 22 s from the start of combustion.

CONCLUSIONS

1. In the products of complete combustion of pressed samples of aluminum nanopowder, the main phase (100% reflex) is aluminum nitride, and the content of the remaining crystalline phases does not exceed 27% (fig. 2).

2. In the combustion of aluminum nanopowder, aluminum γ-oxide is the first to form.

3. The formation of aluminum probably occurs by successive displacement of oxygen by nitrogen from the aluminum oxide.

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1. THE SYSTEM BASED ON COAXIAL MAGNETOPLASMA ACCELERATOR

Plasma technologies and plasma accelerators are widely-spread in many fields of science and industry. Nowadays one of the most perspective ways of space technologies development is a creation of magnetoplasmadynamic thrusters. In prospect it will allow to make space travels quicker. Also using of plasma accelerators is interesting due to possibility of its application in stellarators and tokamak reactors [1].

Another perspective way of magnetoplasma technologies application is the synthesis of ultradispersed powders of different hard and superhard materials by using coaxial magnetoplasma accelerator (CMPA) [2]. Such type of plasma accelerator was developed in Tomsk Polytechnic University. It allows to create high energy parameters of temperature and pressure, which are mostly necessary to produce hard materials [3].

A sketch map of the system for production ultradispersed powders is shown in figure 1. It consists of coaxial magnetoplasma accelerator, working chamber, capacitive energy storage (C) and registration system. The powders synthesis is realized in the working chamber, which is vacuumized and filled with different gaseous atmospheres in dependence on structure which is necessary to be obtained.

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- Siberian Synchrotron and Terahertz Radiation Center, Budker Inst. of Nuclear Physics, Siberian Branch, Russian Academy of Sciences, Novosibirsk; http://ssrc.inp.nsk.su/CKP/.

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2.1 Titanium nitride (TiN)

This material is classified as superhard and often used as a coating on titanium alloys, steel, carbide, and aluminium components to improve the substrate’s surface properties. Also it can be produced in the thin films form. Nowadays the most popular methods for TiN production are chemical vapor deposition and physical vapor deposition. The possibility of titanium nitride synthesis in the system based on coaxial magnetoplasmaccelerator is shown earlier [2]. Experiment was carried out with the titanium electrode system and with nitrogen as gaseous atmosphere in the working chamber. According to modern analytical techniques product by 99% consists of TiN phase. Figure 2 shows a XRD (X-ray diffractometry) pattern of obtained powder. It is clearly seen that synthesized product has titanium nitride structure.

![Figure 2. XRD pattern of titanium nitride powder](image)

2.2 Silicon carbide (SiC)

Another material that can be synthesized by using coaxial magnetoplasmaccelerator is silicon carbide. This material is widely-used in different production areas such as electronic industry [8,9], electrical energy systems [10], automobile industry [11], nuclear engineering [12] etc. Silicon carbide powder has been mass-produced since 1893 for use as an abrasive. The most popular method for production SiC is Acheson method. But the synthesis of silicon carbide can be realized by using CMPA-based system [5]. Figure 4 shows bright-field TEM image (a) and XRD pattern (b) of obtained powder.

![Figure 4. Bright-field TEM image (a) and XRD pattern (b) of silicon carbide](image)

XRD pattern shows a presence of pure carbon in the graphite form (gC). It can be explained by realization of synthesis process by using CMPA with graphite electrode system. The purity of obtained silicon carbide sample is about 95%.

2.3 Boron carbide (B4C)

Boron carbide is an one of the hardest materials known. An extremely hardness of boron–carbon allows to use in tank armor, bulletproof vests and as abrasive material. But there are special applications such as using in nuclear power and in chemical industry. The most popular method for boron carbide production is chemical reaction 2B2O3 + 7 C → B4C + 6 CO. By using CMPA it is possible to realize synthesis in the B-C system [6]. As a result of experiment powder with particle sizes from 50 to 500 nm is obtained. It should be noted that all particles have similar structure and one of this typical particles is shown in figure 5. In figure 5 Bright-field image of obtained powder is shown. Here it is possible to mark out three types of particles. The first type (1) is the phase of carbon nanotubes (MWCNT). Now there a lot of application for these tubes and the most perspective is hydrogen storage. The second type of particles is ground-shaped particles with well-seen faceting and dark triangle sectors. These sectors are proposed to be areas of nitrogen incorporation into the graphite network. Such structures are named CNx materials. They are widely-used as hydrogen catalysts [15], coatings for hard disks [16], implants [17] etc. Also CNx materials can dramatically increase photocatalytic activity of other catalyst, for example, titanium oxide TiO2. The third type of particles is tungsten carbide W2C. The average size of these particles is about 20 nm and they have round-shaped form. This material is wide-spread in cutting tools for machining, ammunition, surgical instruments and other specific areas.

![Figure 5. Bright-field TEM image of typical boron carbide particle](image)

3. CONCLUSION

In 1989 it was predicted that the material with stoichiometry β-C3N4 can be compared with diamond in hardness[13]. Since the moment of publication a lot of attempts have been made to synthesize this phase, but nowadays there is no information about bulk sample [14]. Due to necessity of high pressure and temperature parameters for nitrogen incorporation into the graphite framework the method of synthesis based on CMPA was proposed [7]. The CMPA with graphite and tungsten electrode was used to realize the synthesis process. The necessity of tungsten can be explained by high values of input energy which were used in experiment. Nitrogen was used as gaseous atmosphere. As a result the powdered product was synthesized. In figure 7 Bright-field image of obtained powder is shown. This material is classified as superhard and often used as a coating on titanium alloys, steel, carbide, and aluminium components to improve the substrate’s surface properties.
INTRODUCTION

Innovation is the basic driver of the progress of the human society. Technology innovation and institutional innovation are the twin enablers to drive that process. They have the common essence and also different characters. Technology innovation is the hardest force to push social evolution. While we are facing both the benefit and the challenge technologies bring us. Innovation needs governance.

1. THEORETICAL ANALYSIS AND EXAMPLE OF INTERNET GOVERNANCE

1.1 Connected world

The world is well connected and integrated, with the examples of international trade, multinational corporation based economic integration, and political, social, cultural connection around the globe, with the increase of population mobility and huge amount of material and information flow among countries, enterprises and individuals. But all these exchanges are being changed or accelerated again with the development of information and communication technology (ICT). So the technological network, especially the internet has changed and is still changing the model of world operating.

1.2 Special technology

As a special technology, ICT extends the ability of the human brain. Internet is the technology which will change the interaction and communication of human being and social, economic organizations.

Internet is a complex adaptive human-machine (computer) system, which evolves following its rules. It has its internal pattern of evolution but it is often "Out of control" (Kevin Kelley)1, “Thought of internet” should be respected by all the stakeholders including internet creators, inventors, providers, users, regulators and SERVERS.

"Brain and nervous system" of the globe

Today the internet is still broadening its arena, to more detailed fields like industrial internet2 by GE and Haier of China, which will try to connect the machines and products, integrate physical machinery with networked sensors and software; Another example is the internet of things (Auto-ID Center, MIT)3, links different devices and sensors in all kinds of context to shape "smart planet, smart city and intelligent home". Nowadays internet is embedded within social network, making interaction among people showing a brand new outlook. People all the world Twitter their friends and/or Weixin (in Chinese, WeChat in English)4 each other in China. They have become the virtual center of the social interaction. Then they are trying their best to involve in the industry. The latest news is that Weixin, as the most popular social networking tools, now have 600 million users (Oct. 2013), and Wiexin wants to replace text message and also to be the most influential mobile payment solution in China. In the 2014 spring festival in China millions of people even dispatch Red envelope to their relatives and friends via Weixin.

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4. According to GlobalWebIndex, WeChat is the fifth most used smartphone app worldwide and in August 2013 WeChat claimed it had 100 million registered international users which it achieved in only 3 months from 50 million registered international users. It also claimed 300 million registered Chinese users.
Problems and issues: complex and challenging

At the same time problems and issues are rising. We are disturbed by the problem of privacy, and the number of cybercrime is increasing each day, hackers attack the websites, servers of different organizations in and from more and more countries. The problems disclosed by Edward Snowden\(^5\) show that the unacceptable behaviors of some governments. And even the internet provides a platform of internet mob (verbal violence) and even cyber manhunt (human flesh search) on the internet. That is to say, the issues on the Internet like network security, intellectual property rights (IPRs), e-commerce tax, cybercrime, freedom of expression, freedom of information, consumer rights or liberalization of infrastructure become the top concern of the world.

1.3 Measures to be taken: governance

When the internet first came to human being, we thought it was good enough to help realize the world of “freely uniting of free people”. But with this ever growing two-edged sword, we have to reconsider how to deal with it or to live harmoniously with the internet together.

Maybe we are entering a transparent world where no privacy for people and no secrets for the governments.

We must do something to handle the above issues or we must improve the internet governance or realize good governance of internet. It is the dialogue between the updated science, technology and most complex global social challenge.

It is another good example that science and humanity work together, which will improve “The very possibility of a synthetic understanding of human affairs” (Steven Pinker)\(^6\) like internet governance.

We are still in the dilemma of internet governance because the governance mechanism we are using like ICANN and WSIS, IGF from ITU have its shortage such as lack of legitimacy or effectiveness. As a global tech infrastructure, internet is the carrier of the globalization and the sign and symbol of globalization, and even globalization itself. It also brings the side effect of globalization. The internet governance must be global and multi-lateral, all the governance mechanisms should be sufficient, efficient, effective, legitimate and be aligned with the rule, pattern and model of globalization. The governance of internet should be global, all the local bilateral mechanisms are supplement.

1.4 What is governance

About governance, Winton Cerf said: “Remember governance is a very, very big word that includes law enforcement, human rights, business transactions. It touches everything, including the standards world and copyrights. Internet governance is not limited to technical, nor to policy issues only. It increasingly includes important social, economic, national security and, to some extent, sovereignty issues.\(^7\)

Why weak governance

One of the reasons is that we are still lack of governance, both governance over the internet and among the internet stakeholders.

Facing the benefit and potential of the internet, considering too much on one’s own interest and right, the stakeholders may violate the spirit of internet, such as equality, freedom, sharing and crowd wisdom. Because of lack of governance mechanism and protocol, different stakeholders may make decision and act from the benefit of small groups and earn private interest in different purposes. For example, the government may over spy on other countries and the citizens there the excuse of national security. Some politicians may set boundary of the internet and content of the information in their consideration and not for mass interest. They try to regulate or control internet for their own purpose. So the problem which Snowden disclosed has brought so many disputes globally.

In the industry level the traditional telecom firms have different ideas with internet company booming after the 90s of the last century. They don’t want the internet company to occupy their territory by adopting destructive innovation. In fact they act as the barrier of the innovation. The Skype or other IP based telecom innovation, product and services have to face the fate of being prohibited or hindered from the traditional firms. Weixin (an innovative and popular product from an internet company, Tencent) is another example from China which starts the battle to the traditional telecom or mobile operators. Even in the same industry like the 3G, 3rd generation telecom, the similar battle happened among different international business groups for the technology standards (like Qualcomm, Ericsson and China Datang, based on the standards of Wcdma, Cdma2000 and Td-scdma). They wanted to control and hinder the progress of the evolution and innovation of the new technology.\(^8\) (Runhui lin)

1.5 Suggestion on internet governance

Rethink of “Thought of Internet”: Understanding and following internet principles

They (maybe we) forget that the internet is the net of networks, it has its own technological and even social life. What the internet needs is to build a mechanism to realize self—governance or the good governance in its ecology. Can we have a new view that internet is the invention of human being, but now it has its own life and even has its spirit. The network of human will have to learn the internet spirit and keep the spirit. Then a new prospect will emerge, we human learn from the spirit and rule of internet and then set up a new protocol and process among the internet users, netizens, (individuals, profit, nonprofit organizations and governments ). Then the internet and human can go harmoniously with each other under the mechanism of collaboration and self gov. We can have new human-technology interface and synergetic model and foster the technological innovation and institutional innovation in a right and reasonable trajectory.

That will help us to fill the digital divide to help those poor, to improve inclusive innovation, Frugal innovation like the “Gandhian Engineering”\(^9\) in India or “Gongyiuhuan Project”\(^10\) in China via internet and better governance of internet. The internet will better stimulate the ability of netizens and wake up the potential of crowd sourcing, crowd innovating, and then realize green and sustainable development based on the good governance of internet.

We made internet be born, we must rethink the relation with internet when it grows up. We must sit equally with internet and set new governance to develop with internet collaboratively. We must do that by changing ourselves and we must be part of the solution.

Reshape structure and mechanism of governance: Setting rules by, of and for internet stakeholders

To deal with the relation between human and technology, we must not break the bottom (red) line of the ethics and rules of human behavior. About this, there is no difference between online and offline. We can’t tolerate the behavior of the individual, organization or country which benefits small groups but sacrifices the majority with the adoption of internet. Internet is the very technology that can help reshape the human relation and reshape governance mechanism among people. The technology is ready. And are we ready (I am not sure) to renovate the institutional design with the help of this very technology?

So for internet governance, we should rethink the essence of internet—a complex organic system with evolution and emergence; we should rethink the calls Internet_governance_critical_issue_in_high_tech

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notion of governance—rule, compliance and accountability in order to form a better governance.

Redesigning internet governance structure and mechanism is important, including designing the governance committee with members from diversified countries, organizations and disciplines.

Making governance global effective, accountably and exercisable, we can set Internet governance bank(foundation) to provide resources (resources allocation and injection) for R&D on network science, internet technology, product and services development based on internet, and mechanism design to avoid risk, to decrease the internet divide and to help the poor by using internet.

Letting it evolving, which needs patience and self-confidence without interfere too much on its evolution.

Internet is a special technology and a system, internet governance is the governance of behavior, source, right and responsibility. There are global affairs that needs governing before internet, there are some issues brought by internet, and be brought by the development of internet. But internet has the potential to provide a solution with internal logic to face the above problems. Maybe the governance of internet (people side) comes from the self governance of internet itself. The only limit is how much we learn from internet evolution without human unreasonable intervention.

Evaluating and adjusting

Internet helps the adoption and operation of big data and big data can help the governance and evolution of internet. We can collect and gather data and share data about the effectiveness and efficiency of internet governance, then build databases on internet governance. We can design and monitor the situation of internet governance with the help of big data.

2. CASES FROM CHINA AND THE INTERACTION BETWEEN TECHNOLOGY AND INSTITUTION INNOVATION

In the socio-economic transition period of China, the interaction of Technology Innovation and Institutional Innovation is an important driving force for economic development and social progress, and in different industries and fields, Internet is undoubtedly the typical area for observing and explaining the phenomenon and the mechanism.

Emerging Internet Economy symbolizes the spirit of openness, equality and innovation. It is not only breaking the old monopolies that rely on closed information, but also renewing the business model and revolutionizing the concept of business itself. We focus on the highly influential Internet product cases in China in recent years, such as Yu’ebao and Alipay in Internet finance, and Wechat in Internet social media, to analyze the interaction of Technology Innovation and Institutional Innovation.

2.1 Yu’ebao

Internet finance refers to an emerging financial model which includes financing, payment and information mediator with the help of internet technology. Fueled by internet technology, the decarization between the Internet, financial services and e-commerce industries becomes increasingly fuzzy in recent years. In the passing year, it quickly penetrated into people’s daily life and altered the landscape of China’s financial sector in a dramatic and unprecedented way. Yu’ebao, an online financial product platform launched by Alibaba Group Holding Ltd in June 2013, raised the curtain on Internet finance’s development. The case analysis of Yu’ebao is displayed in Figure 1 and described below.

2.1.1 Emergence of Yu’ebao

In the early stage of e-biz development in China, for most Chinese netizens, it is hard to trust dealers in the cyberspace. In 2003, Taobao realized that the distrust of e-commerce was a big problem in China, Taobao tried to provide third party payment service like Paypal which was welcomed by consumers who spare no effort but can avoid risk, so in 2004 Alibaba developed Zhifubao, or Alipay, which is an independent verification service15. Through Alipay system, third parties vet the claims made by sellers; the sellers pay for the process. The Alipay payments system, unlike PayPal, used by many western Internet companies, takes money up front and puts it in an escrow account, and vendors can be sure that payments made through it will be honored.

Alipay provides an escrow service, in which consumers can verify whether they are happy with goods they have bought before releasing money to the seller. In 2005, the policy of “paid back fully” was launched. If users were cheated in the trade via Zhifubao, Taobao will take the whole responsibility and pay back to the money to the costumer. Zhifubao (www.alipay.com) became the leading third-party online payment platform12. In June 2010, Alipay, accounted for half of China’s non-bank online payment market12. With the help of this innovation, Taobao beat eBay and became the dominant e-biz leader in China. The success of Alipay and Taobao also leads to more innovation including Yu’ebao by Alibaba Group.

Yu’ebao13, which roughly means “leftover treasure”, collects small, idle funds from individuals and invests them in the money market. Yu’ebao allows customers to invest money parked in their accounts at Alipay. The scheme offers investors higher returns than ordinary bank deposits and has attracted a mass of investors. Internet firms traditionally rely on advertisement, games, and online trading platforms for their profits. But those profits are narrowing with more competitors in the pool. With their large user base, it’s inevitable that they are moving into the financial business.

2.1.2 Flourish of Yu’ebao

China’s finance sector has been dominated by state-owned banks. But now technology companies are using their online resources and platforms to push financial products over internet. The success of online wealth management products such as Yu’ebao has pushed Internet financing into the spotlight and it even appeared in the government work report in March 2014. The root cause of the flourishing of Internet financing in China lies in the deficiencies of its traditional financing products, which fail to meet market demand.

Yu’ebao has significant financial inclusion. Through its extremely low threshold of just one RMB Yuan, ordinary small-scale investors are allowed to effectively participate in a large investment vehicle. By comparison, most wealth management products offered by Chinese banks require a minimum investment of 50,000 Yuan.

Yu’ebao has generated superior returns. Yu’ebao focuses on fixed income type instruments such as money market funds and treasury bonds, and its products offer a higher yield than most other products available in the same asset classes in the market. The e-commerce platform used by Alipay minimizes the cost of each operation through the application of online infrastructure to facilitate investment transactions.

According to the data of China E-Commerce Research Centre, Yu’ebao had 43.03 million users with aggregate deposits of 185.3 billion yuan (30.4 billion U.S. dollars), the biggest single public fund in China in the end of 2013. Internet finance has become part of daily life for many Chinese people. Its users come from all over China - more than 2,000 counties and cities in 31 provincial-level administrative regions with an average deposit of 4,307 Yuan per user.

Return rates could be as high as 7 percent for Yu’ebao users. That is remarkably higher than the roughly 0.35 percent interest rates offered by commercial banks, and also much better than the one-year deposit rate of 3.25 percent.
percent. By the end of 2013, Yu’ebao had brought 1.79 billion Yuan in profits to users since its launch. The launch of Yu’ebao is like the tipping point for Internet finance in China.

Although China’s nascent online finance industry has some very vocal critics, others see the sector as an agent of change that will bring higher interest rates for depositors and additional financing for struggling small and medium-sized enterprises.

2.1.3 Challenge to Tradition

Traditional banks in China are under severe pressure from the fast-growing online finance sector, which combines the convenience and efficiency of the Internet with the sophistication of wealth management products – while also offering return higher than what bank deposits pay.

Since several state-owned banks joined hands in tightening their limits on Internet fast payments as a response to the rise of Yu’ebao, no one should dream of resisting the new trend with their power or influence in hand. The wise choice for the banks is to learn to coexist with their emerging online competitors. In fact, some banks also launched similar services to allow clients to use money market funds, but it is still easier for people to buy the funds from Yu’ebao or other Internet companies because of the streamlined buying process.

Yu’ebao is revolutionary because it integrates the two functions of wealth management and payment and is user-centered with an extremely low threshold. The government’s grip on interest rates created the chance for Yu’ebao. And in return, Yu’ebao’s huge success might help push forward interest rate liberalization in China.

2.1.4 Change of Institution

Advance the Finance Reform

It is the deficiencies in traditional financing that led to the Internet financing boom in China. That also tells us there is a huge demand for proper financial products in China and there should be deeper financial reform. It is judicious for the government to push financial reform further to suit the new conditions.

Though the jaw-dropping amount of deposits, Yu’ebao has so far absorbed still pales in comparison with the banking sector’s deposits of tens of trillions of Yuan, the enthusiasm it ignited among tens of millions of small-pocket Internet users for a wealth management service, a service big banks reserve for the wealthiest of their customers, has made the country’s financial reforms more imperative than ever.

That is why it is particularly encouraging to hear central bank governor Zhou Xiaochuan say that liberalization of deposit rates will likely be realized within one to two years. If so, such an earlier-than-expected timetable to implement the last step in interest rate marketization suggests there is strong resolve by the leadership to put financial reforms on the fast track.

Bring about the Internet-banking Supervision

Despite all the advantages in terms of convenience, high returns and easy access, Internet finance is full of uncertainties just like anything else that is new. Also the clash between emerging Internet finance companies and traditional banks has directly resulted in a regulatory intervention. The growth of online financial products, such as Yu’ebao, is being closely watched by the banking industry and the Internet sector.

Although it said that online financial products are an innovation that promotes interest rate liberalization, the China Securities Regulatory Commission (CSRC) has also said it noticed illegal promotion and advertising activities by fund management companies. Considering some of them don’t fully disclose potential risks to investors, and some don’t have quality risk management systems, the CSRC will draw up special regulations covering the online sale of financial instruments and mandating tighter risk controls for money market funds.

According to the related reports, The People’s Bank of China (PBOC) will regulate the fast-growing Internet finance sector more carefully, but it won’t crack down on it. The recent directives issued by the People’s Bank of China, the central bank, seem to be an indicator of the tough times that Internet finance companies are facing in China. Citing security reasons and concerns about money laundering, the PBOC has red-flagged Alibaba and Tencent’s plans to launch virtual credit cards. The central bank also refused permission for the quick response code payment system, a convenient payment option using a mobile phone. Apart from that, the central bank also plans to limit third-party payments by imposing transaction ceilings.

Close on the heels of the central bank directives comes the news that the Big Four state-owned banks have either suspended instant transfers via channels such as Alipay, the payment arm of Alibaba, or set transfer caps of 5,000 Yuan ($800) per transfer. Earlier, there were no such limits and the threshold was much higher.

The new directives have also made it harder for investors to transfer large amounts of money from their bank accounts to Internet wealth management platforms such as Yu’ebao. The measures are also expected to reduce the convenience of wealth management products like Yu’ebao and their inherent advantage over similar products launched by the four state-owned banks and other lenders. But seen from reactions of ordinary users, the regulatory move has been largely interpreted as a shield guarding the commercial interest of traditional banks.

Totally, the core issue here is liberalization of the banking sectors. While urging Internet finance players to enhance security measures, regulators need to accelerate their steps to liberalize the banks to make them more conscious of the interest of their individual clients.

2.2 Weixin(Wechat)

Wechat, the most popular social networking app in China, similar as Yu’ebao, takes advantage of Technology Innovation, has developed rapidly and impacted China’s traditional telecommunication industry deeply, and becomes China’s Facebook. The case of Wechat is displayed in Figure 2 and described below.
2.2.1 Emergence of Wechat

Communication is important in this fast-paced society; the desire for closeness between friends, for meeting people, even the communication impulsion between strangers is much more stronger. Although not easily perceived, a more convenient communication tool is in demanding.

Under this tendency, Wechat, a mobile text and voice messaging communication service, began as a project at Tencent Guangzhou Research and Project center in October 2010. In January 2011, it was initially launched as Weixin in China, with international language support in October 2011, and re-branded as Wechat in April 2012 in other countries. Based on its advanced technology, Wechat is available on multiple operating platforms, supports various languages, and can function on Wi-Fi, 2G, 3G, and 4G data networks.

Wechat claims to provide a social networking platform that emphasizes user privacy and fast response performance. Wechat provides multimedia communication with text messaging, hold-to-talk voice messaging, broadcast (one-to-many) messaging, photo/video sharing, location sharing, and contact information exchange. Wechat supports social networking via shared streaming content feeds and location-based social plug-ins (“Shake together”, “Look Around”, and “Drift Bottle”) to chat with and connect with local and international Wechat users.

2.2.2 Flourish of Wechat

After three years development, Wechat has already had 600 million users, which shows a typical amazing growth on cell phones. Today Wechat is the first mobile text and voice messaging communication application in the world by users and downloads. It has influence in Mainland China, Hong Kong, Taiwan, South-East Asia, and among Chinese around the world.

Now Wechat develops into a cross-platform mobile chat service, as well as a platform of mobile Internet finance and payment tool. Just like Alipay and Yu'ebao, Tencent has the similar mobile payment product, Wechat-based Licaoting.

In this year’s spring festival, “Red Envelope” fever has swept China since Jan 26 in Wechat. In about nine days, there were about 800 million people taking part in this “Grabbing Red Envelope” game, and this kind of behavior happened more than 7500 million times. Nearly every minute there were about one million red envelopes being received. In this “Grabbing Red Envelope” event, Wechat successfully ties up a large number of personal bank accounts or credit cards and help users develop the habit of “Paying on Wechat”. Besides, those electronic “red envelopes” which are not extracted or delayed in payment can accumulate huge precipitation funds.

2.2.3 Challenge to Tradition

Wechat is an Over-the-Top (OTT) service. As mobile data consumption continues to dramatically rise, OTT services are impacting on network performance, particularly the proliferation of so-called “chatty” apps that signal the network hundreds or even thousands of times an hour for updates. The immediate influence though, is the erosion of revenue from voice and (especially) text messaging. The penetration of Smartphone makes traditional operators more vulnerable.

Price and cost is another weapon of Wechat. Because of the low cost for communication through Wechat, traditional telecommunication firms that rely on costly calls and text message beyond the amounts bundled into users’ contracts are more at risk. OTT services like Wechat reduce the customer stickiness of traditional operators.

In April 2013, rumors online speculated that Wechat will charge a fee for the app. The rumors came from the telecommunication operators who felt threatened from Wechat. But a poll showed that 90% of users strongly opposed this move. Currently, Wechat is still free to download and use.

2.2.4 Change of Institution

In front of the challenge Wechat bring to the operators and telecommunication industry, telecomm operators had attempted suppressing Wechat to maintain their traditional operation pattern, but the facts proved that suppressing is useless when facing technology revolution. Form the point of end consumers and in order to protect the emerging positive power from innovation like Wechat, traditional telecom operators need change, and the existing telecommunication policy needs reform.

On the other hand, recently, report says some people use those amazing functions like “shake together” or “look around” to commit crimes, such as fraud, theft, and even rape on strangers. To avoid the potential risks from the social network tools; users should raise their vigilance, while thorough and adaptive technology supervision and governance should also be improved as soon as possible.

Technology Innovation will bring new advanced products, as well as new risks and uncertainty, which leading to new competition order and institution demand situation. In order to maintain stable competition environment, protect producers and customers, governance and related institutional change need to carry on, so called Institution Innovation. Then, effective Institution can create environment suitable for Technology Innovation.

3. CONCLUSION

With analyzing the cases of Yu’ebao and Wechat, we can summarize that Technology Innovation and Institutional Innovation interact closely with each other. Technology innovation drives Institutional Innovation, while institution advantages can promote further Technology Innovation.

Innovation governance should and can borrow from internet governance and explore a model network governance and realize the harmonized interaction between technology innovation and institutional innovation.

4. REFERENCES


20 http://www.sab-2014-berlin.de/


Increasing disparities with regard to accessibility have caused rage not just in South Africa, but worldwide. Not only are people faced with social issues such as poverty, unemployment, hunger and disease both communicable and non-communicable. These issues are being over shadowed by bribery and corruption within governing bodies and the government. One of the resultants of this is that sub-Saharan Africa finds itself with a youth unemployment rate of over 20% where an excessive amount find themselves unwillingly seeking employment outside formal markets and public services.

The numbers unfortunately do not look good. For the estimated 10 million youth within the age bracket of 15-35 years old, every indicator from health, education, to employment looks dismal. The prevalence of diseases such as HIV stands at around 10.3% for young men and 16.9% for young women within the same age group. Less than half of the cohort that starts Grade 1 eventually matriculates. And only an estimated 15% of Grade 12 students pass well enough to gain acceptance into a tertiary institution. Seven in every ten youth member (ages 15-34) of remains unemployed. Sadly, this number is drastically increasing to an estimate of around nine in ten when it comes to Africa females. As bleak as this may all sound, the saddest reality is that the greatest downfalls and disparities lie within the education system.

While South Africa rightly claims very high participation rates in especially primary school education a percentage in excess of 90%, this indicator unfortunately overshadows many major social problems with institutions themselves. The most serious of these challenges is the quality of education. Attendance statistics conclude that more children are attending school; however statistics also show that the standard of teaching is incredibly poor and thus the through put rate in terms of academic achievement still remains low. Studies have shown us that a very large proportion of the teachers in South Africa lack both content knowledge as well as the teaching skills required to advance effective learning. This issue is worsened at the further education and training levels especially regarding crucial subjects such as mathematics and physical sciences.

National and provincial tests show not only stagnation in the learning performance among the youth, but actually regression in the learning achievements in poorer provinces. These trends are confirmed by any number of international tests of achievements. Over the past decade, South Africa has performed dismally in terms of youth achievements where learning is concerned.

Therefore it is not surprising that large numbers of schoolchildren drop-out of the education system as schools are unable to successfully engage young minds. This is what is known as a “push out” factor. The effects of poverty are essentially “pull out” factors as they lure youth to the streets, where they turn to begging and stealing. The drop-out statistics are particularly alarming for young boys, as evidenced by the fact that South Africa is one of the few countries in the developing world where there are more girls in high school than boys.

Dropping out of the education system is bad as it stands, however, many young people fall into the trap of anti-social activities. This in part explains the wave of crime that has been sweeping the country in recent years. “Pushed” out of school and lured by gangs, young men in particular, enter the cycle of petty violence, incarceration and more dangerous violence which often ends their lives prematurely. What this means, is that we have to find ways of making schools not only places of high enrolment but also sites of high quality and engagement. It does not require profound sociological insight to recognise that a poor schooling system threatens everyone within a country.

The problem isn’t resolved when one qualifies to write their matriculation examinations at the end of
Grade 12. In fact, the single most pressing problem facing all South African universities right now is in fact the high drop-out rate among undergraduate students. This problem more often than not directly affects the poorer students who attend rural universities to a greater extent than the well-resourced, urban institutions. Still, it is a major problem. The roots of the problem lie in the education system for there is evidence that passing Grade 12, even with a university level pass is not a strong indicator as to whether or not a student will cope with the requirements within the university system and ultimately achieve their degree. Statistics have shown us that within a particular cohort, approximately 35% graduate in the allotted time. Further, only 50% of the actual group end up graduating.

In South Africa, one of the programs implemented to accommodate youth after the compulsory phase of schooling (Grades 1 through 9) is found in the form of Further Education and Training (FET) Colleges, a system that has recognised that the education system does not have the capacity to ensure 12 years of formal schooling and engagement for all children. These FET Colleges provide a social safety net for children who may not necessarily be academic but where they can pursue vocational and training courses as an alternative. The second class status of these new institutions is reflected in, and maintained by, the lack of sufficient levels of investment in the kind of technological infrastructure and optimally qualified staff necessary to transform FET colleges into high-powered engines for the delivery of advanced technical skills.

It is evident that not only do we fail to provide our youth with a strong school education but we take it a step further in that we prepare them poorly for higher education. The net result is that millions of young people who are semi-literate and desperate find themselves on the streets of South Africa where they are overcome with high degrees of frustration. Enter low-level private education options that offer all kinds of diplomas and certificates from office management to secretarial skills to computer literacy. Thankfully, some of these cheap, private colleges have all kinds of diplomas and certificates from office technical skills. It is of course the case that in any capitalist society, young people slot into these different levels of economic opportunity based on their levels of education and training. The problem in South Africa is the disproportionate number of young people at the bottom-end of the education and employment chain compared to other middle level economies. For example, South Africa has one of the lowest participation rates in higher education in the region.

What further reduces the numbers of students within higher education even among those who succeed is the high rate of HIV infection. It is not uncommon on university campuses for visible numbers of students to die every year since the early to middle 20s reflect the period when, untreated, the disease starts to show-up from the sexually active teenage years. The social, economic and educational impact of HIV/AIDS on this future talent pool of young people in universities has been measured through any number of studies—and they all carry the same message of serious consequences for society.

One of the more interesting trends with respect to youth development in South Africa is the unexpected turns in the gendered character of society. Girls tend to stay in school longer and every indicator suggests that girls are also more and more successful in higher education. From the perspective of education and gender equity, South Africa does very well compared to other developing nations. Yet this statistic is as much a result of boys dropping out than it is of girls staying in school. This positive picture, from the perspective of young women, changes dramatically when it comes to their health vulnerability. For example, young women in the age group 15-24 are eight times higher HIV incidence than males in the same category. To put this bluntly, while women stay much a result of boys dropping out than it is of girls to middle 20s reflect the period when, untreated, the disease starts to show-up from the sexually active teenage years. The social, economic and educational impact of HIV/AIDS on this future talent pool of young people in universities has been measured through any number of studies—and they all carry the same message of serious consequences for society.

One of the more interesting trends with respect to youth development in South Africa is the unexpected turns in the gendered character of society. Girls tend to stay in school longer and every indicator suggests that girls are also more and more successful in higher education. From the perspective of education and gender equity, South Africa does very well compared to other developing nations. Yet this statistic is as much a result of boys dropping out than it is of girls staying in school. This positive picture, from the perspective of young women, changes dramatically when it comes to their health vulnerability. For example, young women in the age group 15-24 are eight times higher HIV incidence than males in the same category. To put this bluntly, while women stay much a result of boys dropping out than it is of girls.

The prognosis over the long term looks precarious. The culture of schooling is so dismal that it would take a radical transformation of teaching, learning and management in schools to alter poor performance. Schools do not only fail to offer quality education, they are in fact part of the violent culture that infuses the surrounding communities. And as some studies have shown, schools are also predatory environments for dangerous sexual behaviour which has had many researchers conclude that girls are more likely to remain HIV negative if they stayed away from school rather than if they actually attended classes. And unless the school system, that foundation of everything else that follows, is mended, our democracy itself is threatened.

There is certainly no shortage of structures, policies and plans to rescue youth.

So what is to be done? There can be no question that a large part of the puzzle of solving the problem of youth and their futures lies in rebuilding the education system. This means ensuring that from Grade 1 onwards every poor child has access to nutrition through a less corrupt school feeding scheme. It means that every child is taught everyday in every class by a present teacher. It means that every child lives within accessible distance from the local school. It means that children study without the burden of school fees. It means that parents or guardians are intimately involved in the educational lives of their children. It means that male teachers become more visible role models to young boys. It means that schools extend the curriculum into a more vibrant and meaningful extracurricular programme that includes sports, arts and culture. It means returning to schools a strong counselling and career advisory service that makes options in and out of school explicit to the youth. It means children learning the basics of reading, writing and calculating rather than a complex curriculum out of place in the third world. In short, what should be on offer is a solid education that lays the foundation for a vibrant and productive youth to emerge in South Africa.

We have a platform in which we have the potential to evoke great change and improvement through the education system. If this is not done we will continue to be down trodden by the immense social challenges and a lack of tangible and accessible resources. The challenge is great but it is not impossible to tackle, the solution seemingly lies outside of the proverbial box. With the increase of globalisation, the world has never been more connected. It is therefore no surprise that mass connectivity via mobile phones is expected to exceed the global population of 7 billion this year (2014) alone.

Today technology is changing the face of the world, we live within the paradox of a virtual reality - the way we live, work, educate ourselves and communicate is greatly influenced by technology. The advancement and increased accessibility to internet and technology will determine the way in which future societies will be organized and exist.

The world finds itself in the midst of a digital revolution. It is a platform that should be used to drive entrepreneurship and development among the youth. It is a platform that we need to make use of in order to engage with youth and provide an education system that will curb the social implications that we faced with due to our current education system.

We cannot ignore that there is an array of incredible talent coming out of the technology hubs in Africa. It is estimated that anywhere up to 20% of the Kenyan GDP is circulating on the back of mobile platforms like M-pesa mobile money solutions, putting effective financial services into the hands of the previously unbanked. Kenya has recently also launched virtual schools where students are able to access educational resources using their mobile phones. In addition to this Nairobi’s tech developers have created some of the most globally inclusive applications the tech sector has ever seen. In South Africa, Social network, MXIT has created a virtual school on their platform in which students not only have access to additional coursework but they are also able to engage with their peers regarding particular course related questions.

In order to break geographical boundaries we need to make use of technology to drive education. Currently there are around 9 billion devices connected to the World Wide Web and it is estimated that this number will grow to reach around a trillion by 2025. Convergence of technology is now a reality that brings with it a firm foundation for solutions. Mobile broadband is growing faster than any technology in human history averaging 30% per year and it is driven by private sector investment, this creates an opportunity to formulate global trade partnerships and thus strengthen international relations.
Five countries now have mobile broadband penetration in excess of 100 connections per capita (Singapore, Japan, Finland, Korea and Sweden). By the beginning of 2013, 32 economies had mobile-broadband subscription penetration in excess of one subscription for every two inhabitants, compared with just 13 countries at the beginning of 2012. There are more than 70 countries where more than half the population now has access to the Internet. In South Africa’s Western Cape Province we are even seeing the implementation of free Wi-Fi in low income areas and informal settlements.

While the impact of mobile over the past decade on our continent has been nothing short of a game-changer, we need to hone in on the opportunity and potential for further growth among early adapters, specifically the youth. We need to support an entrepreneurial approach to youth innovation and creativity that will be driven by public demand and needs. But even more importantly, we need to use this platform to change the face of the education system. Technology holds the key to consistency, as we progress.

Policy and investment frameworks will determine the future of Africa’s economic success: broadband licenses and spectrum are not cash cows for government in the short term. They are the foundations for long-term economic success. The question is how do we marry education, youth and technology?

We need:

- Governments to lead through clear policies and regulations
- Each province needs a broadband rollout plan
- Introduce financial incentives that support entrepreneurs in public innovation
- Universal service obligations to subsidize education and rural internet access
- Local governments to drive connectivity and increase citizen access to public services and information
- Define incentives for operators and stakeholders in the broadband value chain
- Provide mobile solutions for schools i.e. Computer labs, tablets, and other mobile devices
- Invest in educational application development in various local languages to increase accessibility.

African problems require African solutions. Our people need to step up and seek prospective opportunities to actually bring about the change that we so desperately need. We have the human capital, we now need to implement the infrastructure and soon our educated and tech savvy youth will change the face of Africa and her respective international relations.

REFERENCES


A Comparative Study of Australian Indigenous and Non-Indigenous Education

Ms. Caroline Marguerite Baker
Student, Swinburne University of Technology, Australia

INTRODUCTION

Australia has a prominent discontinuity between Indigenous and Non-Indigenous life expectancy, educational achievement and employment opportunities. (Coag.gov.au 2014)

There is a pressing need for an Australian Indigenous Education Reform. This need for reform is especially necessary in remote and northern, socially disadvantaged Australian communities where attendance rates are low, along with low academic outcomes by Australian national standards.

This reform needs to ensure consideration of Indigenous cultural needs and wants.

The aim of this paper is to discuss the disparity between Australian Indigenous and Non-Indigenous persons’ Education and make recommendations based on the effectiveness of current reforms in place to minimise the inequality between the two demographics.

The paper will look at attendance statistics of school aged children in primary school and high school, completion statistics of highest school qualifications completed, highest non-school qualification obtained and employment statistics for full time and part time Indigenous and non-Indigenous workers

The most recent government implemented strategy will be briefly evaluated. Along with this, recommendations will be made. These suggestions can hopefully be modified and implemented in countries that have an inconsistency their in nationwide education statistics.

Placing high importance on the improvement of Australia’s Indigenous and Non-Indigenous education disparities will create a ripple effect and improve Indigenous health and employment opportunities.

Children who attend school on a daily basis will be exposed to health and wellbeing syllabus, putting their knowledge into practice within their community.

Indigenous Primary school children with regular attendance will have an easier transition into secondary school, with the improved likeness of achieving a higher non-school qualification thus positively affecting the distribution of workers in society.

For the purpose of this paper, the following tables bellow will be referred to and the information within will be used to support and stimulate discussion.

INDIGENOUS SCHOOL ATTENDANCE RECORDINGS 3 TO 5 YEARS OF AGE

<table>
<thead>
<tr>
<th>Age</th>
<th>Major city</th>
<th>Remote area</th>
<th>Very remote area</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>31%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>4</td>
<td>63%</td>
<td>59%</td>
<td>55%</td>
</tr>
<tr>
<td>5</td>
<td>87%</td>
<td>77%</td>
<td>70%</td>
</tr>
</tbody>
</table>

Table 1 Source: Population Characteristics, Aboriginal and Torres Strait Islander Australians, Australia, 2006 (cat. no. 4713.0)

This table shows the percentage of three to five year old Indigenous children attending an educational institution such as a preschool or primary school in a major city, remote or very remote area.

As expected, the attendance decreases as remoteness increases.

There isn’t much disparity for the four and five year old age group’s attendance, however less than half three year old Indigenous children in a major city attend an educational facility in a major city and then this figure almost halves again when looking at children in very remote areas.
INDIGENOUS SCHOOL ATTENDANCE RECORDINGS 15 TO 17 YEARS OF AGE

<table>
<thead>
<tr>
<th>AGE</th>
<th>MAJOR CITY</th>
<th>REMOTE AREA</th>
<th>VERY REMOTE AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>77%</td>
<td>67%</td>
<td>53%</td>
</tr>
<tr>
<td>16</td>
<td>60%</td>
<td>49%</td>
<td>34%</td>
</tr>
<tr>
<td>17</td>
<td>44%</td>
<td>29%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Table 2: Source: Population Characteristics, Aboriginal and Torres Strait Islander Australians, Australia, 2006 (cat. no. 4713.0)

The results in this table are noticeably alarming. In remote and very remote areas, 50% or under of Indigenous teenagers from the ages of fifteen, sixteen and seventeen years are attending school. If only 16% of seventeen year old Indigenous students are attending high school, then there is a very low chance of young Indigenous persons graduating from the final year of high school. In major cities, not even half of Indigenous seventeen year olds are attending high school. It’s highly unlikely that with an attendance rate is only 44% from seventeen year olds in major cities, that many of those students will continue on to complete a non-school qualification.

Table 4: Source: 2006 Census of Population and Housing, Australia, 2006

This table displays the non-school qualifications achieved by Indigenous and Non-Indigenous males and females. Following on from the highest school qualification results, it was not surprising to find that more Non-Indigenous Australians had received certificates III and IV, diplomas, advanced diplomas and Bachelor degrees or higher. It was disconcerting to note that more than 50% of Indigenous males and females had no non-school qualification. The majority of both Indigenous and Non-Indigenous Australians had completed a certificate III or IV.

Further research showed that Indigenous persons living in major cities, when compared to those in regional or remote areas, were more than two and a half times more likely to complete a non-school qualification (39% and 15% respectively).

However, strangely for Non-Indigenous persons with a non-school qualification in remote communities, there was not a disparity as larger between those that lived in major cities (58% for major cities and 48.6% for remote areas).

LABOUR FORCE STATUS BY INDIGENOUS STATUS

<table>
<thead>
<tr>
<th>Indigenous (%)</th>
<th>Non-Indigenous (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>Higher than a Bachelor degree</td>
<td>1.0</td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>2.9</td>
</tr>
<tr>
<td>Advance Diploma or Diploma</td>
<td>3.1</td>
</tr>
<tr>
<td>Certificate III and IV level</td>
<td>15.8</td>
</tr>
<tr>
<td>Certificate I and II level</td>
<td>1.4</td>
</tr>
<tr>
<td>Certificate not further defined</td>
<td>1.2</td>
</tr>
<tr>
<td>Not stated or inadequately stated</td>
<td>17.6</td>
</tr>
<tr>
<td>No non-school qualifications</td>
<td>57.1</td>
</tr>
</tbody>
</table>

Table 5: Source: 2006 Census of Population and Housing, Australia, 2006

The above table calculates the impact of absenteeism over a long period of time, highlighting the severity of prolonged absenteeism. Even a child who only has 5 days off a term, every term can be affected; they will miss a total of 1 year and 1.5 terms, that’s a lot of curriculum covered in that time. Attendance above 90% is considered regular attendance (Purdie & Buckley, 2010).

The above table summarizes a small overview of reasons for prolonged absenteeism from School attendance and retention of Indigenous Australian students.

ABSENTEEISM OVER A LONG PERIOD OF TIME

The above table calculates the impact of absenteeism over a long period of time, highlighting the severity of prolonged absenteeism. Even a child who only has 5 days off a term, every term can be affected; they will miss a total of 1 year and 1.5 terms, that’s a lot of curriculum covered in that time. Attendance above 90% is considered regular attendance (Purdie & Buckley, 2010).

An abridged version of Reasons for prolonged absenteeism from School attendance and retention of Indigenous Australian students:

- Parental-condoned absenteeism, parents failing to accept their legal responsibilities
- Poor parental/carer attitudes towards schools
- Insufficiently valuing education
- Inadequate welfare support practices, especially in the early years of schooling
- Inconsistent approach to absenteeism between and within schools
- Unsuitable curriculum for some pupils
- Too few out-of-school/alternative curriculum places
- Bullying, peer pressure, ‘cool’ to skip school
- Lack of career aspirations and low self esteem
- Inconsistent policies and practices of local schools, education welfare services and schools’ policy documents on attendance
- Inconsistent referral policies between schools
- Local unemployment, poverty, poor community facilities
- Differences between boys’ and girls’ aspirations and achievements

MOST RECENTLY ANNOUNCED GOVERNMENT STRATEGY

In December, 2013 Indigenous Affairs Minister Scullion released an announcement of a new two-year strategy to improve Indigenous school attendance.

‘A child attending school 70 per cent of the time is not receiving a proper education. A recent COAG report on education showed there had been no improvement in attendance of Indigenous students...
over the past five years and in some areas it is going backwards. It is horrific to think that in the Northern Territory, only 13 per cent of kids are attending school 80 per cent of the time. This has to change.”

Minister Scullion said the two-year strategy, which is in addition to strategies discussed by COAG last week, would improve school attendance by engaging local people in each community to get kids to school.

$28.4 million will be provided over two years to:
- Employ Attendance Supervisors to manage and develop up to five School Attendance Officers in each community
- Appoint School Attendance Officers through the Remote Jobs and Communities Programme (RJCP) to work with families to get kids to school. Five officers will be engaged for each 100 enrolled children (scaled to suit local situations)
- Provide support for children to attend school with funds from the Indigenous Communities Strategic Investment and Community Development Funds for uniforms, vehicles and office space


A strategy such as this one, is taking a negative approach. It is insinuation parents of children in Indigenous communities are not good at their jobs, ensuring their child goes to school. An ‘attendance officer’ gives the impression of an olden day school mistress with no care for the children, but simply there to achieve results and move on. A child cannot be forced into doing something they want to do, and if a child is forced to go to school, they will not enjoy their experience or engage in the classroom, most likely resulting in the student leaving school early and never returning to complete a post-school qualification.

Perhaps, children wouldn’t need to be forced into attending school every day if they looked forward to school. Obviously a large problem has been identified, the attendance of school Indigenous Australian children, their highest school and non-school qualification completed.

Having people to get the child to school is no longer the problem. The problem is not having something at school that make a child want to wake up every day and take themselves to school.

RECOMMENDATIONS

Introduce vocational training within schools

Vocational training should be encouraged at a school level. It not only provides a post school pathway into a non-school qualification, but it provides incentive for everyday attendance and a valid reason to participate in school. Students who don’t intend on completing year 12 can obtain a non-school qualification before they leave high school, providing them with a means to enter a non-school qualification post-high school if they so wish. It will also allow students to go straight into employment post school. Schools can be set up to accommodate VET (Vocational Education and Training) and VCAL (Victorian Certificate of Applied Learning). These structured programs run in schools allow high school aged children to engage in ‘hands-on’ learning in the classroom with small assessment tasks leading to a certificate. Many Australian Indigenous communities are low socioeconomic areas; if their high schools operate these programs within the school they are providing a financially viable way for students to review a non-school qualification.

Adapt curriculum to incorporate Indigenous cultural needs and wants

Many Indigenous students have poor attendance because the school curriculum does not appeal to them, their family or their communities’ culture.

To have students actively engaged in school, both attendance and their education, the school syllabus needs to reflect the environment the children live in. Simple adoptions can make a large difference to a child’s education. For example, ensuring the level appropriate reading lists has Indigenous story books. There are a large range of Australian Indigenous children’s picture books and novels for older children that are written by Indigenous authors and based in Indigenous communities. If a child is reading a book with a setting they’ve never encountered before, it will become difficult to engage the child in activities and it will become easier for the child to become disinterested in their education and as a result their attendance will decrease. Art and storytelling are prominent features of Australian Indigenous culture, so it is spending time exploring the natural environment and learning valuable lessons from community Elders in regards to understanding the natural resources in the area, such as edible plants. Unfortunately, these skills the children acquire in their home life aren’t reflected in school curriculum, making the children and their families feel not only that their culture isn’t valued, but attending school isn’t relevant to them and their community lifestyle.

Encouraging more parent participation in children’s schooling

It is easier for a child to attend school if the parent or guardian encourages, supports and helps further their education in the home. When parents are stringent on their child’s attendance, it assists the school in having the child attend each day. For a parent to be involved in the child’s formal learning, they must be a involved with the school community. Schools and educators acknowledge that learning first comes from the home, and in the case of Indigenous culture, it comes from the wider community. It would be very fitting for the school in Indigenous communities to run community days and activities in which the children and their families can participate, making it easier for families to accept the school as part of the community.

Financial assistance outside of school educational assistance

Indigenous students can miss large portions of school during the time of Sorry Business. When Aboriginal people mourn the loss of a family member they practice Aboriginal death ceremonies, or Sorry Business. The family will leave the community for an extended period of time, and if they choose to return to the community, they will move houses. This can cause a large amount of absence for a school child, or if they move to a new community, they may never enrol back into school again. It’s difficult for a child to catch up on such a prolonged absence.

If, as part of the national plan for lack of Indigenous student absences, a funded educator could assist children a community centre, such as a religious place, health centre of community recreation centre to catch up on missed school work, it would be most beneficial. This program could also be used to provide extra assistance to children who are falling behind in their school work, before they decide it’s too difficult and never return to school.

Initiatives such as these are respectful to the culture, but also combat the issue of students not returning to school after prolonged absence.

CONCLUSION

It is important to first discover what is causing the problem, before deciding on a strategy to solve a problem. Indigenous communities need to find out from their youth what would encourage them to attend and be engaged at school. Education is a foundation for any community, whether it is developed or developing. In the case of Australian Indigenous communities, school ages education doesn’t only assist a person achieve a qualification, it is important for social development, encouraging health and wellbeing in a community and will enhance future employment opportunities.

There is a pressing need for an Australian Indigenous Education Reform. This need for reform is especially necessary in remote and northern, socially disadvantaged Australian communities where school attendance rates are low, along with low academic outcomes by Australian national standards.

This reform needs to ensure consideration of Indigenous cultural needs and wants.

Any recommendations that have been made, can be adapted to assist with similar situations in various countries with remote education being behind the national benchmark in major cities.

REFERENCES

Roles and Responsibilities in Financing Post-Secondary Education: Do Youth Opinions Matter?

Dr. Andrea D. Rounce
PhD, Department of Political Studies, University of Manitoba, Canada

1. INTRODUCTION

Post-secondary (or tertiary) education - formal education that takes place after high school completion - is fundamental for the societal and economic health of G20 countries. And post-secondary education matters to Canadian people. More Canadians are enrolled in post-secondary programs than ever before. Post-secondary institutions, governments, researchers, and businesses say that participation in post-secondary education is a good foundation for successful transition to employment. A knowledge economy requires advanced skills and education, and the federal and provincial governments support post-secondary education through financial transfers, tax arrangements, and direct supports (loans, grants) to students. The prevailing sense in Canadian society is that individuals (and their families) should also bear a substantial portion of the cost of that education.

Indebtedness among post-secondary graduates, the instability of the labour market for young people, and the presence of Baby Boomers in the labour market for longer periods than anticipated in the past combine to raise the question of whether we see intergenerational equity or fairness in Canada. As Baby Boomers stay in their jobs longer and retire later, are Millennials paying the price by facing restricted labour market opportunities?

While we may conclude that Canadians see value in our post-secondary institutions and the education they provide based on their continuing participation, we do not know this for sure. What do Canadians think of the way that post-secondary education is financed? Do they think that financial investments from government(s), individual students, and families are enough? Are they concerned about the amount of debt that post-secondary students are taking on, especially given the instability of the world economy since 2008? Do Canadians want change in how post-secondary education is financed? A recent survey of Canadians shows youth see the importance of post-secondary education but also argue that the upfront and ongoing costs associated with completing a post-secondary credential should be shared. This paper explores attitudes by age group, beginning by establishing the context for post-secondary education in Canada, the methods used to gather data, the findings, and the implications for further action.

2. CONTEXT: POST-SECONDARY EDUCATION IN CANADA

Canada has a federal system of governance, in which governing is shared amongst ten provinces, three territories, and the central (or federal) government. The Constitution assigns responsibility for many public policy areas to either the provinces/territories or the federal government. Education is a provincial responsibility, which means that the provinces/territories must manage education from the early years or to the federal government. The federal government has long played an active role in post-secondary education. It is active in Financing Post-Secondary Education: Do Youth Opinions Matter?
in research funding to institutions and individual researchers; provides a national student loans/grants program and education-related tax credits for students; provides some supports for First Nations (Indigenous) students and institutions; has subsidized/supported research into post-secondary education; and works with the provinces to support trades training. The federal government also provides a «transfer payment» to the provinces/territories which is meant to be used to support post-secondary education in the provinces/territories.

### 2.1 Participation/Education Levels

As of 2011, 51% of Canadians aged 25 to 64 had completed a tertiary-level education (Statistics Canada 2013a), an increase from 40% in 2000. However, this rate varies from province to province (from 38% in Saskatchewan and in Newfoundland and Labrador, to 58% in Ontario) and across age groups. Participation rates of young people (aged 15 to 29) in Canada are slightly lower than the OECD average as of 2011, with 43.7% of Canadians aged 15 to 29 in education (compared with 47.2%). As we might expect, over eight in ten (81.4%) of those aged 20 to 29 in education (compared with 47.2%).

### 2.2 Costs of Post-Secondary Education

Discussion about the cost of post-secondary education is often focused on tuition fees. The most visible component of educational costs, it is often simplest to compare these kinds of fees at the provincial and national level. Statistics Canada reports the average fees for various programs. Undergraduate tuition fees for 2013-2014 increased by 3.3% on average over 2012-2013, increasing in all provinces except for Newfoundland and Labrador and Alberta, where they are «frozen» (Statistics Canada 2013d). Average fees ranged in 2013-2014 from $2,644 in Newfoundland and Labrador to $6,394 in Saskatchewan. By program, the highest fees for undergraduates are paid by dentistry students (on average $17,324), and Master of business administration students pay the highest fees among graduate students (on average $35,889 for the Executive program and $24,168 for the regular program) (Statistics Canada 2013d).

At least half of all post-secondary students in Canada finance their education at least in part through government student loans. As of 2007, the average graduate who borrows to fund education will borrow between $18,800 and $28,000, depending on which province they study in and which programs they take (Luong 2010; Canadian Federation of Students nd). However, students also report borrowing from family and from private sources like bank student loans and credit cards (Luong 2010), and these funds are not easy to track using publicly-available data.

### 2.3 Labour Market Outcomes

One of the benefits highlighted by advocates of post-secondary education as an «investment» is the labour market premium associated with further education. More education is linked to more income over an individual’s lifetime (Statistics Canada 2014). However, the premiums noted vary significantly between men and women: men with a high school diploma earned $975,000 compared with men with a Bachelor’s degree who earned $1,707,000 over a twenty-year period (1991 to 2010), while women with a high school diploma earned $525,000 compared with women with a Bachelor’s degree who earned $973,000 (Statistics Canada 2013a; see also Boothby and Rowe 2002; Andres and Adamuti-Trache 2007; Auld 2004). These figures also vary significantly by program. Although the post-secondary participation rate is higher amongst women than men, women still earn significantly less over their careers than men in Canada.

Part of the discourse about the value of post-secondary education «investment» relates to labour market transitions. Does post-secondary education necessarily translate into employment? In Canada, as of 2011, for those ages 25 to 64, the likelihood of being employed increased with the level of education attained (Statistics Canada Table A.3.2). While 82% of Canadians aged 25 to 64 with tertiary education were employed in 2011, 55% of Canadians with below upper secondary education were employed. Numbers are slightly higher for those aged 25 to 34 (84% compared with 59%).

### 3. DATA AND METHODOLOGY

Data for this paper comes from an online survey conducted by Abacus Data, completed as part of an omnibus survey by 1,460 randomly-selected Canadian panel members in October 2013. Respondents are from all ten provinces in Canada, roughly in proportion to the populations of each province. Just under nine in ten (89%) of all respondents completed the survey in English and eleven per cent completed the survey in French. Fifty-two percent of the sample is female and forty-eight percent male. Respondents were placed into four age groups: the pre-Baby Boomers (born before 1945), the Baby Boomers (born between 1946 and 1961), Generation X (born between 1962 and 1981), and the Millennials (also known as Generation Y, born between 1982 and 2002). In terms of completed education, three per cent had not completed high school, forty per cent had completed high school, thirty-one per cent had completed college or some university, sixteen per cent completed a Bachelor’s Degree, and ten per cent had completed post-graduate work. The majority of respondents self-identified as being part of the middle class.

Analysis for this paper is primarily bivariate: responses to questions are analyzed using chi-square and t-test techniques by age group, in order to determine whether or not there are statistically significant differences between the ways the pre-Baby Boomers, Baby Boomers, Generation X, and Millennials think about post-secondary education costs, benefits, and financing. Only statistically significant results (with p<0.05) will be reported, as we anticipate that these results are reflective of the general Canadian population. Analysis is conducted according to industry standards with data weighted to ensure representativeness.

### 4. FINDINGS

#### 4.1 Value of Post-Secondary Education

Research shows that post-secondary education is important to Canadians. Increasingly, it is seen by many as a necessity for success. Figure 1 shows that nearly two-thirds (62%) of respondents said that getting a college or university degree is more important than it was ten years ago, while one-quarter (24%) said that it was about as important as it was a decade ago. However, there are some interesting differences among the age groups when it comes to this issue. Younger people (particularly the Generation Xs, but also Millennials) are more likely to see education as being much more important than it was ten years ago, while Millennials are also more likely to see education as being less important.

<table>
<thead>
<tr>
<th>Survey Results</th>
<th>Younger People</th>
<th>Older People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eighteen percent (18%)</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>Twenty-four percent (24%)</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Ninety-six percent (96%)</td>
<td>95%</td>
<td>93%</td>
</tr>
</tbody>
</table>

The link between a post-secondary education and the labour market has become a major topic of discussion in the Canadian context. With unemployment at higher levels for young people than for older people and discussions about Baby Boomers staying in their jobs much longer than in previous years, the value of a post-secondary education as an entrance into employment is part of common discussion. It is well-established that enrolment in post-secondary education often increases slightly during recessions and periods of high unemployment. Research has also demonstrated that people with post-secondary credentials experience fewer and shorter periods of unemployment throughout their lifespan.

While public discourse often focuses on the necessity of post-secondary education for the country’s economic success, it isn’t always clear what individuals think about this proposition. This survey showed that 85% of respondents agreed that a highly skilled and educated workforce was vital for Canada’s future. However, there are significant differences among the different age groups on this subject. Figure 2 shows that the Pre-Baby Boomers and Baby Boomers are much more likely to agree with this (91% and 90%) compared with the Generation X and Millennial groups (81% and 77%). It could be that these younger generations see other factors that matter for economic success.
Figure 2: A highly skilled and educated workforce is the single most important thing Canada needs to ensure its economic future (% Agree)

![Figure 2](image)

We also asked respondents whether or not Canada benefitted from its investment in post-secondary education: whether the country gets good value for money. Just under half (47%) of respondents agreed that post-secondary education spending providing good value for money, while just over one-third (37%) disagreed. Generation X (11%) and Millennial respondents (11%) were slightly more likely than the other age groups (8% of Pre-Baby Boomers and 7% of Baby Boomers) to strongly agree that Canada money spent on colleges and universities provides good value for money (p=.021, df=12).

Many challenge the reduction of post-secondary education to a tool for employment alone. Individuals completing post-secondary education tend to be exposed to a breadth of ideas, develop critical thinking abilities, and a myriad of other skills and abilities that may not tie directly to a particular job. Post-secondary education also has societal benefits - societies with higher levels of post-secondary education tend to be healthier, see more volunteerism, and pay higher rates of taxes which go to support social and other programming (Mackenzie 2013). However, these benefits are often underestimated because of the focus on economic outcomes. Thus, respondents were asked whether or not a post-secondary education is a good thing in itself, whether or not your education leads to a particular job.

Two-thirds (68%) of respondents either strongly agreed or agreed that a post-secondary education is a good thing in itself, whether or not courses are designed to lead to a particular job. Millennials are the most likely (26% compared with 18%) to strongly agree with this statement (p=.000, df=12), emphasizing that while labour market outcomes are important, there are other benefits to obtaining a post-secondary education.

Figure 3: When it comes to paying for post-secondary education, what percentage of the costs should be assumed by governments/parents/students?

![Figure 3](image)

These two sets of responses provide an interesting picture: respondents think that student fees provide between 60-67% of the cost of an education, while government support accounts for 33-40%. But they would want to see the government paying more than they think government does pay, and they want students to be paying less than they do. Interestingly, many governments argue that they provide between 50 and 60% of the costs of providing post-secondary education, while students’ fees count for 20 to 30% of these costs (Statistics Canada 2010). When asked a different way, nearly nine in ten (86%) respondents also agreed (41% strongly agreed, 45% agreed) that governments in Canada don’t spend enough on colleges and universities. Generation X and Millennial respondents are more likely to strongly agree that governments don’t spend enough on colleges and universities (23%, 24% compared with 15% of Pre-Baby Boomers and 17% of Baby Boomers; df=12, p=.033).

4.2 Costs: Sharing Post-Secondary Education Costs

Assessing the shared costs of post-secondary education can be a challenge. First, every province is slightly different. Second, there are also differences among universities and colleges. Third, there are differences among the type of education being provided. A Bachelor’s Degree in Arts will likely cost less to provide than a Bachelor’s Degree in Medicine or Law. Fourth, we can define the cost of providing education in different ways. Some calculations include institutional spending on research and development, infrastructure, and other expenditures. Others attempt to separate the teaching functions of an institution from the research function, in order to calculate exactly what students might be paying to support. But these distinctions are difficult, given the interconnectedness of the work done within a university, for example.

When asked what percentage of university educational costs comes from student fees, the respondents averaged 59.6% and assigned the remainder to government (40%). However, there were some distinct differences among them, particularly by age group. Generation X and Millennials were very close in their responses, averaging 66.2% and 66.8%. However, pre-Baby Boomers (59.5%) and Baby Boomers (61.5%) estimated that government provided less than that to support university education, while estimating that students paid more (Baby Boomers 38.5%, Traditionalists 40%) toward the cost of university.

When asked what proportion of education costs should be covered by governments, parents, spouses, and students, there are some notable differences across age groups. First, all respondents of all age groups thought that government resources should pay for about half. There are differences in how much of the cost groups assigned to parents and to students, however. Millennials and Generation X respondents assigned a smaller proportion of costs to parents than the Baby Boomers and the Pre-Baby Boomers, while they assigned a greater proportion of costs to students than the other groups did.

4.3 Opportunity

Although participation in post-secondary education has grown across Canada, it is clear that access to education is not equally distributed within the population. Research shows that Aboriginal peoples, people from low-income backgrounds, and those whose parents do not have a post-secondary education are less likely to participate (Stonechild 2007; Usher 2006). Additionally, people who are price sensitive (often within the same groups) or debt averse are less likely to participate. It isn’t clear, though, what the general population thinks about access and participation.

When asked whether or not the vast majority of qualified individuals in their province have the opportunity to attend a post-secondary education, one-third (33%) said that that they do. However, over half of the respondents (54%) said that many don’t attend - indicating concern about access to post-secondary education. Although the differences are not statistically significant, Millennials are more likely to report that the vast majority attends and less likely to say that many don’t attend. This may reflect what they see: that participation rates have continued to increase throughout their lifetimes. Further, over half (56%) of respondents agreed with the statement that getting a college or university education is more difficult today than it was ten years ago. Generation X and Millennial respondents are more likely to strongly agree that getting an education is more difficult today (21% and 20%, compared with 13% of Pre-Baby Boomers and 15% of Baby Boomers; df=12, p=.001).

But there are two questions that arise out of this discussion: first, can everyone who qualifies for participation in post-secondary education and needs financial support access the government funding system? And second, are students who borrow borrowing too much? Half (51%) of respondents agreed that almost anyone can get loans or financial aid to pay their way, though, what the general population thinks about the level of debt that students were taking on to pay for their studies. Three-quarters (77%) agreed with the statement that students have to borrow too much to pay for their college or university education. Strong agreement with this statement increases with age category: Millennials are the most likely to strongly agree, followed closely by the Generation X respondents (46%, 45%; df=12, p=.000). People who say that almost anyone can get loans or aid are less likely to worry about the rate of borrowing than those who say that many people cannot get loans or financial aid to pay for their education. Not only are these respondents concerned about access to loan/aid programs, they are also concerned about how much Canadian students are borrowing.
Respondents also indicated that there is a role for government in ensuring that students who are qualified and motivated to attend a post-secondary institution are not prevented from participating because of price. Nearly nine in ten (86%) agreed that we should not allow the price of a college or university education to prevent qualified/motivated students from attending. As shown in Figure 4, Millennials and Generation X respondents felt more strongly about this than did the Baby Boomers and Traditionalists (df=12, p=.001).

Figure 4: We should not allow the price of a college or university education to keep students who are qualified and motivated to attend from doing so.

<table>
<thead>
<tr>
<th>Millennials</th>
<th>Generation X</th>
<th>Baby Boomers</th>
<th>Traditionalists</th>
</tr>
</thead>
<tbody>
<tr>
<td>47%</td>
<td>45%</td>
<td>43%</td>
<td>31%</td>
</tr>
</tbody>
</table>

5. CONCLUSIONS

While Canadians - particularly young people - are more likely to participate in post-secondary education than ever before, youth unemployment rates, public discussion about the value of different types of post-secondary education, and the cost of education raises questions about how governments, individuals, and societies manage the costs and benefits of post-secondary education. This paper presents some of the findings from a recent survey of Canadians, looking primarily at different age groups’ attitudes and perceptions in order to explore whether or not these are consistent. Initial findings show that Millennials are not consistently different from all of the older age groups, but that there are important differences.

When it comes to the perceived importance and value of post-secondary education, Generation X and Millennials are more likely to strongly agree about its greater importance. These groups are also less likely to say that Canada’s economic future is dependent solely on a highly skilled and educated workforce. Additionally, Millennials are most likely of all of the groups to say that post-secondary education is a good in itself, whether or not it contributes to labour market outcomes.

In terms of the costs associated with post-secondary education, Generation X and Millennials over-estimated the proportion of university costs covered by student fees to a greater degree than the other groups. However, the other two groups thought that the government contributed even less than the Generation X and Millennials did - suggesting that all groups did not have a clear understanding of how much these funds contributed to the cost of providing a university education. Remarkably, the groups were not dramatically different when it came to their thoughts on how education should be funded. All thought that government should cover about half of the costs, and the remainder should be shared among parents, spouses, and students. Millennials and Generation X respondents assigned a slightly higher proportion of costs to students, perhaps reflecting the dominant presentation of education as a personal investment with financial results. There may also be a role to consider for employers - particularly when it comes to students in apprenticeships/trades training.

When the benefits of education are individualized in terms of job-related outcomes, it becomes easier to make the argument that the costs should be further individualized as well. However, this research clearly shows that Canadians believe that the costs of post-secondary education should be shared, reflecting the argument that public education should be publicly supported. Governments, post-secondary institutions, and other decision-making organizations would do well to take this into consideration when moving forward on funding-related issues.

6. REFERENCES

INTRODUCTION

All but one of the Universities in Australia are public institutions with their main income determined by government funding. Because of this there has been a rapid increase in participation in tertiary education within the Australian education system in the last three years following changes in government policy on funding universities. The universities are now funded according to the number of students they enrol rather than having their funding capped to certain numbers determined by the Education Department. The increase in numbers has had a positive social justice effect in raising the participation in university education of students from lower socioeconomic backgrounds.

Unfortunately, the increase in students commencing university studies has also created higher dropout rates across the university sector and these students from lower socio economic backgrounds are particularly at risk (Quinn, Bennett, Clarke, Nelson, 2012; Wilcoxson, 2010). It is therefore imperative to identify the factors which lead to university student dropout in order to identify effective support mechanisms for all students. Although the Australian universities have been very active in trying to identify variables which might increase the risk of attrition especially in the first year, the causes of student attrition are multidimensional making strategies for all students. Although the Australian universities have been very active in trying to identify variables which might increase the risk of attrition especially in the first year, the causes of student attrition are multidimensional making strategies for all students. The most authoritative, and relevant, source of information on attrition in Australian Universities is the “Stay, play, or give it away” study by Long, Ferrier and Heagney (2006) which was based on a large sample (N=4,390) of Australian undergraduate students from 14 different universities. A summary of their contributing factors is provided in Table 1.

Table 1: Factors correlating with withdrawal from university study in Australia

<table>
<thead>
<tr>
<th>Students more likely to have left university study by first semester 2005:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• were older</td>
</tr>
<tr>
<td>• came from lower socio-economic status backgrounds</td>
</tr>
<tr>
<td>• were from an English-speaking background</td>
</tr>
<tr>
<td>• already had a post-school qualification</td>
</tr>
<tr>
<td>• were in full-time work or the main care-giver for children</td>
</tr>
<tr>
<td>• had not been living with their parents or at a university college while studying</td>
</tr>
<tr>
<td>• had needed more than 90 minutes to travel to university</td>
</tr>
<tr>
<td>• were enrolled part-time and/or lived off-campus</td>
</tr>
<tr>
<td>• were enrolled at a rural, technology network or</td>
</tr>
<tr>
<td>• were enrolled in an engineering, information</td>
</tr>
<tr>
<td>• had wanted to enrol in some other course than that for</td>
</tr>
<tr>
<td>• had reservations or had not wanted to enrol at the</td>
</tr>
<tr>
<td>• had not been living with their parents or at a university college while studying</td>
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<tr>
<td>• had not been living with their parents or at a university college while studying</td>
</tr>
</tbody>
</table>

SOURCE: Long et al. (2006)

One of the difficulties in identifying risk factors is that, when students are asked about their reasons for leaving, they typically cite numerous factors. Long, Ferrier and Heagney (2006) note that it appears that factors combine to influence attrition. This may be one of the reasons that, in spite of a large body of research, there does not seem to be a consensus in the literature around risk factors. It also highlights the need for institutions to undertake research into their own student populations, and risk factors pertinent to local conditions.

A number of approaches have been developed by different universities to assess risk. These include assessing different kinds of variables thought to have an impact on attrition. The different classes of variables, and commonly identified variables within each class, are summarised as:

Pre-enrolment variables: such as socio-economic background, family educational background, entry qualifications, school decile, cultural identification.

Enrolment variables: such as enrolment status, or enrolment pattern - some Universities have analysed existing ‘at risk’ students in order to identify and advise around enrolment patterns indicative of risk (Quinn, Bennett, Clarke, Nelson, 2012).

Student behaviours/academic engagement behaviours: including failure to attend classes, submit assignments, access online learning portals, or failing a unit.

Factors affecting attrition in later years of study

At the end of the semester the 2,000 students contacted in the pilot program were compared with a comparison sample of 2,000 other students, students potentially at risk that had not been contacted in the study. Results showed that while the withdrawal rate of the students contacted was 6.4%, the withdrawal rate for students not contacted was 15.0%. The intervention was therefore successful in retaining a large number of students who might otherwise have been lost to university study.

The greatest barriers to successful completion of study by the young people from low socioeconomic
In the first semester of 2013 the pilot intervention was introduced to offer intensive support to new and continuing students in Science and Arts programs and to students identified as at risk of dropping out on the basis of their first semester of study. At risk students were those who had failed at least 50% of their studies. At risk and new first year students were also offered a week long academic orientation program in the weeks before the start of the semester. This program focused on how to manage time and workload; how to maximize learning in the lecture and tutorial/ laboratory format utilised in the courses; how to develop writing plans and to structure essay and laboratory reports; and how to give oral presentations to fellow students. During the semester a series of follow up workshops was offered to all students to reinforce these programs and student study groups were created to help students to assist each other in their learning.

The impact of the strategies for success project was investigated in two ways. First the academic engagement lecturer kept a record of the type of issues they dealt with when the students attended for a consultation. In all 1,235 separate student consultations were conducted across the semester. The major issues presenting for assistance were divided into ‘at risk situations’ – crisis situations during which there was a strong likelihood of drop out, personal issues relating to health and mental health, and course advice. The percentages of consultations within each category for new students, returning students and those identified as at risk are presented in table 2.

<table>
<thead>
<tr>
<th>Category</th>
<th>New (%)</th>
<th>Ongoing (%)</th>
<th>At Risk (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>At risk situations (33%)</td>
<td>25%</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>Personal issues (25%)</td>
<td>27%</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Course advice (40%)</td>
<td>45%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Other (2%)</td>
<td>3%</td>
<td>4%</td>
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As shown in Table 2, the percentages of the different issues differed according to the type of student presenting. For new students, while a third of the consultations occurred at a time of crisis (33%), the largest percentage of enquiries related to course advice. These issues related to enquiries about the structure of the course and concerns that the course may not be the right one for the student to pursue. For ongoing students, the requirements for course advice also predominated with 45% of consultations relating to course advice. Interestingly, for the at risk students personal issues were the primary cause of the enquiry for almost half the students (46%) and course advice was a much lower percentage (22%). This reinforces the work of Tinto (1993; 2012) who has repeatedly emphasised the need for interventions to cover the wide range of factors that can impact on the risk of student attrition.

The second type of intervention targeted at risk students, the majority of which were young people from low socioeconomic backgrounds. As these students were targeted because of their failure of 50% or more of their studies their fail rate in the previous semester was high (60.6%). These students then completed the strategies for success week long programs conducted just prior to the start of Semester 1 2013. At the end of the semester their results were compared with the previous semester. As testament to the benefits gained from the strategies for success program the students’ fail rate dropped by almost half from 60.6% to 32.6%. As a function of this change, the pass rates increased by 13% and the honours level grades by 11.1%.

CONCLUSIONS

Some time ago Tinto characterised the factors likely to raise the possibility of student success as follows: ‘students are more likely to succeed . . . in settings that are committed to their success, hold high expectations for their success, provide needed academic and social support, give frequent feedback and actively involve them, especially with other students and faculty, in learning.’ (Tinto, 2005, p. 94).

The interventions conducted to raise success rates in students via the Swinburne connect and the strategies for success programs reflect a number of these qualities. Perhaps most importantly by making an effort to contact the student initially by telephone and email and subsequently by a personal contact in the form of an academic engagement lecturer the university conveyed their commitment to the success of the students to the student at a time of need. By focusing on academic skill development, the strategies for success program attempted to provide the necessary supports and to communicate the expectations for success and to involve the students in their learning. Therefore, although the barriers to tertiary education success are likely to remain complex for all students and especially for those entering university from lower socio economic group it appears that interventions designed to help the student connect with their university life can provide many students with the resources to overcome those barriers.

REFERENCES

The Role of Youth in a Globalized World

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Student, Los Andes University, Colombia

1. INTRODUCTION

Currently, the world is characterized by a global interdependence created through the process of globalization. This is understood as “the extension of a whole range of economic, cultural and political activities across the world landscape” (Department of Economic and Social Affairs, 2004, p. 292). There’s a need for a generation of individuals with completely new characteristics demanding a change in this century’s educational system. These individuals can engage in global problem solving while also participating in local, national, and global civic life.

Therefore, according to Mansilla and Jackson (2011), the new challenge is to create globally competent individuals who are curious about the world and their perception of it. In return, they will use tools, methods, and different languages to confront the most pressing issues and take action to improve people’s life conditions. To sum up, a global student is one that collects knowledge about the world in order to transform it and make a difference.

This article will focus on the role youth plays in a globalized world; a role marked by different elements, such as diversity, various perspectives, and communication. Furthermore, the article will also show the way youth have used those elements in order to actively participate and transform the world. The last part will make reference to education and the new challenges faced. This, with the sole purpose of showing the importance of this new generation when it comes to problem-solving and transforming the world.

2. ELEMENTS TO TRANSFORM THE WORLD

For decades the United Nations has recognized the fact that the energy and ideals of the youth are necessary to transform the world. As a result, the General Assembly stated that 1985 was International Youth Year, and made emphasis on participation, development, and peace. Furthermore, young people are seen as agents, beneficiaries, and victims of major changes; thus, they confront a paradox. Singularly, the youth can seek to be integrated into an existing global order and become participants in the international arena, or they can choose to follow their ideals and change the world. Whatever the case might be, the youth are always seeking to fully participate in the life of society; hence, their role in a globalized world can be marked by three different elements: diversity, tolerance, and communication.

2.1 Diversity

One of the elements responsible for changing the role of the youth is global migration. This is due to the fact that they are now exposed to various cultures simultaneously. Thus, they are more open-minded and can see a problem from different perspectives, since they understand other points of view. This trait is a direct consequence of the changing demography of towns, schools, cities, and countries as more people look for a better life abroad. According to the data of the United Nations Population Division, by 2010 there were 214 million migrants in the world. Additionally, fifty million were living in the United States. This basically means that if all migrants were considered a country this would be the fifth densest country in the world (2008). In other words, the youth of today are facing a different panorama, since they grew up surrounded by people from diverse origins and cultures.

On the other hand, a lot of young people are immigrants themselves. With new advances in tele communications, these people are more likely to keep in touch with their country of origin and the friends they left back home. Consequently, they participate in economic, religious, and cultural activities in two different countries. This basically means that they have a hybrid identity, since they keep their traditions while adapting to the traditions found in their new place of residence. Likewise, people from their new country have to adapt to their surroundings; hence, contexts where multiple cultures can coexist are created. With this in mind, young people are already used to the exchange of ideas, traditions and tools; hence, understanding the world better and the different ideals found in it. All in all, benefitting from diversity in order to change the world is what young people do when facing global migration and having to grow up with citizens from various countries. Therefore, they use this element in order to participate in an international arena where their task is to work with people from all over the world who have different ideals and perspectives.

2.2 Tolerance

This element is strongly linked to diversity and global migration. Young people surrounded by different cultures have started to understand that everyone has a different perspective. Particularly, these perspectives are marked by the country of origin, religion, the economy, and the cultural life that person grew up in. Therefore, someone’s point of view is altered by external factors. In return, young people have started to accept that everyone has a different way of understanding the world and it is impossible to impose one belief over those of others. Hence, to reach an understanding of global issues, this new generation has to understand that they might have to confront situations where people have different views and a consensus is impossible to reach. Therefore, negotiation has become key in the way the youth seek to understand the world and express themselves; since after all, they know that through dialogue they can transform their societies.

Generally speaking, this young generation has the capacity of recognizing and expressing their point of view. Additionally, they understand the external factors that have influenced them to believe that certain things are right or wrong; they comprehend the difference between their reality and that of someone who lives in a different country. What this creates is a space of dialogue where they know that they can examine different perspectives in order to combine them and come with brand new ideas that can actually transform the world. As a result, the youngest generation is more tolerant and understands how access to knowledge and technology, as well as tradition, affects the way people see the world. In essence, tolerance emerges when the youth understand that they all have different perspectives due to the environment where they grew up; thus, combining ideas and dialoguing is a way to make a change.

2.3 Communication

As mentioned above, the younger generations understand that in order to transform the world they have to dialogue with each other and express their ideas. However, they also understand that they come from different places and have various perspectives and that the way something is said can hurt someone. In short, this is one of the greatest challenges of a modern globalized era. For one thing, these generations have to be aware that the way they express their ideas changes depending on their audience. This is due to the fact that beliefs are marked by culture and social ties; thus, it is different to express one’s ideas to someone who grew up in the same medium as to someone who experienced a complete opposite childhood and adolescence. Likewise, they have to learn and communicate effectively by using verbal and nonverbal strategies that can transmit their message without creating misunderstandings. This is key when talking about global cooperation, since peaceful dialogue only works when diverse groups can understand each other, negotiate, and come up with solutions to global problems.

This skill is mostly acquired by those people who participate in global conferences, debate clubs, and Model United Nations. These youngsters are forced to use diplomacy and dialogue to transmit their idea when facing people that have different conceptions about the world. For this purpose, they end up understanding the importance of using the appropriate media and technology in order to clearly transmit their idea. What this all shows is that communication is a basic skill for the youngsters who wish to change the world. Through correct communication, a fusion of cultures can occur and a global network of young people can be created in order to address those pressing issues that directly or indirectly affect various communities. Therefore, the youth can assume their role in a globalized society and transform the world.
3. THE CURRENT ROLE OF THE YOUTH

Young people have started to understand that the role they play in a globalized world is that of transformation agents. Nonetheless, not in all countries do they have this opportunity to express themselves and seek to change the world. International and voluntary organizations have listed a number of conditions that limit the participation of youth in the international arena. For instance, heavily indebted nations reduce the resources available for youth programs and activities. Additionally, in various nations there’s a lack of opportunity for young people to participate in societal life. As a result, they use technology in order to express themselves and connect with the rest of the world in order to make a change. This is the case of the revolutions in the Arab World and in Venezuela.

3.2 International Conferences

It is necessary to highlight that young people do not limit their participation in a globalized world to creating and supporting revolts in order to be heard. For the most part, the youth have found a way to express their ideas through dialogue. The biggest example of this is found in Model United Nations. This activity is a simulation of the UN General Assembly and other multilateral bodies. During the sessions, students debate the most pressing issues of their times and try to find solutions by representing a country and its particular interests. What’s important about MUN is that young people have found a way to express their opinions and put forth their ideas in order to change the world. As shown, a globalized society requires students to see beyond their country’s borderlines and address issues that might not directly affect their nation. As a result, they are training themselves to prepare for the time when they will actually have a say in what happens internationally.

However, what most professionals and teachers fail to understand is that the ideas proposed by this generation during MUN are authentic ideas that could be enforced around the world and have a positive impact on society. As a result, most of these ideas stay inside the debate areas during the conference and are never known by the governments and international bodies that constantly seek solutions to eradicate the same problems. The youth aren’t participating in MUN conferences to play with other delegates to change the world, they participate because they actually wish to change the world. This is shown by the fact that according to the UN Cyberschoolbus more than one million people have participated in MUN conferences. Additionally, there are more than 400 conferences a year in more or less thirty-five countries worldwide.

4. THE FUTURE OF THE YOUTH IN A GLOBALIZED WORLD

It is clear that young people are full of ideas that they wish to execute in order to change the world. This generation is thirsty for change; they have grown up in an interconnected world, which has altered the way they assume their role in the future. They are now thinking outside the box and planning changes at a greater scale. Nonetheless, not everyone is participating in this global arena and receiving an adequate education. Therefore, one of the main steps when ensuring that the role of the youth in the world is to transform it, is to start by guaranteeing a multidisciplinary study for everyone.

4.1 Education in developing countries

According to the World Programme of Action for Youth, although literacy has improved, the number of illiterate people will continue to increase (2007). According to Rachel Nungent (2011), this is directly affected by the fact that parents in developing nations might not be able to send their children to school due to violence and local economic or social conditions. Additionally, in these nations youngsters have to join the labor force in order to help their families sustain themselves. In other words, their parents can’t afford to have them at school and they need them to contribute to the household’s economic resources. As a consequence, there’s a breach between developed countries, where most of the young people can integrate themselves to the globalized world, and developing countries where only those pertaining to the higher economic classes receive a globalized education and can transform the world. Consequently, there has to be a change in the educational system if the youth want to create a broader arena where more people from various backgrounds and countries can participate.

4.2 Cooperation

It is clear that the role the youth has to play in the world is to transform it. In order to do so, they have to start by helping those belonging to their same generation who can’t have access to a global education. After all, these people will never be able to participate in the economic, social, and political global life because they aren’t globally competent citizens. It is then clear that the youth have to address poverty and education-related issues as a first step to ensuring that more people from their generation can have access to various jobs and a better life. As a result, young leaders have to strengthen existing approaches to education and help those young people who due to their poverty levels can’t access a global education.

5. CONCLUSIONS

As a final analysis, the role of the youth in a globalized world is to transform society through a network of independent individuals who can understand different points of view and dialogue with people from various backgrounds in order to make a change. These individuals have to use elements given to them by globalization, such as diversity, and the effective communication of various perspectives. Through this, they can come up with better plans and ideas to change the world. In other words, only by working together can they finally come up with solutions that will make the world connect and cooperate in order to achieve sustainable progress in all regions.

Additionally, through their energy and new ideas, the youth can make an impact on the world. They can address old problems that the past generations have struggled to solve in order to use new ideas and ways to face the situation. Thus, it is necessary to seek sufficient resources in order to proficiently implement youth programs and activities. International conferences have to start divulgating the solutions that students come up with during their debates. Moreover, this is a way for the youth to start getting involved with the world that they’ll lead and the problems that they will have to face and solve. It is necessary to highlight that the youth want to be heard because they have faith in their ideas and actually wish to contribute to the world. Unfortunately, undermining them will only bring revolts and uprisings through which they will try to make a change and get a spot in a nation’s political construction.
Economic Benefits of Educating Girls in Developing Countries

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BACKGROUND

Returns to girls’ education in developing countries are substantial, and in most cases exceed those observed in developed countries and those of boys. Educating girls is the surest path to smaller, healthier and better-educated families. Women spend more time than men do in caring for children. The more education a woman has, the more likely it is she can earn a higher income, which will go to benefit her family. In addition, when women are educated they and their husbands tend to want smaller families and to invest more in the health and education of each child. However, around the world, girls and women continue to suffer from a lack of economic opportunity, inadequate health care and education. (World Bank, 2010)

There are 600 million girls living in the developing world. Two-thirds of the world’s uneducated children are girls, and two-thirds of the world’s illiterate adults are women. Around the world, girls and women continue to suffer from a lack of economic opportunity, inadequate health care and education. Approximately one-quarter of girls in developing countries are not in school (Lloyd 2005) and one-quarter to one-half of girls in developing countries become mothers before age 18 (United Nations Population Fund 2005). Therefore, improving the socio-economic outcome for girls and young women is of central importance, not only to the beneficiaries themselves, but also to their communities and the next generation.

Studies show that, almost 30 percent of low- and middle-income countries are seriously off-track to meet the education Millennium Development Goals of universal primary education (Barbara Herz and Gene B. Sperling, 2004, Klaa Deininger. 2003, World Economic Forum 2012). Additionally, more than 20 percent of low- and middle-income countries are seriously off-track to meet the Millennium Development Goals of empowering women and girls by achieving gender equality in education. Estimates show that many countries will not meet the education Millennium Development Goals by 2015.

Most work that considers girls’ contribution to economic development focuses on investments in girls’ education (Adam Sonfield, Kinsey Hasstedt, Megan L. Kavanagh and Ragnar Anderson, 2013). World Economic Forum, (2012) demonstrated that educating women and girls is the single most effective strategy to ensure the well-being and health of children, and the long-term success of developing economies. A cross country study on the effect of education on average wages estimates that primary education increases girls’ earnings by 5 to 15 percent over their lifetimes, while boys experience a rate of return between 4 and 8 percent. (Cunningham, W. & Garcia-Verdú, R).

Research shows that investments in female education can yield a “growth premium” in Gross Domestic Product trends and that narrowing the gender gap in employment can boost per capita income as Kathy Matsui, 2013 said, “In a world fraught with war and poverty, hunger and disease, education is one of the few “silver bullets” that can contribute to meaningful improvements in women’s lives in most of these areas. A report by the World Bank (2010) indicated that; like in other parts of the world in Sub Saharan African countries, although girls are approximately half the population, they contribute less than their potential to the economy because little attention has been given to the specific challenges facing adolescent girls as they develop into adult members of families, the workforce, and society. This may be due to insufficient understanding of the actual social benefits of investing in adolescent girls. There is a long list of educational

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barriers facing the poor, who, for such well-known reasons as son preference, tend to allocate scarce educational opportunities to boys. Household and community-wide perceptions that girls have limited economic value, compared to boys School costs, which must be borne by families, including uniforms and books, inhibit access to schooling for many, particularly in Africa. Low-quality education is also prevalent because of overcrowded or too-distant schools, leaving youth unprepared for adulthood and employment. All these can result in reduced family desire to keep their daughters in school.

Many of the girls who live in the sub Saharan African countries do not have the opportunity to become fully functioning members of society. This is attributed to the facts that in many societies girls are expected to perform more household and farm chores than their brothers, which can make the immediate, short-term cost of educating girls seem greater. Moreover, if parents expect that their daughters will marry and leave the family, educating a daughter may seem less reliable an investment in the future than educating a son. Even in countries where most of the cost of primary and secondary education is borne by the government, some costs still fall on parents, and those costs can be substantial, particularly for parents in poverty (Siobhan Boyle, et al. 2002).

Like Sub Saharan Africa, many developing countries in South Asia are similarly handicapped, as girls and women are denied access to education and relegated to unskilled, low-paying jobs. In addition to reducing their chances for a better life, their lack of education costs their country in terms of lost economic growth. It is estimate that for the BRICs (Brazil, Russia, India, and China) and Next-11 countries (Bangladesh, Egypt, Indonesia, Iran, Korea, Mexico, Nigeria, Pakistan, Philippines, Turkey, and Vietnam), greater investments in female education could yield a “growth premium” that raises Gross Domestic Product growth by about 0.2 percent per year. Moreover, narrowing the employment gender gap could raise income per capita 20 percent higher than our baseline projections by 2030 (Kathy Matsui, 2013).

Remarkable progress has been made toward achieving gender equality in education. However, over the past three decades the most significant increase in girls’ enrollment in sub-Saharan Africa has been at the primary education level (World Economic Forum, 2012). Cunningham, W. & García-Verdú, R (Forthcoming) indicated that, although most developing countries have made considerable progress in reducing the gender gap in school enrollment, significant gaps remain. The World Development Report on Gender Equality and Development (World Bank, 2012) drew attention to the fact that there are still 31 million girls out of school. It is thus crucial to ensure that these girls have the same chances to receive education as boys due to the fact that education is a human right, enshrined in the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child. Further, girls’ education is a strategic development investment. Nevertheless, evidence shows that countries with greater gender equality in education are more likely to have higher economic growth.

There is also a multiplier effect to educating girls. More educated girls tend to reduce infant and maternal mortality, as well as health-care costs, and improving demographic structure, and participate more in the formal labor market, earn more income, have fewer children, provide better education to their children, all of which eventually improve the well-being of all individuals and can lift households out of poverty. Therefore, the systematic exclusion of girls from school and the labor force translates into a less educated workforce, inefficient allocation of labor, lost productivity, and consequently diminished progress in economic development. Young girls who do not develop their potentials, limit their productive contribution to the economy (World Economic Forum, 2012).

Since the World Conference on Education for All in Jomtien in 1990, emphasis in the area of girls’ education has increased, and gender equality has been integrated as an important component of the poverty reduction. Recent reports from the World Bank (2010), World Economic Forum (2012), and the OECD (2013) point to the key economic role played by women as they become more productive citizens through education. The benefits to societies and economies have become obvious. These benefits also transmit across generations, as well as to communities at large. The benefits of educating girls to countries, to families and to girls themselves are so substantial that some economists, including Lawrence Summers, a former Harvard University president and former director of President Obama’s National Economic Council, have stated that:

Educating girls may be the single highest return investment available in the developing world.

Educating girls not only stimulates economic growth, it improves the well-being of women and gives them more agencies in their communities and countries. Barbara Herz and Gene B. Sperling (2004). With the substantial benefits that accrue to families and societies from educating girls, one wonders as to why there are fewer girls accessing education at all levels. One also wonders why the gender gap in the workplace still so very wide? Studies reveals the hurdles faced by young women in developing countries can be rooted in culture, history, or legacy, as well as poverty; they are unique to each society and community. The basic difficulty is that most of the benefits of educating girls accrue to families, societies and to girls themselves, when the girls grow up, while the costs must be borne now. The only way to get people to change their morals and customs is by getting them to see the benefits (Kathy Matsui, 2013).

Social inclusion of adolescent girls that keeps them on a path to achieving their maximum human potential will result in significant economic growth. The rough estimates showed that marginal investments in girls can have a substantial impact on economy and the well-being of the people. This is why Education Strategy 2020 sets the goal of achieving Learning for All. Learning for All means ensuring that all children and youth can go to school and acquire the knowledge and skills that they need to lead healthy, productive lives and secure meaningful employment. The three pillars of our strategy are: Invest early; invest smartly; Invest for all (Cunningham et al, 2008).

The paper explores the linkages between investing in girls and potential increases in individual, family, society and national income by examining three widely prevalent aspects of adolescent girls’ lives: early school dropout, teenage pregnancy and joblessness. The paper focuses on girls rather than women or boys. Adolescence is the critical period when girls are at a greater risk of many events with irreversible negative consequences such as, early pregnancy which leads to child marriage, or school leaving that not only impact girls themselves but also the next generation. Girls face specific adversities that make them even more vulnerable than women or than boys.

The paper intends to explore the linkages between investing in girls’ education and potential increases in income i.e. economic benefits of educating girls. Thus, the main objectives of this article are: 1. To uncover economic cost of girls’ leaving school early 2. To show the cost of girls’ early pregnancies in the economy 3. To show the opportunity cost of girls’ inactivity and joblessness 4. To uncover economic gains and the society’s benefits when investing in girls’ education.

**METHODOLOGY**

To allow for cross-country comparisons for the opportunity cost of investing in girls’ education, secondary data was used. The data come from various sources that are commonly used such as articles and journals on education, web search and library research.

Countries selected for comparison in this paper are developing countries in Asia and sub Sahara Africa which has a significant vulnerabilities for adolescent girls or validating existing conditions aggravating adolescent girls’ social exclusion e.g., low school enrollment rates but high school drop rates, high rates of early pregnancies, high prevalence of joblessness which suggesting a lower value for girl-children in that society.

Using secondary data drawn from the International Labour Organization, World Bank, and World Health Organization, the costs was estimated in several African countries (Burundi, Ethiopia, Kenya, Malawi, Nigeria, Senegal, South Africa, Tanzania, and Uganda) and a few Latin American (Brazil and Paraguay), and South Asian (India and Bangladesh) and East Asian (China) countries.
Moreover, reaching UPE will not guarantee long-term education success for girls. Millions more children, particularly girls, who are not able to complete secondary school had just been able to do so, their additional lifetime productivity would increase Burundi’s GDP by an amount more than 2/3 of their annual GDP. Thus, if each Burundian girl completed the next level of education, the total contribution to productivity over her lifetime could be equivalent to nearly one year of Burundi’s GDP, or GDP growth rates would be 2 percentage points higher per year over the next 45 years – the working lifetime of today’s girls.

Tanzania and Senegal tell a different story, though, with less than 60 percent of girls completing primary education. If girls in Kenya, Tanzania, Senegal and Uganda had completed primary school alone, their additional output over their lifetimes would be equivalent to 20 percent, 18 percent, 14 percent, and 13 percent of annual Gross Development Product, respectively. And if their more girls completed secondary school, they would contribute 48 percent, 32 percent, 24 percent, and 34 percent (of annual Gross Development Product) more to their economies over their lifetimes, equivalent to an increase in annual Gross Development Product growth rates by approximately 0.5 percent to 1 percent annually for the next 45 years (World Bank, 2007).

George Psacharopoulos et al. (2002) indicated that, the efforts people make to continue education after compulsory schooling can be thought of as an investment with the potential to bring rewards in the form of future financial returns. Earnings increase with each level of education. World Bank studies (2010) find that, on the whole, one more year of primary education beyond the mean boosts a person’s eventual wage rate on average by 5 percent to 15 percent, with generally higher returns for girls than for boys. One more year of secondary school beyond the mean boosts a person’s eventual wage rate on average by 15 percent to 25 percent, again with a generally higher increase for girls than for boys. Erika A. et al. (2000) concluded that resources that women control go more directly to help the family than do the resources that men control. Having smaller, healthier and better educated families in turn helps raise economic productivity, equips people to enter new lines of work, eases environmental pressures and slows population growth, which many countries consider important changes.

Social inclusion of adolescent girls that keeps them on a path to achieving their maximum human potential will result insignificant economic growth. The rough estimates showed that marginal investments in girls can have a substantial impact on Gross Domestic Product growth and well-being. If girls just completed one higher level of education, the total value of productivity generated over the work life of those girls is equivalent to nearly one year’s Gross Domestic Product (Cunningham et al, 2008).

As Nobel laureate Amartya Sen (2000) stresses: when women are educated they gain voice and agency in their lives, giving them more economic opportunities, encouraging women’s political participation, and transforming society for the better.

Klaus (2003) concluded that “For those in certain regions of the world who haven’t been paying...
Countries that close the employment gender gap sooner are able to enjoy the fruits of that equality much faster.

Pitt, Rosenzweig et al (2010) found that the returns to female education are higher than those for males. Investment in school has greater returns on the labor market for women. Compared to men, with the same level of education, women have higher socioeconomic outcomes when the investment is viewed on the long-term basis. As female human capital has a high potential, so gender equality is prerequisite for economic growth and social development. Without achieving gender equality, a sustainable economic development cannot be achieved (ILO 2011).

The cost of girls early pregnant in the economy

A number of economic studies have examined the impact of teen pregnancy, family size and birth spacing on women’s workforce participation (Disease Control and Prevention, Achievements in public health, 2013; Adam Sonfield, Kinsey Hasstedt, Megan L. Kavanaugh and Ragnar Anderson 2013) has found that young women’s ability to obtain the contraceptive pill significantly increased labor force participation among women who first started to have access to the contraceptive pill as they turned 18, as compared with young women of earlier decades. Access to the contraceptive pill increased women’s time in the workforce, compared with those who did not have legal access to the pill before age 21. The studies concluded that, advent of the pill was a driving force behind the societal shift to significantly more young women participating in the paid labor force, even after controls for factors such as education and work experience. Indeed, research has linked states’ granting young women legal access to the pill before they made lifelong decisions about education, employment and marriage to substantial historical increases in their pursuit of college and advanced professional degrees. Because higher degrees of education often lead to more financially desirable jobs, access to effective contraception has also helped improve young women’s status and participation in the labor force. Specifically, young women’s legal access to the pill contributed historically to the trend of more women pursuing paid, full-time jobs, including career trajectories with higher pay and prestige.

Clear, access to reproductive health care and the recognition of reproductive rights cannot be addressed in isolation from the rest of an individual’s life, or from the rest of society’s inequities. Rather, policies and programs that advance contraceptive access and affordable, and those that affect whether a woman is still able to achieve her life goals if and when she becomes a mother should be considered as part of a greater whole. Government and organizational policies can help advance broader economic equality and social justice for individual women, families and society by helping girls regardless of background or income, determine and exercise their own reproductive choices. The social and economic benefits of contraceptive access and consistent use are no secret to women. Indeed, in a recent Guttmacher Institute (2013) survey of women seeking contraceptive services, a majority said that over the course of their lives, access to contraception had allowed them to take better care of themselves or their families (63%), support themselves financially (56%), complete their education (51%), or keep or get a job (50%). These benefits start with educational attainment.

Access to contraception has been shown to help women successfully pursue higher degrees of education and become established in professional careers, both steppingstones to achieving economic stability for themselves and their families. A large body of evidence has explored how contraceptive access has altered women’s and, to a lesser degree, men’s income levels, largely through facilitating education and work opportunities.
unemployed today, and that at least 50 of the countries for which data are available have youth unemployment rates of more than 15 percent (United Nations 2003). Worldwide, youth account for more than 40 percent of the unemployed. In addition to loss of income, youth unemployment can lead to marginalization, exclusion, frustration, low self-esteem, and sometimes to acts that create burdens on society.

At present, global youth population has grown to 1.2 billion which make almost 25% of the world's working-age population. Whereas 87% of the youth live in the developing countries and according to recent data, 80 to 90 million (more than 15%) of them are still unemployed (ILO, 2011). On the economic front youth are facing the hard time as youth unemployment rate is approximately three times higher than the adult unemployment rate and youth make up 43.7% of the world's total unemployed population (ILO Data, 2011). There is greater difference in youth unemployment rate as far as female youth are concerned. On the economic front more and more young women are facing the hard time to get employment hence engaged in unpaid (family, personal, reproductive) work, which affects their participation in paid economic activities (Coenjaerts et al, 2009).

In the Millennium Development Goals youth have been promised for respectable and productive employment. One may wonder whether this promise has been kept, or whether there will be any change on side of female youth, who are forced to stay at home and do unpaid work.

Developing countries have the largest shares of youth population; the opportunity for these youths who are ready to enter into the labour market depends on many factors that include economic growth rate, economic development and cultural trends in the concerned countries. Usually it is argued that education is a gender equalizer but cross country data on female education and employment seemingly does not support this idea as on the employment and empowerment side still a great deal of work has to be done. Females still have a long way to go as they are under-represented in the graduate job market, particularly at key or administrative positions (Lips, 1999).

Restriction on female mobility results in low level of education and skills which act as a barrier between job seeking female youth and job market. Later on unemployment results in an early marriage, early pregnancies, more household responsibilities this further limits female mobility and she had very little or no chance to do paid work in future. Female youth unemployment has multilevel effects on this already disadvantaged group as it is making them more vulnerable, promoting feelings of exclusion and segregating them from contributing to the national economy. (Mercy Tembon and Lucia Fort 2008)

Girls’ joblessness imposes significant annual productivity losses. If girls’ inactivity were the same as that of women, national economies would grow by 0.8 to 5.4 percentage points annually. However, once accounting for those non-working girls who are in school, the costs fall to zero since adult women are more inactive than adolescent girls. And if girls’ and boys’ economic activity rates were equal, similar additions to Gross Domestic Product would be observed, while accounting for students only slightly reduces the estimates. Comparing the cost of inactivity to the cost of joblessness, the greatest gains are in India, where the girl-boy employment gap is greatest and, compared to other countries with similar gaps, wages are high.

Discriminatory educational failures, particularly the no enrollment of girls, increase the effect of unequal educational opportunities on young women’s economic opportunities. There are an estimated 140 million illiterate young people in the world, 86 million of whom are young women. These young women are effectively excluded from the employment opportunities that result from economic development and growth. Another 130 million children are currently not in school, and they will become the illiterate youth and adults of tomorrow. Despite improvements, illiteracy rates for young women in sub-Saharan Africa and South Asia currently average between 25 and 30 percent. (ILO Data, 2010).

World Economic Forum (2012) also realizes that women play a key economic role as they become more productive citizens through education. Completing some level of formal education, from a high school diploma to a professional degree, is an important and helpful step in securing a job. Commonly, advancing one’s education increases the chances of entering a stable career that is well-paying and offers opportunities for advancement.

**Recommendations**

Social inclusion of adolescent girls that keeps them on a path to achieving their maximum human potential will result in significant economic growth. This paper has presented roughly costs incurred by the family and societies as a result of the social exclusion of adolescent girls. The estimates are limited to the opportunity costs, which measure the losses in terms of potential productivity gains and income young girls could have achieved if they were employed, if they had delayed pregnancy, or if they had attained higher educational levels.

In order to trim down the level of early school dropout, early pregnancy and joblessness for girls the recommendations presented in this paper highlight actions that countries in Sub Saharan Africa, Tanzania being among them can take in order to reap the benefit of investing in their girls. Policy recommendations to expand investments in girls can be classified into two general areas: investing in girls, and advocating for girls.

**Investing in Girls**

Increasing funding for adolescent girls and tracking what it achieves. This will benefit both today’s girls and tomorrow’s girls by providing services to today’s girls and learning from those experiences to better provide for girls tomorrow. Therefore governments should consider expanding school facilities by developing after-school tutoring and mentoring programs, providing financial education programs, social support and funding internships, apprenticeships and training opportunities to promote girls’ transitions to safe and productive livelihoods. Many of the benefits of educating girls and women, whether in terms of employability, income, health, or their own children's development depend largely on what they learn while in school.

Re-orienting health delivery systems to provide adolescent girls with services that are accessible, customized, confidential, and nonjudgmental could provide girls with information to make good sexual health choices, better support them to prevent unwanted circumstances, and screen for reproductive and sexual health risks such as domestic violence and unintended pregnancy.

Government and stakeholders should establishing programs that seek to make girls productive and self-supporting members of society by providing livelihood and life skills training combined with credit facilities. There is no shortage of ideas about interventions that could be effective in promoting gender equality in education. “The Power of Educating Adolescent Girls”. There are range of policies and programs that are proposed in this paper that aims at promoting adolescent girls’ education such as scholarships for girls, recruitment and training of female teachers, girl-friendly curricula and pedagogical approaches that enhance learning and employment, after-school tutoring, and greater support for the non-formal education sector. This can be easily realized only if data on non formal education could be collected, compiled, upgraded, certified, and licensed. This part of the education system means a general improvement that would benefit adolescent girls. The challenge for policymakers and the development community will be to identify the reforms and programs that will have the largest benefit for gender equality.

Access to education, which is a basic human right enshrined in the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child, is also a strategic development investment. The human mind makes possible all other development achievements, from health advances and agricultural innovation to infrastructure construction and private sector growth. For developing countries to reap these benefits fully both by learning from the stock of global ideas and through innovation they need to unleash the potential of the human mind. And there is no better tool for doing so than education.

Addressing gender inequality within the system framework also implies a need to work closely with other sectors, particularly those of justice, health, agriculture, and infrastructure. The multisectoral approach goes beyond economic measures to ensure equal access to schooling by
helping provide a safe and healthy environment for girls to attend school, as well as improve the economic returns to female education by raising education quality and making education more relevant to the labor market. By emphasizing the development of system assessment and benchmarking with specific targets for equality and inclusion, the strategy helps promote gender equality by identifying where the disparities are widest, what factors explain them, and which interventions are most likely to be effective.

Because not all women have shared equally in the social and economic benefits of education, there is more work to be done in implementing programs and policies that advance educational access and help all girls achieve their life goals and if and when they decide to go to school. The fastest and most direct way for governments to boost school enrollments and attendance for girls is to reduce the costs to parents of educating their daughters by making girls’ schooling affordable.

In some of the societies in Tanzania where women and girls are traditionally sequestered from males, ensuring girls’ privacy through separate schools or separate hours for girls in schools shared with boys may be essential to increasing enrollment of girls. Experience in Pakistan and Afghanistan has shown that parents are more likely to send their daughters to school if the classes are not co-ed, especially beyond the early primary-school ages.

To educate girls, especially in poorer areas, it is crucial to mobilize communities to commit to educate all children, find an acceptable teacher, encourage teachers and students and help meet the practical needs of schools, students and teachers. A number of such efforts have yielded positive results in other parts of the world.

Advocating For Girls

Governments should make laws that can work better for adolescent girls by repealing laws that discriminate against girls in the schools, or family and ensure equality of access to education, health services, jobs and earnings, credit, and property ownership. Government should also mobilize communities, families, religious and community leaders to foster healthier, more supportive communities where girls can create and execute their own solutions.

Educational partners and stakeholders should strive to improve gender equity and empower girls. Women and gender issues should be central to the Countries educational strategies, Learning for All. Many of the benefits of educating girls whether in terms of employability, income, health or their own children’s development depends on what they learn while in school.

One policy intervention that often brings many of these streams together is comprehensive sex education. Many of the most effective curricula and programs not only provide information about contraception, abstinence, pregnancy and sex, but also aim to bolster students’ life and relationship skills and increase their sense of personal responsibility, for example, teach adolescents about a variety of subjects to prepare them for adulthood, including healthy relationships and positive self-esteem; life skills such as goal setting, decision making, negotiation and communication; and career skills, such as for employment preparation, job-seeking, workplace productivity and financial self-sufficiency. These programs are based on the recognition that reproductive health and social and economic outcomes are intrinsically linked, both in their effects and in the skills and knowledge needed to avoid harm and achieve success.

Another intervention that could help on multiple fronts is the establishment school based health centers, which can provide a wide range of health care services and information, often including reproductive health care. School-based health centers can be particularly valuable for disadvantaged teens because of their accessibility and affordability.

CONCLUSION

Much is known about how to bring girls into school and help them stay through the secondary level. Getting the job done, however, is mainly a question of political will in deciding how to use scarce resources. Will education have priority? As understanding grows about how much and how quickly education can result in tangible benefits for girls, their families and their countries, more communities may summon the political will and resources to provide girls and boys equal access to quality education. Countries like Brazil, China and India that lead the way in economic growth have invested and are continuing to invest in education. Countries that want to be economically competitive now and in the future and secure good living standards for their people can take no better action than to educate their youth girls and boys alike today.

Rome was not built in a day. Some of these ideas posed in this article will need further study and reflections, while other may simply be accepted as a matter of stakeholder’s good will. I do not expect a perfect angel immediately to turn stones upside down. But government through Ministry of Education should try to translate some of these suggestions into practical action. It is trying that we actually do and in doing that we assess the results and eventually succeed in choosing the right options.

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INTRODUCTION

People have noticed the constant alternative choices of the first person pronouns 1 and we in their subjective forms for manipulating interpersonal distance (Beard, 2000); but their interests were confined to daily conversations and inductive descriptions (Levinson, 1983; Huang, 2007; He and Ran, 2002), some with the empirical approach of statistics (Huang and Yang, 2008); yet all have overlooked the addressees’ side of the story, namely, the listeners’ attitude that may be affected in response to speaking.

The present authors report an observation as solution to these problems. It advocates that to choose one rather than the other between I and we should have negligible political significance in turning the speakers’ political dreams into reality, changing the world by their values, and constructing new social orders (Yuan, 2013). The phenomena to concern were the first person pronouns in Chinese: wo (I) and women (we) (Li and Zou, 2012; Shao, 2006; Tang, 2007) as Grammatical Subject (GS) in the political speeches delivered by the Chinese President Jinping Xi at various occasions, and the purpose is to scrutinize the situations from the perspective of listeners’ attitudinal influence for the functional effects. The methodology was extended to a new empirical one, namely, the Event-Related Potentials (ERPs): the electrical response of the brain being time-locked to the presentation of a given event averaged over time (Hinojosa, 2001).
Participants

41 right-handed and 1 left-hand college students participated in the experiment. All were native Mandarin speakers with normal or corrected-to-normal vision, and reported no neurological disorders. The left-hand participant (1 female) and three participants (1 male and 2 females) with accuracy rates lower than 50% were excluded from the ERP experiment. Data from 38 participants were then included for the final analyses. 21 of them were males and 17 females, aged 23.97 years of age (21-27, SD = 1.24). Each participant received a mount of pay for his/her participation.

They were divided into two groups according to the median score (50) of their performance in the Implicit Association Test (IAT) about their attitude towards political speech, hence the positive (High Score Group) and the negative (Low Score Group). In the IAT, participants were asked to choose a smiley face or a sad face, and one score would be added or subtracted accordingly; and no score would be given if no choice was made within 5 seconds. Since the experiment required an inter-group comparison, several analyses were performed to ensure that the two groups were closely matched. It was found that only the difference of the scores in IAT between the two groups were significant [t(36) = 4.840, p < 0.001], whereas the differences in age, sex, educational level, major, interest in speech and in politics between the groups did not reach significant level.

Materials

364 sentences from 11 public speeches by President Xi were selected, with 3 themes: international interactions, national development, and party-member learning, as shown in Table 1, where the total occurrences and ratios of the pronounial GSs wo and women are presented.

All sentences containing wo and women were picked out from the speeches selected, and their structure is "foregoing context + wo/women + clause", as in, [In the rapidly changing world today, the greatest dream of the Chinese people is to achieve the...]

RESULTS

Behavior results

The response accuracy of the 38 participants in the ERP experiment was calculated. The average accuracy rate was 65.35%, SD = 0.13.

ERP results

Figure 2 and 3 display the grand average waveforms and topographical maps of the two groups.
It was suggested that the patterns of the waveforms induced by the two GS types should be similar in the mid-to-late period. However, there was a negative wave similar to N280 in the 250-350ms time window, and the next negative wave similar to N400 appeared at 350-600ms. That is, the ERPVs of processing wo by High Score Group was more negative, while the waveforms of processing women by Low Score Group was more negative.

For the early part (250-350ms) of the N280 component, the main effect of group was not significant [F(1, 36) = 1.304, p = 0.261]; but that of the GSs wo and women was significant [F(1, 36) = 4.143, p = 0.049]; wo induced more negative average amplitudes than women did. The interaction between group and the pronounal GS type was marginally significant [F(1, 36) = 3.105, p = 0.087]. Further t-tests suggested that the difference of the average amplitudes induced by the two GS types in the High Score Group was significant [t(17) = -2.149, p = 0.046]; in other words, wo induced more negative average amplitudes than women did. In the Low Score Group, there was no significant difference between the two GS types [t(19) < 1]. The interaction between group, GS types, and electrodes was not significant [F(16, 576) = 1.829, p = 0.110].

For the late part (300-350ms) of the N280 component, the main effect of group was not significant [F(1, 36) = 0.007, p = 0.947]; the main effect of the GS types was not significant [F(1, 36) = 0.007, p = 0.947]; the interaction among group, GS types, and electrodes was significant [F(16, 576) = 3.781, p = 0.002]. Further 2 (Group) × 2 (GS type) ANOVAs performed over each electrode found that the interaction between group and the GS types was significant over PZ [F(1, 36) = 18.792, p = 0.001], CP4 [F(1, 36) = 6.923, p = 0.014], FZ [F(1, 36) = 4.755, p = 0.034], and FC3 [F(1, 36) = 6.180, p = 0.018]. Further pairwise t-tests carried out over each of these electrodes reflected that significant differences of average amplitudes induced by the GS types in the High Score Group were found over PZ [t(17) = 4.084, p = 0.001], CP4 [t(17) = 2.822, p = 0.012], CPZ [t(17) = -2.535, p = 0.021], CP3 [t(17) = -2.949, p = 0.009], C4 [t(17) = -3.304, p = 0.004], CZ [t(17) = -2.202, p = 0.042], C3 [t(17) = -2.370, p = 0.030], FC4 [t(17) = -2.568, p = 0.020], and FCZ [t(17) = -2.152, p = 0.046], and wo induced more negative average amplitudes than women did. The difference over FC3 was marginally significant [t(17) = -2.084, p = 0.053]. However, there was no significant difference, in the Low Score Group, between the GS types over FC3 [t(17) = 1.620, p = 0.223] and the other electrodes [t(19) < 1].

For the early part (350-450ms) of the N400 component, the main effect of group was not significant [F(1, 36) < 1]. The main effect of the GS types was not significant [F(1, 36) = 1.064, p = 0.309]. The interaction between group and the GS types was significant [F(1, 36) = 12.150, p = 0.001]. Further t-tests revealed that the difference of the average amplitudes induced by the GS types in the High Score Group was not significant [t(17) = -1.472, p = 0.159]. In contrast, there was significant difference between the GS types [t(19) = 3.886, p = 0.001] in the Low Score Group; that is, women induced more negative average amplitudes than wo did. The interaction among group, GS types, and electrodes was significant [F(16, 576) = 3.781, p = 0.002]. Further 2 (Group) × 2 (GS type) ANOVAs performed over each electrode found that the interaction between group and the GS types was significant over PZ [F(1, 36) = 18.792, p = 0.001], CP4 [F(1, 36) = 8.748, p = 0.005], CPZ [F(1, 36) = 11.279, p = 0.002], CP3 [F(1, 36) = 16.238, p = 0.001], C4 [F(1, 36) = 15.011, p = 0.001], CZ [F(1, 36) = 7.137, p = 0.011], C3 [F(1, 36) = 17.108, p = 0.001], FC4 [F(1, 36) = 9.062, p = 0.005], FCZ [F(1, 36) = 8.048, p = 0.007], FC3 [F(1, 36) = 16.441, p = 0.001], F4 [F(1, 36) = 4.415, p = 0.043], F3 [F(1, 36) = 6.136, p = 0.018], and F7 [F(1, 36) = 4.401, p = 0.043]. Marginally significant group by GS type interactions were found over FT8 [F(1, 36) = 3.685, p = 0.063], FT7 [F(1, 36) = 3.810, p = 0.059], and FZ [F(1, 36) = 3.983, p = 0.054]. Further pairwise t-tests carried out over each of those electrodes where the interaction was significant or marginally significant reflected that the difference of the average amplitudes induced by the GS types in the High Score Group was significant over PZ [t(17) = 3.105, p = 0.006] and CP3 [t(17) = -2.470, p = 0.024], and marginally significant over C3 [t(17) = -2.051, p = 0.056] and FC3 [t(17) = -2.101, p = 0.051]. It was implied that we should have induced more negative average amplitudes than women did. Nevertheless, significant difference in the Low Score Group was found over PZ [t(19) = 3.024, p = 0.007], CP4 [t(19) = 2.897, p = 0.009], CPZ [t(19) = 3.209, p = 0.005], CP3 [t(19) = 3.367, p = 0.003], C4 [t(19) = 4.003, p = 0.001], C3 [t(19) = 3.083, p = 0.006], C19 [t(19) = 4.183, p = 0.001], FC4 [t(19) = 3.259, p = 0.004], FCZ [t(19) = 3.241, p = 0.004], FC3 [t(19) = 3.775, p = 0.001], F4 [t(19) = 2.120, p = 0.047], F3 [t(19) = 3.173, p = 0.005], F7 [t(19) = 2.552, p = 0.019], FT8 [t(19) = 2.817, p = 0.011], FT7 [t(19) = 2.921, p = 0.009], and FZ [t(19) = 3.009, p = 0.007], and women induced more negative average amplitudes than wo did.

For the late part (450-600ms) of the N400 component, the main effect of group was not significant [F(1, 36) < 1]. The main effect of the GS type was not significant [F(1, 36) < 1]. The interaction between group and the GS types was not significant [F(16, 576) = 0.052], and F3 [t(19) = 1.921, p = 0.070].

DISCUSSION

The purpose of the present study was to figure out the neuro-cognitive reaction differences between the uses of wo and women as GS in political speeches by President Xi Jinping. In particular, it aimed to give a temporal measure of the dynamic construction in processing political speeches, and to examine the patterns of the effect in two dimensions of participants’ attitude. Two ERP components, i.e., N280 and N400, were found sensitive to the difference in choosing wo or women as GS and the attitude of participants.

First of all, the mean amplitudes of N280 were modulated by participants’ attitudes to the political speeches. That is, wo in the positive group significantly generated a larger N280 than women did, while no such difference was observed in the negative group. The N280 was considered an index of lexical categorization, and could be affected by word length, frequency, and grammatical complexity (Osterhout et al., 2007; King and Kutas, 1998; Brown et al., 1999; Brunelliare et al., 2005; Zhang et al., 2012). Of the
three, the first two should be dropped off in the present study. The case of word frequencies between wo and women were comparable, so there is no necessity for its consideration. Word length should be excluded either: if it did have an effect, the amplitudes elicited by wo and women from both the positive and negative groups should witness difference; but the experiment found that only the N280 effect appeared in the positive group, and no such effect occurred in the negative group. The possible factor should then be grammatical complexity: the N280 effects per se might reflect the processes associated with the structural analysis of sentences. As the positive participants had a conscience of nationality identification, and they were willing to be involved in the national affairs and preferred to President Xi’s use of women than wo, the case of using wo should be out of their expectation, and hence a larger N280 was elicited. That is, noticing the context of the sentence at stake would prepare participants with certain attitude and decide their preference for wo or women: once an unexpected pronominal GS appears on the screen, inconsistency would occur, a phenomenon that proves the time-sensitivity of the ERP’s.

Moreover, the mean amplitudes of the N400 were also modulated by participants’ attitude to the speeches. In the positive group, wo elicited a larger N400 than wo did, while an opposite pattern was observed in the negative group: women elicited a larger N400 than wo did. The N400 is usually subject to contextual constraints (Frank et al, 2001; Holcomb, 1993; van Petten et al, 1991; van Petten, 1999); and the modulations could reflect the influences of the choices of the alternative GS forms on expectancy for the respective positive and negative groups of participants. Therefore, when participants read the context of a sentence, there would be an expectation as well for possible wo or women as GS to appear during the blank-screen interval. In other words, as a participant could see the context, s/he would have an attitude towards the whole sentence first and then make a choice in mind. If there came one not expected, the inconsistency would generate an N400. If the speaker used women instead of wo, the participants would feel uneasy, and this GS women would elicit more negative amplitude than wo did.

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Figure Legends

Figure 1. Illustration of the procedure in the ERP experiment. The sentence contains three parts, namely context, grammatical subject and clause, which is in line with the structure rule “foregoing context + wo/women + clause”. The meaning of it is “In the rapidly changing world today, the greatest dream of the Chinese people is to achieve the great rejuvenation of the Chinese nation, and that [we] called “the Chinese Dream” with three features: the prosperity of the Country, the development of the Nation, and the happiness of the people.”

Figure 2. The grand average waveforms and topographical maps of the High Score Group. A Grand average ERPs for the wo and women conditions in the High Score Group at nine representative electrode sites. Note that negative was plotted up. B Topographical maps for the distribution of the difference between the wo and women conditions, i.e., wo condition minus women condition, in the High Score Group.

Figure 3. The grand average waveforms and topographical maps of the Low Score Group. A Grand average ERPs for the wo and women conditions in the Low Score Group at nine representative electrode sites. Note that negative was plotted up. B Topographical maps for the distribution of the difference between the wo and women conditions, i.e., wo condition minus women condition, in the Low Score Group.
Table 1. GSs women and wo used in President Xi's Speeches

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Theme</th>
<th>women</th>
<th>wo</th>
<th>Ratio (%)</th>
<th>wo</th>
<th>Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Keeping Seeking Truth from Facts Is the Ideological Line</td>
<td>party-member learning</td>
<td>41</td>
<td>11</td>
<td>78.85</td>
<td>11</td>
<td>21.15</td>
</tr>
<tr>
<td>2</td>
<td>A Speech in the Meeting of the Politburo Standing Committee</td>
<td>national development</td>
<td>25</td>
<td>8</td>
<td>75.76</td>
<td>8</td>
<td>24.24</td>
</tr>
<tr>
<td>3</td>
<td>A Speech in the First Collective Learning of the Political Bureau of the Central Committee of the Communist Party of China</td>
<td>national development</td>
<td>42</td>
<td>13</td>
<td>76.36</td>
<td>13</td>
<td>23.64</td>
</tr>
<tr>
<td>4</td>
<td>Empty Talks Would Lead the Country Astray, and Hard Work Can Rejuvenate the Nation</td>
<td>national development</td>
<td>24</td>
<td>5</td>
<td>82.76</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>5</td>
<td>A Speech on the Tea Party of Chinese People's Political Consultative Conference in the New Year</td>
<td>national development</td>
<td>8</td>
<td>6</td>
<td>57.14</td>
<td>6</td>
<td>43.86</td>
</tr>
<tr>
<td>6</td>
<td>The 80th Anniversary of Party School of the CPC Central Committee and the 2013 Open Ceremony of the Spring Semester</td>
<td>party-member learning</td>
<td>41</td>
<td>12</td>
<td>77.36</td>
<td>12</td>
<td>22.64</td>
</tr>
<tr>
<td>7</td>
<td>A Speech at the First Plenary Session of The 12th National People's Congress</td>
<td>national development</td>
<td>20</td>
<td>6</td>
<td>76.92</td>
<td>6</td>
<td>23.08</td>
</tr>
<tr>
<td>8</td>
<td>A Speech in the Moscow Institute of International Relations</td>
<td>international interactions</td>
<td>20</td>
<td>16</td>
<td>55.56</td>
<td>16</td>
<td>44.44</td>
</tr>
<tr>
<td>9</td>
<td>A Speech in Nyerere International Conference Center in Tanzania</td>
<td>international interactions</td>
<td>16</td>
<td>8</td>
<td>66.67</td>
<td>8</td>
<td>33.33</td>
</tr>
<tr>
<td>10</td>
<td>A Keynote Speech in the Fifth Meeting of the BRICKS Leaders</td>
<td>international interactions</td>
<td>24</td>
<td>2</td>
<td>92.31</td>
<td>2</td>
<td>7.69</td>
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<tr>
<td>11</td>
<td>A Keynote Speech at Boao Forum for Asia Annual Conference 2013</td>
<td>international interactions</td>
<td>12</td>
<td>4</td>
<td>75.00</td>
<td>4</td>
<td>25.00</td>
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<tr>
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<td><strong>75.00</strong></td>
<td><strong>91</strong></td>
<td><strong>25.00</strong></td>
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</table>
From the Margins: Building Curriculum for Youth in Transition

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EXECUTIVE SUMMARY:

In this day and age, an abundance of public discussion and debate centres on questions regarding appropriate responses to youth criminality, including the use of the harshest response available, namely, incarceration. For a variety of reasons, however, much less attention is granted to the matter of what should be done for and with youth once they have served time in custody and seek to return to the communities from whence they came. Education is undoubtedly among the factors capable of facilitating successful custody-to-community transitions, but this general proposition leaves a host of specific questions unanswered: If continuity is a key consideration, should youth re-entrants resume their learning at the schools they attended prior to being incarcerated? Or in the interests of addressing challenges that are often part and parcel of the post-incarceration experience, are they best served in alternative educational settings? If the latter, what modes of pedagogy and types of curriculum are most likely to yield desirable results?

With an eye toward answering such questions, our research team, working in partnership with six community-based organizations, conducted forty interviews with two categories of interviewees, that is, youth re-entrants and those who teach them. The often wide-ranging interviews constituted rich sources of information about how front-line workers and policy-makers can best respond to challenges that are often part and parcel of the post-incarceration experience.

1. INTRODUCTION: THE CHALLENGES OF YOUTH CUSTODY-TO-COMMUNITY TRANSITIONS

The placement of certain convicted individuals in secure facilities for determinate periods of time is a societal practice that has widespread support even among segments of the population who cast critical eyes on all forms of coerced state power. Nonetheless, a recognition of the need to place some individuals in such facilities does not preclude the advancement of concerns about the unintended negative effects of time in custody on inmates, especially youth. As one group of researchers contend, “despite its putatively rehabilitative aims, it is all too often the case that young offenders finish their time with the justice system and move into the adult world with just as many, if not more, problems than when they first entered,” while adding that “the context of justice system intervention is one that is more likely to arrest individuals’ development than promote it” (Steinberg et al., 2004:23,32). At a time in which rehabilitative ideals are in decline and punitive tendencies are ascendant, one will not find an abundance of currently or formerly incarcerated youth who will speak of secure facilities as nurturing environments. The negative effects of standard custodial settings are such that incarceration may contribute to the exacerbation of pre-custody problems and can, indeed, bring new problems into being.

In comparison to their counterparts on the outside, youth in custody are at risk of being at standstills from the standpoint of expected patterns of adolescent development – but none of this is inevitable. Consider this observation: “without a consistent and sustained emphasis on what happens to youth while they are incarcerated and then released, including programming that encourages the creation of and access to opportunities to succeed, a cycle of failure is highly likely” (Mears and Travis, 2004:9). Typical cycles of failure can therefore be supplanted by counter-cycles of success if concerned institutions and organizations take measures to bolster the life chances of youth re-entrants, those making custody-to-community transitions. Individual agency on the part of these youth, coupled with community-based programming centered on the provision of positive incentives (rather than punitive sanctions), are key aspects of the quest to foster resistance from criminal activity.
of hyper-credentialism. If it is true, furthermore, that belowaverage educational attainment constitutes a risk factor vis-à-vis criminality (specifically street crime) then it follows that higher educational attainment can mitigate said risk. “Attendance at school is a strong protective factor against delinquency,” state the authors of a report by the Youth Reentry Task Force.

“Youth who attend school are much less likely to commit crime in the short-term and also in the long-term...Emphasis on returning to school upon exit from out-of-home placement [custody] should be a high priority for any reentry initiative” (2009:17).

In addition to having intuitive appeal, emphases on the rehabilitative capacity of education in relation to youth re-entrants are supported by a number of relevant empirical studies.

Taking these observations into account, this report constitutes a preliminary effort to (1) evaluate current educational programming available for youth re-entrants and (2) consider what will be needed when formulating educational curricula geared toward effectively addressing the particular needs of these young people. Both our youth and youth worker interviewees spoke about these matters in various ways. The youth stated preferences for programming outside of traditional school settings because these programs were more “real,” while youth workers recognized the need to deliver curricula in ways that support the positive psycho-social development of youth re-entrants.

2. WHAT IS TO BE DONE? TRANSITIONAL CURRICULA AS A MEANS OF FOSTERING DETERRENCE

Although law-and-order observers are commonly associated with narrow perspectives on crime causation that are limited to individuals and families, prominent police officials have at times asserted the value of understanding youth crime in structural terms. Julian Fantino, who is perhaps best known for his tenure as the head of the Toronto Police Service, has cited ghettoization as a problematic feature of life in Toronto:

Crime itself has no particular denominator, but certain crime has certain elements to it. You take a community with a lack of infrastructure, no support systems, and lots of young people being left to their own devices, and you’re going to have problems. Some of these high-density subsidized-housing developments do nothing but warehouse people. They ghettoize people. This has been a big problem in Toronto and in many other cities as well, and the inevitable results are tragic for everyone. These things were built for disaster (2007:247).

Concordantly, the Ontario Association of Chiefs of Police has published an undated report entitled Crime Prevention in Ontario: A Framework for Action in which they draw attention to “risk factors... that may increase the presence of crime or fear of crime in a community” such as “racism/marginalization,” “few social services,” “high poverty concentration” and “poor housing” (OACP, n.d.:8-9). In sum, damaging social conditions tend to produce damaged individuals, some of whom will become street-involved youth.

Taking these observations into consideration leads us toward the task of addressing a key question, namely, what is to be done? Prospective answers are commonly framed in oppositional terms: structural transformation vs. cultural enrichment, rehabilitative initiatives vs. retributive penalties, long-term projects vs. short-term interventions and so forth. Additionally, from a policy standpoint, emphases on the pursuit of academic success in the field of electoral politics tend to undercut the willingness of political elites to pursue substantive crime control measures. As Julian Falconer explains, “crime prevention policies take decades to bear fruit, rather than the months or years that make up the election cycle. This is the heart of the problem: Politics have a life span far shorter than the time it takes to change society. Tough-on-crime initiatives cater to the election cycle but accomplish little else” (2008). While we certainly agree with the basic thrust of Falconer’s observation – the quest for electability does indeed pervert the aim of meaningful crime reduction – we depart from his claim that lengthy stretches of time must pass before crime prevention measures become efficacious.

An abundance of evidence indicates that positive returns on investments in formerly incarcerated youth need not take years upon years to take hold. Consider, for example, this comment about youth custody-to-community programming: “Promising practices on rehabilitative programming for youth indicate that in order to ease a young person’s transition from custody to the community and to foster desistance from crime, the public and communities into which they are reintegrating need to be supportive” (OACP, n.d.:22). In other words, assuming certain conditions are satisfied, desirable outcomes (in the form of ongoing desistance) can become apparent within a few years or less.

Within the ambit of rehabilitative measures, we are concerned with transitional curricula that speaks to the experiential realities of youth who are adjusting to post-custody life. Unlike traditional curricula with its emphasis on canonical texts and conventional pedagogy, the curricula we have in mind is attuned to the proposition that in order to move street-involved from the periphery to the mainstream there is a need to first engage with the subcultures of the periphery. What this means, concretely, is that their modes of expression and bodies of experience should be reflected in the content of the curriculum so that, for example, lessons centered on the topic of economic hardship might be based on the lyrics of relevant recording artists rather than, say, a novel like The Grapes of Wrath. Putting aside possible elitist objections to this approach, the need to engage marginalized youth is the paramount objective of transitional curricula which, by definition, is part and parcel of a process designed to bolster the capacity of students to read thoroughly, write effectively and think critically; thereafter, having made the transition to higher levels of academic achievement, they may decide to explore the work of John Steinbeck of their own volition. The bottom line from our standpoint is that enhanced literacy and self-esteem, in tandem with the ability to understand and ultimately transform one’s local environment, are the factors most likely to encourage desistance from crime. Transitional curricula, if properly formulated and delivered, is one of the key means by which this end can be achieved.

3. TRANSCENDING CONVENTIONAL CURRICULA: WHAT WORKS FOR YOUTH RE-ENTRANTS

3.1. Structure, Delivery and Content: The Limits of Traditional Curricula

Cognizance of the limits of traditional curricula as it applies to youth re-entrants was expressed in multiple ways by our respondents. According to them, the typical tripartite educational division—consisting of curriculum creators, deliverers and consumers (students) – is inadequate insofar as this hierarchical manner of doing things runs contrary to student-centered approaches to curriculum creation and delivery. In addition to making allowances for participatory input on the part of students, emphasis was also placed on approaches to pedagogy characterized by innovation, flexibility and spontaneity.

The issue of how curriculum is presented to students is very significant, especially when the students in question are readjusting to community life after being in custody.

The proposition that teachers in mainstream schools tend to deliver curriculum in rather perfunctory ways is a concern and, accordingly, this observation is cited as one element in the case for alternative approaches to education. “I just feel like when I’m in a regular school teachers usually just shove the work down your throat,” explains one youth respondent. “They don’t really break it down and really teach it to you, they just feel like, ‘oh, you should know this because you’re in this last year’ or something like that, you know what I’m trying to say? So it’s like they don’t really teach you to, you just give you the work.” This is sufficiently valid at the level of critique – indeed, students of all academic stripes can see the value of sustained teacher/student instruction – but what might this look like in practice? Here is a detailed example courtesy of an individual involved in curriculum delivery:

We have had problems where a young person just didn’t understand a concept. It got to a point where the facilitator could no longer be creative in how she was facilitating that one concept. We had to a staff meeting to come up with different creative ways to get this concept across and the young person still didn’t understand it. Then one day one of the girls went in and I don’t know what she did. She was talking about your bank account and having more money and less money and how that relates to integers. Finally the person got it. Sometimes it just takes a lot. Sometimes they won’t necessarily work right away with what you are doing. You have to keep going back to finding another way to explain the information.

One can readily imagine stumped reactions to this illustration – “goodness, they spent all of that...
time teaching one concept to one student...” – but it reveals, quite vividly, the degree to which educating youth re-entrants can be a labour-intensive endeavour, lending credence to claims that only highly dedicated educators are suitable for this sort of work.

Aside from preoccupations with “how” questions – namely, how is curriculum structured (or unstructured) and delivered – concerns about “what” were also quite prominent: what is included in a particular curriculum and with what justification? It goes without saying that no curriculum is exhaustive and, consequently, every curriculum has presences and absences, points of emphasis and areas of silence. At least a few of our youth interviewees demonstrated a capacity to put forth assessments of curriculum that were two-dimensional in the sense of paying attention to included and excluded content. Commenting on an educational program featuring oft-neglected topics, one youth stated this: “In the program a lot of stuff worked because I learned so much stuff inside the program. I learned about modern slavery...it was new, ‘cause in school you don’t learn that stuff.” Another respondent noted that the day before he was interviewed he learned about South Africa’s former post-apartheid president (“I wasn’t familiar with Nelson Mandela, like, I never heard of him”). From the standpoint of these youth and others, the content-related parameters of mainstream curricula are disturbingly narrow, hence their affinity for curricula that accommodates their desire to learn the unfamiliar.

3.2. Reaching for Relevance: The Power of Relatable Curricula

The ancient injunction to “know thyself” seems to encapsulate much of what our youth interviewees seek to derive from their engagements with transitional curricula. Knowledge, for them, should have extrinsic value in the sense that it enables them to situate themselves within broader socio-historical contexts that have some bearing on their lives and the lives of those around them. Here, again, criticisms of standard curricula arise, for as one youth declared, “if they’re not going teach me about something that relates to me, there’s not really much point of me doing it, you know. I need stuff that I need to learn about reality, about life, like, how we got here, you know. I need to learn about me.” Given the real-world problems that confront them, youth re-entrants want real-world curricula that is not external to them, that is not alien to them, but is, instead, intertwined with the fabric of their day-to-day lives.

Although the idea of “relevance” as it applies to curriculum is certainly contestable, it must be said that the one area of universal agreement among our interviewees is centered on the belief that transitional curricula should speak to the lived experiences of youth as well as certain historical realities that have direct or indirect relevance. Their responses reveal, quite vividly, the degree to which educating youth re-entrants is a labour-intensive endeavour, lending credence to claims that only highly dedicated educators are suitable for this sort of work. In sharp contrast, however, our interviewees (both youth and adults) situated wants and needs under the same umbrella of practical knowledge; the high degree of teacher/student interest convergence was very evident.

With these points in mind, let us consider an example of how relevant and relatable curricula are received by youth, as told to us by those who teach them:

The African centered piece has worked really well, more so than we thought. Although we knew it was important to have those pieces and those relevant elements, Those are the pieces that elicit the biggest discussion, that generate the biggest discussion and engagement. Which says to me that our young people are craving for this sort of learning. Like when they meet with the elder, they will just talk and talk. They are very interested in the sixties, the civil rights movement and the music. And they are like ‘our parents don’t tell us about this or enough of this.’ So they really crave that...those discussions, especially when we start talking about the prison industrial complex and overrepresentation, those elicit the biggest discussion. So that just says to me that our kids, our community are really craving that...and what it says to me is the importance of our community developing and delivering those curriculums.

In education we know that there is how you teach and what you teach, your methods and the actual content...[the methods] could be creative. Jay-Z had a book that came out, that was released that was called Decoded. Decoded had a lot of different things in it where he would talk about his lyrics and what they really meant. So he was kind of decoding what his songs were about. He would talk about his life and stuff like that. [We were] using that book in English class to explain a metaphor, a simile...as opposed to reading this boring one-page thing from the TDSB about a simile is this and there is the definition. But actually trying to really, as a group, to come up with actual examples as the metaphor. So you come up with a metaphor and share it together, right.

In other instances the quest for maximum comprehensibility entails the practice of introducing students to unfamiliar learning tools, which may sound like a recipe for confusion but, in fact, good results can be wrought via this approach. As one educator explains, “there are so many different things that we use. We have an Oware board, which is a West African math game. And our young people are learning these things that they wouldn’t have learned if they were in a regular TDSB school. So we do have different tools that we work with.” The high degree of educational effort exhibited by such teachers is not lost on their students who, in turn, are motivated to put forth corresponding learning efforts of their own.

4. CONCLUSION

In light of the insights derived from our interviews with youth re-entrants and the staff who worked with them in alternative educational programs, there is clearly a need for the development of transitional curricula that speaks to the experiential realities of youth who are adjusting to post-custody life. These curricula should be attuned to the lived realities of youth who have “been on the inside,” and should take into account, the particularities of their experiences both within and beyond traditional school settings. Only in this way can we work with young people on the margins to support their quests for enhanced literacy and self-esteem, which can ultimately help them to better understand their local environments – and perhaps even transform them for the better.

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Exploring the Use of Web Conferencing in Teaching Investment Management and Finance to Actuarial Professionals

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INTRODUCTION

Blended synchronous learning is the name given to the approach to education where media-rich technologies are employed to permit the contemporaneous learning by students in the physical classroom and by remote students with both groups participating together in live classes and in activities related to their learning, (Bower et al., 2013). The goal of the learning approach is to have no significant differences in how the course was presented and experienced by face-to-face students and by remote students. The learning outcomes of the two groups of students should be the same. Technology used when delivering blended synchronous learning includes video conferencing software, web conferencing software and, more recently, 3D virtual worlds. This paper reports on a web conferencing educational case study involving actuarial studies professional level students undertaken at Macquarie University as part of an Australian Office of Learning and Teaching Innovation and Development project, ‘Blended synchronicity: Uniting on-campus and distributed learners using media-rich real-time collaboration tools’. More information on the project can be found at http://blendsync.org/.

The case study presented in this paper involves a group of 18 students, split between on-campus (11) and remote (7), involved in an exam marking activity designed to assess their ability to use knowledge and judgement skills they have developed during their study of an Investment Management and Finance postgraduate level subject to appraise the examination answers of students in a previous cohort. The study made use of the Adobe Connect software to enable interactions between on campus and distance students.

This paper provides a review of the main motivations advanced in the literature for blended synchronous learning with an emphasis on the use of web conferencing software. Features of the Adobe Connect software and its functionality are then reviewed. Next, we provide a report on the results from our exploratory case study research used to obtain an in-depth understanding of the benefits and limitations of our attempt to connect students from across the globe in an interactive learning experience. Finally, we conclude with some discussion on the potential for blended synchronous learning to foster wider communities of students working together and to develop enhanced learning outcomes as students collaborate and actively engage more during the entire learning process.
MOTIVATION FOR BLENDED SYNCHRONOUS LEARNING

(Schullo et al., 2005) make clear the distinction between the traditional approach to distance learning and online approaches to education using blended synchronous learning. The traditional distance learning approach involves the use of recorded instructional videos such as lectures and seminars, the use of an electronic repository for easy access to learning resources such as lecture notes, activities, exercises and academic papers and the use of online discussion fora to enable learners to interact with each other and with their instructors. Common to all these features is the asynchronicity of the learning they foster. One of the major challenges to the provision of high quality distance education is finding a method for the provision of optimal interaction between students (both social and course-related). It is widely reported in the literature that the use of computer mediated communication via email and discussion fora is often inadequate as a means of providing for the needs of students struggling with new concepts in a remote context. (Irvine et al., 2013) describe how students are increasingly demanding personalisation in their studies. With the greater emphasis on problem-based learning as a way of empowering students in all forms of education, traditional modes of distance learning are becoming less relevant or appropriate.

Another motivation for the use of blended synchronous learning is that students are increasingly choosing to learn away from their university campus, (Gosper et al., 2008). Flexibility in learning modes are attractive to students with family, work or social commitments outside of the university. Part of the move away from the traditional campus by students has been due to significantly increasing university level student populations. Recent analyses of student enrolment patterns in Australia have seen a doubling of the number of students in coursework postgraduate degrees over the past ten years and significant increases in the proportion of the population with a first degree are forecast into the future. White et al (2010) report a 23% increase in the average enrolment at US universities over the period from 1995 to 2005. (Irvine et al., 2013) discuss the related concept of massive open online courses (MOOCs). Learners are beginning to choose an educational context where they can engage in a large and open course community. Often in these courses, students report learning as much from their peers as they do from course instructors. (King,2014) describes ‘Approaches to Learning’ as a curriculum of skills of effective learning. He describes how for success in the 21st century, students need to be effective, self regulated learners who can learn in any situation, any place and at any time. Blended synchronous learning has the potential to contribute to developing these skills in students.

Finally, we discuss some of the impediments to the use of blended synchronous learning in the classroom and how these may be overcome. Universities have many different and advanced technological options available to them, (Bates, 2005; McGreen & Elliott, 2008). These technologies can enable synchronous learning, however the implementation of such approaches has been very limited. Academics have been reluctant to engage with the software. Reasons advanced for this have included a general lack of understanding of how the software works, the lack of adequately tested pedagogical strategies which lead to positive learning outcomes in synchronous environments and the need for very well planned teaching strategies to allow instructors to integrate synchronous tools. In fact, over 80% of faculty with no online teaching or development experience believe that the learning outcomes from online education are ‘inferior’ or ‘somewhat inferior’ to those for face-to-face instruction. Many studies however show that online learning, when prepared for diligently and supported adequately, leads to equally good educational outcomes as do the traditional approaches to learning, for example (Irvine et al., 2013). Greater interaction between instructional designers and faculty along with ever improving technology will have a positive impact on the effectiveness and prevalence of blended synchronous learning approaches. (Rushie and Loch, 2008) conducted a research study of post graduate students involved in solving mathematical problems using web conferencing software thereby enabling interaction with students from around the globe. They discovered that technical support and training along with careful setup of the classes were vital to ensuring a successful experience. They reported positive outcomes with enhanced student engagement and collaboration.

SOFTWARE FOR WEB CONFERENCING

(Alpanis et al., 2011) list some of the available web conferencing software used in education and other areas over the last decade. These include Adobe Connect, DimDim, Illuminate Live, Webex and Wiziq. The software that we chose to use in our case study was Adobe Connect. This software provides a web conferencing platform that can be used for meetings, e-learning and webinars. Common to most of the features of Adobe Connect is the ability to share content in real time. This content takes many forms and includes webinar video streams at DVD quality, an image of a physical conference room, both audio and video chat, animated presentations and images. Much of the real time sharing made possible with this software occurs in a meeting environment. Participants can collaborate with each other in real time, discussions can be easily recorded and different levels of privilege can be made available to different members of the meeting. One other useful feature is the ability to create breakout rooms. From a large group of participants it is possible to form groups of people who can work with each other for a period of time, without communicating with members of other groups. The large group can be reformed subsequently to share discussions from within the breakout rooms. The software records the attendance of participants in conferences. Quiz questions and polls can be given to participants. Instructors can therefore easily gauge the level of audience interaction and retention. The software integrates well with mobile devices.

ACTUARIAL STUDIES CASE STUDY

A team of three academics and a teaching assistant from the Department of Applied Finance and Actuarial Studies at Macquarie University, Sydney, Australia, ran a collaborative activity using students in an Investment Management and Finance class at the post graduate level who were all working full time and studying part time. The students included both local students in Sydney and a number of other students from around Australia, New Zealand, Hong Kong, Malaysia and China. The Adobe Connect web conferencing system was used to connect the students. The software records the attendance of participants in conferences. Quiz questions and polls can be given to participants. Instructors can therefore easily gauge the level of audience interaction and retention. The software integrates well with mobile devices.

At the conclusion of the activity, students were surveyed about their perceptions of the lesson. Students were asked about their ability to communicate in an effective manner as in a face-to-face class and with those where were at a distance. They were asked about their ability to share information with others in their group easily. They were asked if they felt present with the people who were participating remotely. These responses were broadly positive to each item. Interestingly, there was a higher proportion of neutral responses by students on campus with remote students generally reacting more positively to the use of the web conferencing software. Some students commented that the software was ‘clunky’ but generally could see the potential for getting remote students involved in interactive learning. The teachers compared this class to the interaction they often get from students when a similar activity is conducted in a face-to-face classroom. There was some evidence of significantly greater interaction.
when students were working online. Perhaps the partial anonymity afforded by providing feedback in a text-chat forum gave students greater confidence to express their views. Survey results are given in Table 1 below.

The biggest challenge faced by the students using the software was the quality of the communication that it made possible. Students commented that the discource was at times disjointed with many people in a group putting their opinions forward at the same time. There would have been substantial value in having audio available for the remote learners so that their opinions could be communicated more rapidly and recorded in the discussion log in a more orderly fashion. Other students found difficulty, particularly initially, when using the software and commented that it would be easier if the setup were repeated a second or third time. Students did like that the software recorded their inputs to the discussion so that a collection of the ideas was immediately available to them at the conclusion.

Being relatively early days in the implementation of web conferencing software, it was found that a teaching assistant was critical to the success of the class. This person was able to provide advice to students who were struggling with the software and to help manage remote student activity.

CONCLUSION

With the growing need for blended synchronous learning fuelled by student demands for flexibility in learning, a growing university student body, increased internationalisation of education and recognition of the value of an ability to learn from peers as well as teachers, this paper presents an example of blended synchronous learning using web conferencing software. The case presented involved advanced and highly motivated students from Australia, New Zealand and parts of Asia working on examination technique as they prepare for an actuarial examination in the area of Investment Management and Finance. Most significant amongst the findings was the increased interaction and communication by both local and remote students that the activity produced. Some technological issues were identified and provided an education for the researchers on methods for further enhancing this form of educational delivery.

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Figure 1: Screen shot of Adobe Connect software being used during the case study
Learning Technology: Improved Assessment and Feedback through Learning Analytics

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1. INTRODUCTION

The importance and use of technology in education has visibly been increasing at exponential rates in recent years and is showing clear signs of continuing in the future. This article looks at one of the more recent technologies in the education sector in that of learning analytics and specifically how it can affect learning assessment and feedback. As with most technologies, learning analytics is new and the potential for it and other larger data analysis projects is still unknown as is the interpretation of it, however the opportunity it presents is to a very large scale. Learning Analytics is data driven learning. A vast amount of simple and complex data from an extensive number of different variables, the majority of which are online, is brought together so that trends, patterns, strategies and processes can be drawn from the interpreted data in order to improve learning and assessment. The utilisation of this technology can be taken in a holistic manner. Learning analytics takes data, provides information and produces strategies for all tiers of the education sector from student through to the governance of the entire education sector. The ability to retrieve in-depth analytical information from each of these tiers is what will make the science of learning analytics so exciting to bear witness to.

2. BIG DATA

Learning analytics uses ‘big data’ for an educational learning purpose. Contrary to typical data analysis which compares and interprets typically useful data, the world of big data uses data mining techniques on a vast array of data variables typically useless in analysis but when interpreted on a large scale can at times produce some incredible insight in to related issues at hand. This technology and science was brought about through the online world and organisations needing to understand what their millions of customers were wanting, using or doing. Big data has been used commercially for large organisations such as Google and Facebook in order to pinpoint marketing and advertising to consumers but also to track what aspects of their sites and company work and which do not. The capability of huge data analysis is evident, the trick is the science behind interpreting the information once it has been brought together. To ensure that this vast data is not wasted however, bright minds are needed to understand it and interpret it. The tough aspect of this is that there isn’t an ‘Understanding Big Data 101’ textbook and the best experts in the field still do not know the best way to sort through and make meaning of data gathered in this way.

3. RISING ANALYTICS

The Higher Education Edition of the NMC Horizon Report has in recent years consistently listed learning analytics as a key technology for higher education to take advantage of in the near future. Many Universities and Institutions are trying to lead the way in understanding the best way to utilise learning analytics. One of the very first uses of learning analytics was for the purpose of increasing student retention rates. With predictive capabilities, this technology can highlight students in need of further support well before they drop out and in real-time. The problem of retention relates to the overarching issue that education is facing at the moment in the engagement of the pupil. Through analysing data and understanding students wants, needs, preferences and habits, education can be custom designed through adaptable technology to ensure students stay engaged and excel in their studies.

3.1 Assessment

There are strong trends that assessment should no longer be for the pure purpose of testing and...
students aren’t connecting with a particular type of learning process. In addition to assisting individual support learning and be an integral part of the whole awarding achievement but that it should assist and students in particular class for a number of time relevant feedback can be readily available which can be properly harnessed to educate those less fortunate around the world it will be a wonderful thing to bear witness to.

5. CONCLUSION

With the online world and technology increasingly establishing its footprint and importance on the world of education there is an ever greater need to learn how to best bring them together in an efficient and effective manner. Using vast quantities of complex data, learning analytics sees trends and patterns and can be used to create strategies, implement solutions to problems and improve the education sector in innovative ways. With the ability to provide meaningful, direct, real-time and most importantly engaging feedback to all stakeholders in education this technology will keep education relevant and personal for all. There are implications on the types of assessment taught and curriculum as a whole due to learning analytics and the feedback it can provide. Despite learning analytics being born from the corporate technology of ‘big data’ it can be used to change education in inspirational ways. Engagement is the key and to be able to properly engage and successfully educate those who perhaps may not have previously been able is incredible. If this technology can be properly harnessed to educate those less fortunate around the world it will be a wonderful thing to bear witness to.

6. REFERENCES


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4. IMPACT

The changes from this could cause vast impact, there are mechanisms and some cross-institutional projects already underway to elevate learning analytics beyond case-by-case student retention and custom fit learning to understanding how education should operate and how people learn in countries or potentially even the globe itself. As has been shown, some outcomes from learning analytics, LMS’s and other programs that use them will be instant. Direct, useful, tangible feedback in itself will change the relationship between pupil and instructor. In addition to this, new policies are being written in order to deal with data mining for education purposes as understandably privacy concerns are arising due to this technology.

4.1 Better World

Although not explored intimately yet, the benefits of learning analytics to those that are disadvantaged in the world is incredible. The expanse and continuous growth of the internet and in particular online education has enabled the world of academia to reach demographics and locations around the world that previously saw access as incredibly difficult or an impossibility. People from low socio-economic backgrounds and individuals with learning difficulties could have assessment and educational platforms designed specifically for them based off the interpretations of learning analytical models. Currently there are already numerous technologies that assist those who typically struggle academically for a number or reasons but the introduction of learning analytics ensures all students are promptly given the specific assistance they each need. Hopefully the vast gap in education between developing nations and those leading the higher education frontier could be reduced through technology such as this. Although at present a strong theme in higher education, the technology is easily transferred to primary and secondary education and I would hope to see it inevitably utilised to give quality education in those places in the world that need it most.

3.2 Feedback

Feedback typically in the past has been viewed as the task of the teacher however with many other aspects of education this is also changing. Peer-to-peer feedback is being introduced and through technologies such as learning analytics students can actually give feedback themselves or receive feedback directly through the technology. This assists the learners in driving their own education. Probably one of the most important facets of learning technology is the incredible feedback it can deliver to all stakeholders involved be they the student, teacher, institution or the education sector as a whole. Due to the nature of the science, real-time relevant feedback can be readily available which is especially critical for both academics and students in ensuring that students not only pass but also excel in their learning and do so in an engaging manner. There are already established functions amongst some Learning Management Systems (LMS) that using learning analytics provide instant feedback to students and teachers. At Swinburne, Blackboard Analytics has just recently been introduced which provides instant feedback through comparing the student in relation to all others in the particular class for a number of different variables. This same process can be produced University wide with certain aspects of the product being analysed. As a result it may be foreseen that students aren’t connecting with a particular type of assessment or online tool properly which the university can then put in measures to rectify or change.

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6. REFERENCES

Gamification in Science

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INTRODUCTION

Science is critically important for advancing economics, health, and social well-being in the twenty-first century. Anyone who has exerted themselves beyond what they thought possible on the sports field or stayed up all night playing an addictive video game knows how powerfully games can motivate behavior. Competition, rewards and the fear of failure have proven so powerful that a new class of social engineers believes games can motivate people to radically change their life for the better [1].

Gamification is the use of game thinking and game mechanics in non-game contexts to engage users in solving problems. Gamification is used in applications and processes to improve user engagement, return on investment, data quality, timeliness, and learning.

A core gamification strategy is rewards for players who accomplish desired tasks. Types of rewards include points, achievement badges or levels, the filling of a progress bar, and providing the user with virtual currency.

Competition is another element of games that can be used in gamification. Making the rewards for accomplishing tasks visible to other players or providing leader boards are ways of encouraging players to compete.

Another approach to gamification is to use existing tasks feel more like games. Some techniques used in this approach include adding meaningful choice, onboarding with a tutorial, increasing challenge, and adding narrative [2].

We proposed a “Science Game” as a tool of increasing students’ motivation and interest to science.Game is the web platform (figure 1) through which students complete different tasks and earn points.

Figure 1. The main page of the Science Game

The aim of the Game is involving youth in research activities and innovative business by forming a single community of the intellectual game participants.

The tasks of the Game:
1. To organize the community of the Science Game participants;
2. To provide a broad recognizability of the Game among all Russian people and foreigners.

The target audience are pupils of high school, students and young scientists.

Game includes two online and offline rounds. Offline round was held in Tomsk.

Participants of the Game:
• Online – teams of students and pupils from all universities and schools of Russia;
• Offline – top-30 teams among both students and pupils.

1. THE IDEA OF THE GAME

1.1 Online round

The main task is to select decisionsofthosestudentswhosuggesttheideahowtomake business fromthe scientific innovation as it is the most important thing in doing science.

This round is in the form of case studies:
Each team gets description of the innovative technology and its properties. Team should make a decision where this innovation can be used and how it can be commercialized. It is needed to make the Power Point Presentation as the final result of the team project. Innovations in the tasks are the real developments from companies. So the experts from the companies estimate the team’s decisions.

Advances of the Online round model:
• Easy to attract players. Collaboration with all universities and schools of Russia.
• Ability to create an avalanche marketing (figure 2). Forestrapointseverybodystars do reposts of the Game in social networks. This is the main advance of the Game system in terms of PR. A lot of people in each region of Russia can know about the Game with help of Facebook also people from all over the world can find this information.

So the online round can connect students, universities, business and science.

1.2 Offline round

This round is in the form of case studies:
Each team gets description of the innovative technology and its properties. Team should make a decision where this innovation can be used and how it can be commercialized. It is needed to make the Power Point Presentation as the final result of the team project. Innovations in the tasks are the real developments from companies. So the experts from the companies estimate the team’s decisions.

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So the online round can connect students, universities, business and science.

Second step. Each member of the team have to

Figure 2. Marketing through the social networks

2. THE STEPS OF THE GAME

The Game includes following steps:
• Opening and registration of participants on website (figure 3);
• Participants arrive at Tomsk already as a team. Each team is joined with volunteer;
• Each team gets the message with riddle. After they guess the right answer they get address of the laboratory where to go;
• In laboratories team get the task like this: short briefing – what they need to do. Team does some practical or theoretical tasks connected with science. If they do task correctly or answer on questions right – they get the “key” which is needed to insert into specific place on the website of the Game then they get new riddle, etc.

The winner is the team with the highest amount of points – for this they need to visit as more laboratories as possible and do not use hints of the system (the team get it if they don’t know right answer). Also each member of the team has to do repost in social networks – for this they also get points.
their social networks Vkontakte or Facebook, name the team, put their status – pupil or student.

Third step. Online test which goes on for two hours. Test includes question according to 5 scientific areas which was mentioned before.

2.2 Second round - selection round:

First step. Case studies competition. Teams get characterization of modern technology or product from innovation companies. The team’s task - to offer a complex, real, creative decision about the implementation of this technology/product into real production, namely: where, how and for whom is this product/technology?

Second step. Result of the decision of the case must be submitted in the form of presentation (Power Point) and downloaded on personal page of the team's leader within 5 days since the start of the second round.

Third step. Results of competition of case studies solutions will be published after one week. Participation in the evaluation of presentations take experts - representatives of universities and enterprises, assessment of presentations take place remotely without personal involvement teams.

Fourth step. The winners of the selection rounds are first 30 teams of pupils and students. They have the opportunity to come in Tomsk and take part into third final offline round and to present their university or school.

2.3 Third round – final round:

First step. For the final round each team must have at least one smartphone with access to the internet (not Wi-Fi) as the Game takes place on mobile devices.

Second step. The winners of the online rounds arrive at Tomsk.

Third step. The Game opening in Tomsk.

The final round of the Game consists of successive passing through locations (laboratories of the leading universities of the Tomsk).

After the Game starts in team's personal accounts appears task - riddle in which hidden the coordinates / description / address of the location.

Each team must find the answer on the riddle where the location is situated, get to it as soon as possible and do some tasks or answer on questions (e.g. do some experiments, to solve scientific problems, to listen short lecture about science and then answer questions, etc.) in order to get special Code which they insert online.

Destinations (locations) are the scientific centers of the city. On the location team needs to perform a task, as a result it gets a certain amount of points. Only after team complete the tasks it get the "key" - series of letters and numbers which they need to insert into special area in the personal account of any team member. If the "key" is correct team get the coordinates / description / address of the next location.

If the team was not able to guess the task-riddle with the encrypted address of the next location, then it is possible to get a clue.

The winner is the team which visited largest number of locations in the specified time and earned the highest score.

All Game statistics (top teams, destinations, etc.) is displayed in personal accounts of the participants.

The Time:
Total time - 6 hours;
To perform each task teams given 30 minutes and 30 minutes to move between locations.

Bonuses:
Team can get extra points if team members repost advertisement about participation in the Science Game on their personal pages in Facebook or Vkontakte;

Extra bonuses:
Every 20 votes that earn a school or university are equal to 1 point. Earned points for votes plus all the teams from this institution.

The winners are announced and awarded at the final party where they met nearly 1,000 members of the scientific elite of Russia, from pupils to young scientists.

CONCLUSION

The results of the Game:
- identification of leading and strong young innovators;
- youth involvement in science and innovative business;
- ideas about commercialization of innovative products;
- formation of the community of Science Game participants;
- attracting students in Tomsk universities.

The Game is a big motivation for students to be involved in science and also can helps to choose their specialty for those who in the search. Because it is challenging, interesting and useful. We got very positive feedback from the students who were participated; they said that they found out a lot of new information and they were so happily surprised that science could be not boring but very interesting and exciting- just like a Game.

Our future plans are to do the Game in almost all regions of Russia and abroad.

REFERENCES:
- http://www.nbcnews.com/id/44645823/ns/technology_and_science-innovation/t/gamification-increasingly-transforms-life-play/#.UyF4Tz6rEqM
Session III: Case Studies

INTRODUCTION

Entrepreneurship is becoming an important necessity to how the next generation will not only be able to succeed in the business workforce, but development and growth of achieving a sustainable world. For many decades, it has worked when one would simply enter into school, receive the traditional education and get a job. These values have shifted and we are noticing that entrepreneurship may be how we can keep growing.

Crucial to engaging and ensuring that entrepreneurship will be prominent in our society, though, is the need to encourage and support entrepreneurship education. In this article, we will discover the reasons for needing to educate as well as case studies of what the next steps will be.

In this context, Entrepreneurship will be defined as the way in which individuals create business ventures by capturing opportunities in making an impact in the world. Although this is a concept that has been around for many years, it has only been recently that academia found the importance of providing scholarly research in to this concept. Entrepreneurship is increasingly being recognized as important drivers of economic growth, productivity, and employment. Entrepreneurship needs to be a collective effort from the government, private and public sectors as well as the citizens themselves. We need to evaluate and understand why it is important to us as well as understanding how helping specific segments of the population (women, minorities, and youths) will have a significant impact (Nations, 2011). This paper will specifically address the influence youth will have, as well as the challenges with the appropriate entrepreneurial training they receive.

The very basics of entrepreneurship education at the very least allows students to integrate business skills into any profession or career choice that they want. It creates an opportunity for the students to practice their critical decision making skills and allows for practical application to be used- such as how technology can be integrated.

ENTREPRENEURSHIP AND THE ECONOMY

Entrepreneurship does not only benefit one aspect of society, but interlinks them all in order to create a more coherent, yet beneficial environment.

There is economic development when an entrepreneurial spirit is attained in a society. Many small businesses help bring about more competition and benefit the economy. All businesses were started by entrepreneurs, and as there became more competition, there was also an increase in quality and diversity of products, blooming their economy and even standard of living. This can be said of many developed countries today such as the United States and Japan. Entrepreneurship education “attracts substantial sector financial contributions.” One case example would be the Berger Entrepreneurship Program at the University of Arizona. It was precisely the fact that they had an entrepreneurship program in there that peaked the interest of many private companies (Charney & Libecap, 2000). With this program in place, the University of Arizona received 12% more funding—nearly $12 million. It was not simply the fact that they had an entrepreneurship program that sparked the success, but how these skills were able to be applied across the different disciplines.

Entrepreneurship education also contributed to the growth of firms, with smaller emerging firms being created (Charney & Libecap, 2000). In addition, people with entrepreneurship graduates or some form of education had greater than five times the sales and employment growth. Large firms were also willing to pay students with entrepreneurship graduates about $12000 more each year. This allows for entrepreneurship education to also affect the wealth of an economy. By earning about 27% more...
Youth employment does not only affect the economy though, as it eventually affects the social and environmental aspect of a society. Nigeria is another case study where entrepreneurial education alleviated some youth unemployment to not only see the benefits of their economy grow, but socially and environmentally as well. Through different studies, it has been noted that developing countries such as Nigeria, can curb unemployment through entrepreneurial activity with the help of the government and other subsectors (Oladele, Akeke, & Oladunjoye, 2011). By providing an entrepreneurial spirit and encouraging businesses to grow, more and more people are able to be hired. This is also coined as the “Schumpeter Effect” where the act of entrepreneurship will reduce unemployment found from the studies taken. In the studies of Lucas and Jovanovic, higher levels of unemployment were correlated with lower levels of entrepreneurial activity. This implication states that those who are unemployed tend to remain like that because they possess lower endowments of human capital and lower entrepreneurial culture (Oladele, Akeke, & Oladunjoye, 2011). Back when Nigeria had one of its bigger hits in unemployment because of the economic recession, they decided to develop entrepreneurial education programmes which proved to be successful. The National Directorate of Employment, which created programs for different areas, was designed to help people train and get jobs. In their first year, for all the programs under the National Directorate of Employment, it achieved 124% of its goal to help alleviate unemployment (Fatunla, 1989). Another example was one of the programs called the National Open Apprenticeship Scheme aimed to have 50,000 participants where they would teach youths practical trades while paying them at the same time. In their first year, they reached 70,000 (Fatunla, 1989).

Nigeria now has more Entrepreneurial Development Programmes that they believe will help improve their system. The ability of any country to meet the challenges of unemployment is an effective entrepreneurial culture (Adegun, 2013). This can be done by entrepreneurship education where skills allow young people to create their own jobs, hire other people and provide a growing economy and community (Rosen, 2013).

One problem that youth face today is the ever increasing problem with unemployment after graduation. In 2013, there are 75 million people age 16-24 are unemployed around the world. As one can see in the Appendix 2 regarding unemployment, the unemployment youth rate has risen from 13.4% in 2005 to 16.3% in 2012 and is continuing to rise (OECD, 2013). One reason due to this rise is that “education system is rising faster than the economy” (Adegun, 2013). Yet, few students venture into starting their own business as they have not been made aware the possibilities and opportunities of self-employment. Unemployment in youth does not only affect their generation but everyone associated with it - which is why more emphasis is put into solving this problem. One way that researchers have found to work is through entrepreneurship. In the Network for Teaching Entrepreneurship program, they did a survey on graduates showing that those who did receive the training got a better chance of being hired and job security. High school graduation is 89% instead of 57% for those who did have entrepreneurial education, meaning being more likely to be hired. This means that putting the “right investment” into entrepreneurship, along with the encouragement needed to succeed may

Entrepreneurship and Sustainable Development

Perhaps one of the more important purposes of entrepreneurship is that it is integral to sustainable development. Sustainable development is based on a balance of economical, social and environmental outcomes (Lourenco, Oswald, & Jayawarna, 2012). The entrepreneurial approach does not think that the sustainable development is a cost, but encourages and keeps the accountability of moral obligations that business enterprises face. One of the biggest obstacles facing entrepreneurship in helping with sustainable development is the “profit first” mentality that many business schools have traditionally taught. However, businesses are increasingly becoming more aware of Corporate Social Responsibility (CSR) - which is being responsible not only financially, but socially and environmentally as well (Lourenco, Oswald, & Jayawarna, 2012). This is also known as having a double or triple bottom line. Forms of social or green entrepreneurship have been discussed and examined links between that and sustainable development. This also means that there will need to be a promotion in entrepreneurial education in order to achieve sustainable development. One way to describe sustainable entrepreneurship is “the discovery, creation, evaluation, exploitation of opportunities to create future goods and services that is consistent with sustainable development goals” (Lourenco, Oswald, & Jayawarna, 2012). Entrepreneurs can play a role in achieving this goal because they can discover or create opportunities to overcome social and environmental issues and general financial wealth at the same time. Entrepreneurship will provide the creativity and innovation needed to tackle a triple bottom line. These innovation created by the entrepreneurs can “disrupt the market, and hence influence large corporations to follow their initiatives” (Lourenco, Oswald, & Jayawarna, 2012).

By incorporating both sustainability and entrepreneurship into curricula, youth will be able to develop the attitude and empowerment needed to start their own business as well as have the critical thinking and business skills needed. Most importantly, entrepreneurship education is there to “inspire and build awareness of the opportunities inherent in the sustainability arena” (Lourenco, Oswald, & Jayawarna, 2012). Ultimately, entrepreneurship enhances innovation and opportunity identification which will help create a growing sustainable economy both socially and financially.

Challenges to Entrepreneurial Education

Every solution is without its own challenges and being engaged in entrepreneurial education is no different.

One challenge that has a powerful effect on the youth and entrepreneurship is the social and cultural attitudes of them. We are living in a world where failure is put in a negative context and this prevents people from engaging in entrepreneurship. Some may even enter entrepreneurship, but after a failure or two, they do not see the point of going further. Most are simply impatient to see their business grow and want instant gratification (Adegun, 2013).

Many youths simply do not have access, or are not aware of the entrepreneurial education they can receive. In developing countries, where entrepreneurship can be useful and effective, there is little training for it. So far, the learning environment of our schools simply do not support the curricula needed to incorporate entrepreneurship. Even if it does promote some sense of entrepreneurship to the youth, it is difficult for the students at the moment to be able to develop those skills and learn it in a practical way. A big obstacle that youths face is the access to finance. Facilities and financial support needed to help youths foster their entrepreneurial spirit are often limited and not even available. Therefore, the government needs to play an integral part in supporting this movement. If the youth are to be the ones growing and sustaining development, the government ought to help them as that is the government’s responsibility. Many reasons why individuals may not be interested in helping out with entrepreneurship include the risk associated with providing money to youth who have little
policies on entrepreneurship education are critical (Nations, 2011). As the UN says, “Government policies on entrepreneurship education are critical for ensuring that entrepreneurship is embedded into the formal education system” (Nations, 2011). Because the government decides on the educational institution, they will have heavy influence on what students are to learn. The government will also be able to offer partnership through the private sector, informal communities and apprenticeship programs—all crucial to entrepreneurial education. Government also has the ability to take entrepreneurship one step further and make a significant impact on the minorities which can have a mutual benefit.

In addition, entrepreneurial education needs to be formally integrated into the social and economic development of a country, making it a crucial part in sustaining and growing their economy. Without making an intentional effort and truly recognizing the entrepreneurial potential, it is easy to stay stagnant and change little in a society (Nations, 2011).

Economic, Social and Political factors are also often a hindrance to the entrepreneurial community. Whether it is obtaining licenses to high taxation, these are inconveniences and concerns for entrepreneurs. They also have to face the burdening reality of being able to live a stable life and have the basic necessities and are afraid that entrepreneurship will take that away. Lastly, there are many political factors that may not favor entrepreneurship or support it.

STRATEGIES TO ENGAGE ENTREPRENEURIAL EDUCATION

With the above reasons listed of why entrepreneurship is important and some of the obstacles that can get in the way, it is now understandable as to why entrepreneurial education is so crucial. It not only allows students the opportunities to overcome the challenges, but to exceed beyond what they could imagine and truly make an impact. The government, private sectors, educational institutions and the public citizens are all to make a collaborative effort in order to foster youth entrepreneurial education that will eventually benefit and impact society and globally. It is important that these different stakeholders understand the important role they play and how they interlink with each other to make entrepreneurial education happen (Appendix 3). They all influence each other and play a different role.

The government is crucial to this transformation because ultimately their policies and influence will change how people view and teach the youth. The objective of these entrepreneurship education policies is to create an entrepreneurial culture which will help entrepreneurs pursue and identify opportunities (Nations, 2011). As the UN says, “Government policies on entrepreneurship education are critical although it will be a challenging process, it will produce the beneficial results of not only economic growth but social growth as well. Entrepreneurial education is the first step into creating an entrepreneurial culture that will foster sustainable development.

CONCLUSION

Appendix 4 shows an excellent image of how achieving entrepreneurial education is not one sided (Forum, 2011). There are many factors that need to work together in order for this to happen. However,
Appendix 2 - Entrepreneurship and Unemployment (OECD, 2013)

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Youth unemployment rate
% of youth labour force (15-24)

Appendix 3 - Strategies to Entrepreneurial Education (Nations, 2011)

Appendix 4 - Strategies to Entrepreneurial Education (Forum, 2011)
1. INTRODUCTION

As a lecturer of Law (Law Faculty of the North-West University’s Mafikeng Campus) and a new academic, I was lecturing in the same manner I was taught when I was at university. About six months after I started lecturing, I noticed that something is different in the students learning process, from the time I was a first year student, for instance students did not properly prepare for class, and they did not actively participate during contact sessions which ultimately resulted in bad grades. Taking this into account I decided to reflect on my teaching and do research in the topic namely reflective teaching.

Reflective teaching was not always regarded as the preferred method of teaching, it is only in the past thirty years that the nature of instruction has changed dramatically in which it gained popularity (Paris, 2001). Paris (2001) refers to "early training studies" in which didactic methods were used, whereas recent approaches emphasise reflective and scaffold instruction. Grosu (2007) states that traditional teaching methods are not enough to promote the adequate level and quality of student learning. These traditional methods are usually teacher-centered methods, which ignores the student-centred aspects of teaching and learning. Traditional teaching methods need to be combined with more innovate teaching methods, in order to successfully prepare students for the challenges they will encounter in practice. (Grosu 2007).

Zeichner and Liston (1996) made the following important statement:

“If a teacher never questions the goals and the values that guide his or her work, thecontext in which he or she teaches, or never examines his or her assumptions, then it is ourbelief that this individual is not engaged in reflective teaching” (Zeichner and Liston 1996 p.1).

Reflection is a careful consideration or thought; it is a process of disciplined intellectual criticism combining research, knowledge of context and balanced judgment. It encompasses critical thinking about previous, present and future actions, events or decisions. It also entails the questioning of one's beliefs; values, assumptions, context and goals in relation to such actions, events, or decisions. (Minnott 2006).

It is thus not only important for us as lecturers to constantly reflect on our teaching methods, but also to teach students to take responsibility for their own learning process and to cultivate a self-regulated learning culture under the students.

Self-regulated learning can be described as the process by which students manage their own learning process (Griffin &Sneddon 2011). The self-regulated learner keenly controls his or her own behavior and motivation; decides how, when, what, and where to study; looks for problems and tries to solve them; seeks opportunities for practice and feedback; and reflects back on the learning experience to plan improvement for the future. Learning is best when students are self-regulating, engaged, and motivated learners, and when the learning process is active, experiential, collaborative, and reflective (Griffin &Sneddon 2011).

Paris (2001) believes that self-regulated learning emphasise autonomy and control by the individual who monitors, directs, and regulates actions toward goals of information acquisition, expanding expertise, and self-improvement. Self-regulated learning further involves self-generated thoughts, feelings, and
actions that are planned and cyclically adapted to the achievement of personal goals. (Paris 2001).

According to Paris (2001) there are a range of activities that teachers can incorporate in their classrooms to create activities that can lead to the enhancement of self-regulated learning. These include, inter alia, the following: Analysing personal styles and strategies of learning, and comparing them with the strategies of others; Managing time and resource through effective planning and monitoringi ng is essential to setting priorities, overcoming frustration, and persisting to task completion and the setting of appropriate goals that are attainable yet challenging are most effective when chosen by the individual and when they embody a mastery orientation rather than a performance goal (Paris 2001).

Taking this into account it is of utmost importance for lecturers to promote a culture of self-regulated learning in their classrooms and to encourage self-directed learning on an on-going basis. Schwartz (2007) is of the opinion that law students in particular need to be self-regulatory learners, in order to be learners who are goal directed and who can practice self-control in their academic tasks. Schwartz (2007) are also of the opinion that students who are self-regulated are identifiable as well, in that they display the following characteristics: They are interested in the subject matter; well-prepared; and ready with comments, questions, ideas, and insights; they are problem finders and problem solvers, unfazed to fail or to admit they do not understand, driven to rectify failure and to construct understanding. Cultivating self-regulated learners can also benefit their faculty in that students assume responsibility for their own learning process (Schwartz 2007).

1.1. Problem overview

There exists a duty on teachers to constantly question the manner in which they teach and to understand the philosophy behind teaching and to examine the audience to whom they teach.

Reflective teaching thus means analysing your instruction method in the classroom and reflecting if the method is viable to the circumstances. Therefore it is important for lecturers to collect information from their students, from time to time, on their teaching methods in order to improve and/or change their preferred teaching methods. It is important for lecturers to remember that their students come from different backgrounds and have different frames of references which they incorporate in their learning. It is not only essential to focus on reflective teaching, but also to remember that lecturers need to cultivate self-regulated learners at university level.

2. RESEARCH PURPOSE

The purpose of this paper is to explore and substantiate themes associated with teaching and learning in the first year Family Law classroom and to utilise this information to develop recommendations to address the learning needs of the students.

The objectives of this paper are to:
• Determine the learning needs of first year family law students;
• Determine how to motivate first year family law students to actively participate;
• To conduct a literature review based on the findings;
• Make recommendations regarding teaching and learning in the family law classroom.

2.2. Research method

2.2.1. Sampling

The study sampling consisted of 125 (n=125) first year LLB family law students at a South African University. The students were not required to enter any biographical information to ensure anonymity.

2.2.2. Data collection method

To achieve the objectives of this paper a questionnaire was developed which consisted of eight (8) open ended questions. The students were not required to enter any biographical information on the questionnaire. The questions consisted of the following questions: What will make family law more exciting; what kind of teaching aids should a lecturer use in the classroom; what bothers you about the subject; what will motivate you to come to class; what will motivate you to listen in class; what makes classes at university different from classes at school; what about a lecturer irritates or upset you and lastly what must a lecturer do to get a student motivated about a subject.

2.2.3. Recording

All of the responses were documented using a coding system approach. The coding process was done in Microsoft Word where a table was formed which captured six (6) main themes with sub-themes. All of the themes were captured, regardless of how relevant it was to the question.

3. FINDINGS

From the coding process six main themes were identified. Firstly, students want the subject to be more exciting. Secondly students felt frustrated and stressed out due to the following reasons: they do not understand the legal terminology of the subject; it is difficult to make the shift from high school to university; the immense workload of the subject and the immense pressure from families and bursaries to perform well. Thirdly students want more interaction and participation, between themselves and between them and their lecturer. Students want a more practical approach to the subject. Fifthly, students are in need of special care and support from lecturers and lastly students have different learning styles and thus different learning needs and preference.

4. DISCUSSION

In order to find solutions to the themes identified, a literature review was conducted in order to identify recommendations to address the learning need of the students.

With reference to the second theme previously identified, that students feel frustrated and stressed out, one can incorporate the “time on task” principle to assist students with, inter alia, their abilities to handle the new content and workload of the subject. Lecturers can compile glossaries and crossword puzzles to assist students to master the terminology of the subject. Case law quizzes can be created on an online portal before every week’s class which can assist the students to not only prepare the case law beforehand, but also master the case law of the subject. We need to get students involved in supplementary instruction sessions. If we want to expect from out students to work more time efficient, we need to be clear in our expectations at the
understand it is important to plan instruction in such a manner to respect the diversity of their students and to present information in a variety of ways in order to accommodate all learners’ preferences.

Visual learning students learn through seeing and prefer visual aids like pictures, figures and tables. (Miller 2001). Auditory learning, students learn through hearing. These students prefer verbal and written materials. These students will thus pay special attention to pitch, emphasis and speed. These individuals gain knowledge from reading out loud in the classroom and may not have a full understanding of that information that is written. (Gilakjani 2012). Kinesthetic learners learn as they perform. (Mills et al. 2010). These learners favour interaction with the physical world. (Gilakjani 2012). It is important to take note of the fact that people usually have more than one learning style. Research has shown that both achievement and motivation improve when learning and teaching styles are matched. (Miller 2001).

5. CONCLUSION

In the beginning of the article it was stated that there is a duty on teachers to constantly question the manner in which they teach, to understand the philosophy behind teaching and to examine the audience to whom they teach. Reflective teaching thus means analysing your instruction method in the classroom and reflecting if the method is viable to the circumstances.

This purpose of this paper was to explore and substantiate themes associated with teaching and learning in the first year Family Law classroom and to utilise this information to develop recommendations to address the learning needs of the students. The objectives of this paper were to: determine the learning needs of first year family law students; determine how to motivate first year family law students to actively participate; to conduct a literature review on based on the findings; make recommendations regarding teaching and learning in the family law classroom.

To achieve the research purpose of this study a qualitative approach to data gathering was used. Thereafter the responses were documented using a coding system approach and six main themes with sub-themes were identified. The themes identified were as follows: Firstly, students want the subject to be more exciting. Secondly students felt frustrated and stresses out due to the following reasons: they do not understand the legal terminology of the subject; it is difficult to make the shift from high school to university; the immense workload of the subject and the immense pressure from families and bursaries to perform well. Thirdly students want more interaction and participation, between themselves and between them and their lecturer. Students want a more practical approach to the subject. Fourthly, students are in need of special care and support from lecturers and lastly students have different learning styles and thus different learning needs and preference.

After themes were derived from the study, a literature review was conducted in order to find practical solutions to address the learning needs of the students concerned.

Some of the solutions identified included measures to assist the students with the workload, such as case law quizzes and glossaries. The involvement of students in supplementary instruction sessions was also suggested. The line of communication between lecturers and students were also emphasised, in that lecturers need to communicate high expectations to their students so that the students have something to work towards and that they can set high standards for themselves also. The time-on-task principle was further broadened by encouraging students to inter alia, review their lecture notes as soon as possible after a lecture was conducted. Practical suggestions were also made to address the learning needs of the students, such as class debates, chair-pair exercises and the use of online forums. The importance of frequent contact between student and faculty was also identified as a factor in student motivation and involvement.

To conclude, the future of our education depends on the creative involvement of our students in our classrooms. That suggest that we need to critically think about the way we plan our instruction. We need to cultivate a culture of self-responsibility under our students by setting a clear tone thereof in our classrooms. We thus have to constantly reflect on our teaching, and by doing that, we can hopefully change the attitude of our students towards a subject and further cultivate inquiry - driven students.

6. REFERENCES

Forging Links between the Education Sector, the NGO Sector and the Private Sector in China

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1. INTRODUCTION

This article presents a case study of a project designed to foster a culture of public interest advocacy amongst both young entrants to, and established members of, the legal profession, and in doing so to forge links between the tertiary education sector, the NGO sector and the private sector in China. The project is the Yilian Advocacy Training Tournament (义联杯“公益倡导竞技性训练项目”; YATT), designed and run twice by the Beijing Yilian Legal Aid and Study Center for Labor (北京义联劳动法援助与研究中心; Yilian Center), between 2011 and 2013. Bringing private sector lawyers, academics, students and other NGOs together on one project that would engage them actively, meaningfully and in an ongoing fashion was seen as the best way to forge links as that kind of project would likely create gratifying and memorable involvement for people in those sectors as well as providing opportunities for Yilian Center to develop relationships with them. In creating such a project, the Yilian Center initiated a public interest advocacy training project that was innovative in its combination of legal education and pro bono legal work, in its use of active learning methods, and in its contributions to foreign language learning, and which allowed for an indigenous form to emerge. The project aimed to do many different things. This may have been a weakness in some ways; nevertheless, the multipurpose approach resulted in an innovative and effective project that provides much to reflect upon, and such reflections form the body of this article.

Some of the research for this article was undertaken in an ethnographic way while the author worked with others to design and implement the YATT Project. She worked full-time at Yilian Center under a professional volunteering arrangement between the Australian and Chinese governments from late 2010, and from late 2011 was employed part-time by the Yilian Center until she returned to Australia in 2013. After that time, further literature reviews and discussions with Yilian staff were undertaken.

This article has selected only two aspects of the case study to reflect upon, given the space constraints: the YATT Project as a legal education initiative, and as a language learning initiative. Part One reflects on legal education in China and the importance of allowing for “innovative, indigenous adaptations of clinical legal education” (Anon, 2007). Learning through experiential tasks in a non-school-based setting is an aspect of the innovation of the YATT Project. Part One then discusses how the YATT Project may be understood as allowing “foreign paradigms” (Dowdle, 2000) to be subordinated without being completely excluded, in order to extend legal education in China. There is not much academic analysis of clinical legal education outside the USA, as Wortham notes (2006, p. 623); this paper is a contribution to the field in response to her call (Wortham, 2006, p. 681). In addition, its analysis of bilingualism in clinical legal education is unique. Part Two reflects on foreign language learning within this legal education project, and discusses the benefit of speakers becoming habituated to various discourse patterns through advocacy training.

1.2 Key Terms

Public interest advocacy is a broad term meaning engagement with the legal system and/or government policy-making, to promote a cause in the public interest (itself a slippery concept, but see (e.g. Edwards, 2011), (e.g. Longstaff & Ratnapala, 2013) or the various work undertaken by the Global Public Interest Law Network on their website, pilnet.org). Advocacy is a core skill in public interest lawyering, where “lawyering is the term used to capture those aspects of legal training that involve skills dimensions as distinguished from doctrinal...
among young people, which together would work towards the overall goal of fostering a culture of public interest legal work amongst young people. At the same time, engaging already-practicing lawyers in public interest activities was a goal so that the same culture of public interest legal work would be fostered amongst them. As the Introduction noted, the YATT Project had a large number of goals, however, they were not conflicting goals.

Five skill sets important for public interest advocates were identified: (1) Trial advocacy; (2) Public advocacy; (3) Critical engagement in policy debate; (4) Empathy and listening; and (5) Negotiation. A practice-based activity that could build each skill set was then designed: (1) Mock court trials; (2) Impromptu public speaking (and prepared public speaking in the Finals); (3) Team debates; (4) Client interviewing; (5) Mock labour negotiations. Each would have a panel of NGO advocates, private lawyers and academics acting as judge-trainers, and a facilitator from Yilian Center.

Factual scenarios as well as participant and judge-trainer training materials were developed for each activity. These were based on real Yilian casework and research. The first set of training materials was always used for a practice round, with a focus on feedback, and the second set was used for a scored round, with some feedback but a focus on competition. The trainees were all university students, from various universities in Beijing. Each year, the project could accommodate about 25 students. Trainees could join the program at any stage from Activity One onwards, even just for Activity Five. All activities could be done in Mandarin Chinese or English, and all materials were dual language. The program alternated between individual and group activities as much as possible, to suit different learning preferences and student availabilities. The activities took place at Yilian’s offices, universities and a conference centre. The winning trainees were able to come to Yilian for internships and publish articles in Yilian’s periodical. The management team also emailed out periodic, bilingual YATT Bulletins to the volunteer judges, trainees, and others who expressed interest, to build a network. The training activities ran over 8 months the first year, and took about 5 months the second year. The trainees and judges’ feedback was sought, anonymously, in questionnaires mid-way and at the end of the first year of the program.

2. LITERATURE REVIEWS AND REFLECTIONS

2.1 Part One: Literature on Legal Education and Public Interest Lawyering

Building a commitment to public interest advocacy is one way of increasing access to the justice system (in China or elsewhere), and in this part the article reviews literature on legal education as it relates to building that commitment. Such education often takes the legal clinical form, though classroom-based legal education can also focus on the public interest.

2.1.1 Public Interest Law in China: In China, access to justice is currently constrained by the absence of a culture of pro bono practice in China’s private law firms and by the limited number and limited expertise of the state’s Legal Aid staff. While public interest advocacy has not (yet) become part of the culture of the legal profession in China, “NGOs dedicated to legal aid, legal research, and law reform have emerged alongside the governmental legal aid system” (Lee, 2011, p. 25). In fact, these NGOs perform one third (32%) of legal aid work in China (Ministry of Justice, 2009). The Ministry of Justice’s National Legal Aid offices and public notaries (i.e. private lawyers) each take another third. The government’s Legal Aid has 3200 offices “located in all administrative regions in China. In 2010, legal aid lawyers handled more than 700,000 cases.” (Lee, 2011, p. 26). However, this is still not meeting demand. In the private sector, firms are obliged by the government to take on (at least) one pro bono case per lawyer per year, and many lawyers see this as the extent of any public interest obligation (e.g., Anon, 2007, p. 2145) and (Grey & Lee, 2011). Moreover, in actuality, this is not an obligation performed by most lawyers: “a law firm with twenty lawyers can satisfy requirements by delegating all twenty legal aid cases to a few of its lawyers.” (Lee, 2011, p. 27). Even if private lawyers’ pro bono work supplements public legal aid, the relatively low number of lawyers per capita in China is limiting access to justice (Anon, 2007, p. 2145). A culture of public interest work is unlikely to take root if the majority of lawyers are not involved in pro bono or other public interest activities; as Lee suggests, “Legal aid and research NGOs have the potential to fill gaps in the state legal aid system by building a commitment to public interest work among lawyers” (Lee, 2011, p. 27).

2.1.2 Legal Education in China: However, lawyers are not the whole of the picture: seeding a culture of public interest legal work may also require raising awareness amongst law students. This is one of the reasons behind Anglo-American law schools’ clinical legal education and the more recent emergence of clinical legal education in Europe (PILNet, 2012). A similar public service mindset has driven clinical legal education in the former Soviet states (Wortham, 2006, p. 622). Clinical legal education exists in China also. The first clinic was Wuhan University Center for the Protection of Rights and Disadvantaged Citizens, founded in 1992 by law professor Wan E’Xiang (Anon, 2007, p. 2139). As one former student volunteer of this legal clinic put it, “programs such as those run by the Wuhan Center are invaluable for instilling an interest in and commitment to public interest work among trainees” (Lee, 2011, p. 28).

The Harvard Law Review goes on to indentify three types of legal education in China with links universities to the legal profession: students involved in litigation coordinated with a media strategy; direct cooperation between the government and students to draft laws protecting disadvantaged groups; and community-level engagement where students are taken to rural communities to do litigation, legislative drafting, civic education, process analysis, and survey-based research (e.g. PKU’s Qianxi Clinic). These have been dubbed “innovative, indigenous adaptations of clinical legal education” (Anon, 2007, p. 2148). In clinical legal education, the literature for some time has argued that indigenous rather than borrowed models are important: Burg (1977, p. 529) called for recognition of “law as a culturally specific phenomenon”, Dowdle (2000, pp. 556-557) suggested the goal should be “promoting discovery of the indigenous developmental implications and possibilities inherent in the domestic environment (what we will call a pragmatic strategy)” and Wortham (2006, pp. 617-674) warned against repeating the “naive and ethnocentric” Law and Development Movement that emerged from the USA in the 1950s and 60s or trying to replicate a “home country model”.

dimensions” (Wilson, 1997). Representing a client in a legal case to protect their legal rights is one recognizable form of advocacy, and central to the following two activities: (1) Clinical legal education: While aiming to teach university students legal practicing skills, clinical legal education is also a form of public interest advocacy. Typically, students assist in-need clients with their legal matters for free, under supervision in clinics run by universities or in public legal aid centres affiliated with universities. (2) Pro bono work: The free services offered by otherwise fee-charging lawyers for the public good, providing legal advice and representation on matters in the public interest (e.g. test cases), or on matters for in-need individuals, or for not-for-profit organisations which assist disadvantaged people. Such work is in the public interest as it increases access to justice. Sometimes, community legal education and law reform or policy work done in the public interest are also thought of as forms of pro bono (see e.g. National Pro Bono Resource Centre, 2013, pp. 9-10).

1.3 Project Overview

1.3.1 The Organisation: The Yitian Center, located in Beijing, is a legally registered, Chinese Non-Government Organisation which provides legal aid services, mainly on workers’ class actions. It also houses a research centre which looks systematically at the incoming cases and prepares research reports on law reform issues in China. From September 2004 to July 2010, the Yitian Center provided free legal assistance to more than 80,000 workers through a telephone hotline, emails, face-to-face consultations and legal representation (Beijing Yilian Legal Aid and Study Center for Labour, 2012).

1.3.2 The Project’s Structure: In an effort to make the YATI Project indigenous and as made-to-measure as possible, a range of Yilian’s staff members with different professional and academic backgrounds were involved from the start. Many of the staff had studied both in China and overseas, and so had a broad outlook on what our education initiative might include. While the Project was aimed at forging of different professional and academic backgrounds, the YATI Project also had the educational goals of training young people in advocacy skills, teaching young people labour law, and developing more international worldviews.

The Harvard Law Review goes on to indentify three types of legal education in China with link universities to the legal profession: students involved in litigation coordinated with a media strategy; direct cooperation between the government and students to draft laws protecting disadvantaged groups; and community-level engagement where students are taken to rural communities to do litigation, legislative drafting, civic education, process analysis, and survey-based research (e.g. PKU’s Qianxi Clinic). These have been dubbed “innovative, indigenous adaptations of clinical legal education” (Anon, 2007, p. 2148). In clinical legal education, the literature for some time has argued that indigenous rather than borrowed models are important: Burg (1977, p. 529) called for recognition of “law as a culturally specific phenomenon”, Dowdle (2000, pp. 556-557) suggested the goal should be “promoting discovery of the indigenous developmental implications and possibilities inherent in the domestic environment (what we will call a pragmatic strategy)” and Wortham (2006, pp. 617-674) warned against repeating the “naive and ethnocentric” Law and Development Movement that emerged from the USA in the 1950s and 60s or trying to replicate a “home country model”.

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However, Dowdle (2000, p. 582) went on to note it is reductive and provincialist to assume all indigenous paradigms are superior to foreign paradigms, using Chinese examples to make this argument: “analyses of China’s present practices suggest that the relationship between indigenous and foreign paradigms is ultimately complementary, rather than competitive. But the shape of that complementary relationship cannot be designed a priori.”

2.1.3 Reflections on innovating in public interest legal education: In the existing landscape of clinical legal education in China, where was the fertile soil in which an innovative project could be generated? First, Yilian Center is not an education institution; that the YATT education initiative was spearheaded not by a traditional education institution but by an NGO is, itself, a departure from the common practice in both Anglo-American and Chinese legal education (due, partly, to the fact that non-government, non-university legal aid centers like Yilian are themselves unusual). Sometimes international organisations, rather than universities, promote clinical legal education in the “Global South”, as Wilson (1997) and Wortham (2006) recap, but Yilian Center, a home-grown NGO, does not fit this mould either. Yilian Center was, by 2011, already involved in a legal clinic at Tsinghua University and it brought in student interns to assist with research about legislative drafting and law reform. However, the NGO staff felt there was room for further innovation in engaging with the education sector. They felt the just-burgeoning culture of public interest lawyering needed a boost from the next generation of lawyers. Staff were concerned that Chinese university students were unaware of public interest law as a career and/ or unaware of the stimulating, technical rigour of practicing in labour law. Yilian’s directors also wanted to develop an international worldview amongst young people (Huang, 2014). The Global Network for Public Interest Law’s China Fellows (PILNet, 2013) consider legal aid, NGO advocacy and engaging the private sector through pro bono as three means of advancing the interests of the public which all need to happen at once. However, situations in China where legal aid lawyers, NGO advocates and private lawyers could all work together on one joint endeavour were rare, or even non-existent, before the YATT Project. Wortham (2006, p. 677) claims clinical legal education should build long-term, personal, collaborative connections. Happily, YATT in fact did so, but because forging such connections was part of the pragmatic strategy, rather than because we realized that scholars saw such connections as good practice.

Crucially, Yilian Center’s staff were open to foreign paradigms as well as being well-grounded in local paradigms. For example, the Center had Chinese staff who had completed postgraduate studies overseas and participated in the China-Europa Forum. It had arranged for me to come from Australia and took on some international interns. In this context, a complementary hybrid of foreign and Chinese paradigms was able to emerge. One obvious illustration of that hybrid might be the largely foreign focus on practical advocacy skills without the international human rights paradigm such skills are often coupled to. Instead, advocacy skills were framed within domestic legal rights and the discourses of public interest and access to justice, which Yilian Center and other were already using.

The design of this project was interdisciplinarily creative and, to some extent, trial-and-error. There were, however, some basic ideas about education that guided the design of each particular activity and the creation of the training materials. The team decided to use experiential tasks. Experiential learning theory posits four phases:

Experience: Engaging in an experience in a particular situation and then observing its effects. Processing the experience: Understanding what we did, thought and felt during the experience. Generalising: Understanding the general principle (called a ‘generalisation’) behind the relationship between the action and its effects. Applying: Applying the principle or generalisation to a new situation. (UNESCO, 2010)

For our trainees, phase one of their experiential learning included their preparations and individual research but hinged on the five practice-round activities which they engaged in. The processing phase where legal aid lawyers, NGO advocates and private lawyers could all work together on one joint experience were rare, or even non-existent, before the YATT Project. Wortham (2006, p. 677) claims clinical legal education is significant and it heightened the active nature of the exposition-application method. Active learning is an umbrella term (Bonwell & Eison, 1991), but generally means learning that involves both doing and thinking of a high order (i.e. analytic synthetic and evaluative thinking). Active learning methods include discussion over materials, debate, role-playing and collaboration, and in YATT all these methods were employed. Use of simulated real-world events, core to YATT’s activities, typified active learning in Stewart-Wingfield and Black’s study (2005). While a typical Chinese education is thorough going and rigorous, institutional culture and China’s large class sizes combine to favour passive learning, where “students passively receive information from the professor and internalize it through some form of memorization” (Michel, Carter III, & Varela, 2009, p. 397). More active methods were less troublesome in the YATT Project because the cohorts were relatively small. Actively engaging students and making students cooperate, both aspects of active learning, are recognized as good practice in undergraduate education (Chickering & Gamson, 1987), however, public interest legal education globally does not always include active elements (e.g. Wilson, 1997 describing the USA); and, where it does, the method is usually clinic work rather than simulated experiences (Chavkin, 2002, p. B6). Claims simulations are often included in clinical legal courses, but that is neither my experience nor what the broader literature suggests. Clinics have the benefit of authenticity but they are also unpredictable. A more deliberate variety of skills and knowledge can be included in one program of active learning when the experiences are designed, and with good tasks design, authenticity may be retained. Moreover, there is greater room for learning through error when the clients are not real (Chavkin, 2002, p. B6)! Politically sensitive cases can be simulated, whereas they would not be offered to students in real legal clinics in China. For instance, Professor Huong of the Sun Yat-Sen University’s Legal Clinic says, ‘To protect our students, we reject those “too sensitive” cases’ (He, 2005, p. 16) and the Women’s Legal Center was disaffiliated from PKU in 2010 because of its politically sensitive work. Finally, there is no ethical quandary about students providing sub-standard services to in-need clients in the guise of public interest training when experiential rather than clinical tasks are employed.

While active learning is not necessarily better than passive learning in all contexts (Michel et al., 2009, p. 413), this article nonetheless suggests that active learning is better for learning skills, especially advocacy. A study of business students found that “active course designs, specifically, an experiential design, result in students perceiving their learning to be more meaningful to their future jobs” (Stewart-Wingfield & Black, 2005, p. 123); this article argues that legal education, particularly public interest legal education, is analogously vocational, therefore law students are also likely to perceive experiential learning to be more meaningful to future jobs. While this case study did not specifically survey student perceptions of experiential learning, we did survey student perceptions of the YATT Project. Many reported YATT was a meaningful learning experience with relevance to future careers. This aligned with YATT’s goal of promoting public interest lawyering as part of a career.

Active learning may be selected for pragmatic reasons, not just for intended learning outcomes. For example, active learning was well-suited to NGO and private sector advocates taking on the teacher role in
learners' first language do not match the discourse. This raises very important issue relating to foreign language teaching "materials should be research based so that they exemplify social relations and discourse routines of everyday and institutional interactions." It is reasonable to apply this to other teaching materials where discourse routines of institutional interactions are unusual or difficult, and legal discourse routines are exactly that. To illustrate: it is easy enough to believe that it would have undermined our trainees’ language learning if we had stripped the technical language out of a mock trial. But likewise, the underlying discourse pattern of the trial was important for them to learn, without it they could not learn to use their English language to communicate in a professional way. The YATT Project was relatively small, its use of different kinds, and different generations, of public interest advocates models a more inclusive way for others to continue building a culture of public interest lawyering in China, it represents "significant but not sweeping" (Golum, 2004, p. 3) change through clinical legal education. This paper argues the YATT Project represents a fourth type of "innovative, indigenous adaptation of clinical legal education" (cf. Anon, 2007, p. 2148).

2.2.1 Discourse Patterns: Chen (2008, p. 199) concluded that “Language learning, cross-cultural understanding, and cognitive development … interact with each other throughout the learning process – even at the more advanced stages, where learners are experiencing cross-linguistic differences not only at the syntactic structural level but also at the discourse level.” YATT trainees were at these more advanced stages of learning English and YATT – in part because of its many goals – was an interaction of language learning, cross-cultural understanding, and cognitive development. This is one reason this article reflects on the discourse level of language learning in YATT rather than other features of English which YATT trainees may have learnt. The other reason is that even YATT trainees participating in Mandarin were learning new discourse pattern habits.

Roberts and Cooke (2009, p. 620) argue that language teaching “materials should be research based so that they exemplify social relations and discourse routines of everyday and institutional interactions.” It is reasonable to apply this to other teaching materials where discourse routines of institutional interactions are unusual or difficult, and legal discourse routines are exactly that. To illustrate: it is easy enough to believe that it would have undermined our trainees’ language learning if we had stripped the technical language out of a mock trial. But likewise, the underlying discourse pattern of the trial was important for them to learn, without it they could not learn to use their English language to communicate in a professional way. The YATT Project was relatively small, its use of different kinds, and different generations, of public interest advocates models a more inclusive way for others to continue building a culture of public interest lawyering in China, it represents "significant but not sweeping" (Golum, 2004, p. 3) change through clinical legal education. This paper argues the YATT Project represents a fourth type of "innovative, indigenous adaptation of clinical legal education" (cf. Anon, 2007, p. 2148).

Roberts and Cooke (2009, p. 620) argue that language teaching “materials should be research based so that they exemplify social relations and discourse routines of everyday and institutional interactions.” It is reasonable to apply this to other teaching materials where discourse routines of institutional interactions are unusual or difficult, and legal discourse routines are exactly that. To illustrate: it is easy enough to believe that it would have undermined our trainees’ language learning if we had stripped the technical language out of a mock trial. But likewise, the underlying discourse pattern of the trial was important for them to learn, without it they could not learn to use their English language to communicate in a professional way. The YATT Project was relatively small, its use of different kinds, and different generations, of public interest advocates models a more inclusive way for others to continue building a culture of public interest lawyering in China, it represents "significant but not sweeping" (Golum, 2004, p. 3) change through clinical legal education. This paper argues the YATT Project represents a fourth type of "innovative, indigenous adaptation of clinical legal education" (cf. Anon, 2007, p. 2148).

It has been argued in the literature that discourse patterns based on deductive logic are favoured by ‘Western’ communicators (usually meaning British and American Anglophones), whereas inductive discourse patterns are favoured in the Chinese culture (e.g. (Kaplan, 1966); (Kaplan, 1987); (Young, 1994); (Scollon & Scollon, 1995); (Connor, 1996); (Connor, 2003); (Hu, 1999)). Scholars note, though, that both discourse patterns are used in all cultures (e.g. (Moham & Lo, 1985); (Gao & Wang, 1996)), i.e. inductive reasoning is not inherently Eastern. Chen (2008, pp. 190-192) gives illustrative examples of three essays which are organized, respectively, in a deductive pattern, a deductive pattern frame with inductive patterned paragraphs within, and an inductive pattern. Put very simply, Chen says that if the thesis statement or the writer’s own position is only made explicit at the end of the essay, it is considered inductive. A deductive essay will state its claim then work through supporting reasons before concluding again with the claim. If each of those reasons is presented in a paragraph which must be inductively understood, then it is a deductive frame, inductive essay. Chen studied are written texts, but the findings are applicable to YATT as YATT’s oral activities often called for long, planned, and even monologic speech, which makes the spoken language closer to a written text. Thus, the YATT speakers organised their discourse, and in doing so exhibited deductive or inductive discourse patterns habits.

It would be wrong to presume that all advocacy is deductively-patterned discourse. A deductive pattern was fundamental to some of our advocacy training tasks, including critical debate. A successful public speech can use inductive structures (for instance an engaging personal story that ends with a more abstract message of wider resonance), however, good public speaking is often taught as a deductive structure (the very deductive mantra is ‘say what you’ll say, say it; then say it again’). Trial advocacy may use both but deductive patterns might seem more suited to legal argumentation. In contrast, usually, in a client interview, the interviewer must understand meanings presented in inductive patterns. Negotiations can involve both. As such, our trainees may have worked against their discourse habits in some, not all, activities. Chen’s (2008, p. 193) study found “variation between the uses of different discourse patterns at different stages of learning [English].” As you might expect, then, YATT trainees participating in English became increasingly able to organize text deductively; they formed new habits, relying less on their pre-existing conceptual structures.

When trainees used English for YATT activities, they may have associated an activity’s deductive discourse pattern with English language, however, even in Chinese the debate or mock trial activities are likely to have gone against the grain of discourse pattern habits. This is an example of where discourse habits for native Chinese speakers may have inhibited communication because of the kind of discourse an activity gave preference to. When discourse pattern habits formed in a native language interfere with discourse patterns being attempted in a foreign language, this is an instance of what linguists call “negative transfer.” However, when discourse pattern habits formed in a native language interfere with a discourse pattern being attempted in that same language, it’s simply ‘room for improvement’. The discourse pattern transfer, I argue, may go both ways: once a discourse pattern is formed in a foreign language for a particular type of communication, that discourse pattern may also become more accessible in similar communicative activities in the first language. For example, over time, a trainee practicing deductive public speaking in English will start using deductive patterns when giving public speeches in Chinese. The author considers this as an example of Cook’s (2002) “multicompetence”, which is the phenomenon of the native language of a bilingual person differing from that of a monolingual in having greater cognitive flexibility. In general terms, Widdowson (2003) argues that transfer in second language acquisition is a “crucial phenomenon…which is not to be avoided but positively welcomed”. In fact, if we return to Dowdle’s (2000) arguments above about indigenous paradigms, we might see discourse patterns habits as another type of paradigm which can be innovatively combined in complimentary ways (but also a hazardous site if we teach foreign discourse paradigms in ways that ignore and squash indigenous discourse paradigms). Given neither deductive patterns nor public oratory skills are fostered in the mainstream Chinese education system (Ye, 2014), learning them in either English or Chinese was beneficial to trainees in that in developed their competence in public communication in both languages and their overall cognitive flexibility. Making certain discourse patterns less foreign to the trainees can be seen as one way we made their outlook more international, which is what the Yilian Center’s Director had hoped the project would do (Huang, 2014).

We were aware of demanding performance of unusual discourses for our students. Our training notes and feedback attempted to explicitly identify the discourse patterns useful or expected in each activity (however, we could also have explicitly used the deductive/inductive terminology to increase trainees’ “metalingual knowledge”: (Ellis, 2008, p. 971). Explicit teaching of concepts and structures is not beyond young adult learners (whereas it may not suit many child learners, whose metalinguistic
resources are fewer because their cognitive development is lower: see (Ellis, 2008, p. 21). With explicit knowledge of the discourse patterns, the trainees could then "monitor", or self-correct, their discourse, which Krashen(1981) posits is the only way to make explicit knowledge (about a learnt language) available for use. However, good advocacy cannot be learnt simply as a formulaic pattern, and we wanted to encourage students to think for themselves, therefore we were careful not to be prescriptive about the discourse patterns required in each activity.

3. CONCLUSIONS

This article presented a case study of the YATT Project, designed to forge links between the tertiary education sector, the NGO sector and the private sector in China. Because the Yilian Center used an education initiative to forge the three-way links it sought, this article has been concerned to reflect on the educational methods used. The YATT Project demonstrated that education initiatives work well to develop cross-sector links, and this article suggests that this success is due to the engaging, meaningful and ongoing participation that training and mentoring activities require. The networking opportunities presented by YATT could have been used more consistently and developed further; nevertheless, the inclusion of the wide network benefited the trainees, who were especially motivated and who learnt more in inclusion of the wide network benefited the trainees, who were especially motivated and who learnt more.

Given the article argues for the importance of indigenous adaptation of any education model, the article is not meant as a ‘How To guide’ for wholesale replication of the YAIT Project. Nor has the article pre- empted its readers in determining which aspects of this project will be new and useful to those designing their own networking or education initiatives. Rather, it is hoped that this case study will provide a springboard for discussion and create project design.

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There is currently a debate swirling in Lansing about two tie-barred bills, House Bill No. 5111 and House Bill No. 5144, that deal with third grade reading proficiency as a benchmark to move to fourth grade and the interventions needed prevent retention from being necessary, respectively. These kinds of policies are becoming more and more common; in fact, 14 states have enacted some version of this policy. While third grade reading proficiency is important as an indicator of a student's later academic success, there is much research pointing toward social promotion (moving a student onto the next grade level despite lack of proficiency) as being preferable to retention. There have been, however, instances in which a third grade reading retention policy helped improve student outcomes, most notably in Florida. Research-based reading interventions implemented with comprehensive professional development for teachers have proven to improve low-achieving students’ reading skills. As per a recommendation in a Mackinac Center report, Michigan is now looking to implement a third grade retention policy modeled after Florida’s program. While third grade proficiency is an important benchmark and an admirable goal, Michigan’s bills, mostly HB 5144, still need some work to effectively serve our students.

Third grade reading proficiency has been hailed as an important benchmark in a student’s academic career. The move from third grade to fourth grade marks the shift from “learning to read” and “reading to learn” other material. In fact, according to the Children’s Reading Foundation, “up to half of the printed fourth-grade curriculum is incomprehensive to students who read below that grade level.” Students are expected to build upon the material they learned the previous school year, so without those basic skills, low-performing students fall further and further behind. Poor performance in reading in third grade carries with a student through their education. Nearly three-quarters of students who are poor readers in third grade continue to be poor readers in high school. It has also been found that students who are not reading at grade level by third grade are four times more likely to drop out of high school. Because of the cumulative nature of learning, not reading at grade level, even as early as third grade, can affect a student’s education and learning ability later in life.

Unfortunately it is even harder and less likely that low-income students will reach reading proficiency by third grade. The National Assessment of Educational Progress (NAEP) in 2010 reported that 55% of students from moderate- and high-income families are not proficient in reading in fourth grade, while 83% of students from low-income families are not proficient. In Michigan for the year 2012-13, 68.1% of third graders met reading proficiency while only 55.1% of economically disadvantaged third graders met reading proficiency. These low-income students who are not reading at grade level are about three times more likely to drop out or fail to graduate from high school than those students who have never been poor. Children living in poverty are more likely to attend poorer schools, and that disadvantage is exacerbated by their more stressful home life. Another contributing factor to why lower income students do not reach third grade reading proficiency is that they already begin kindergarten at a disadvantage. Low-income students are also more likely to start school at a learning deficit because they...
For example, New York City instated a third grade retention policy in 2003 in which students who scored at a level 1 out of 4 (meaning they had "serious academic difficulties") on their state assessment would be held back (and later retention policies for 5th, 7th, and 8th graders were introduced). This policy also included early identification and intervention pieces, with student access to Academic Intervention Services (AIS), differentiated classroom instruction, small-group instruction, and summer and Saturday school. NYC offered its AIS to low-performing readers (those at levels 2 and 3) as space allowed, even though they were not deemed "at risk," so that these literacy programs were available to all its students. An important component of the retention program was professional development; teachers were trained in using differentiated instruction and assessment data to help their struggling students.

There were long-term benefits of this retention policy: 5th grade students who were held back outperformed the control group in 7th grade assessments and retained students felt a "greater sense of school connectedness" than their peers up to four years after they were retained.

Florida also has a third grade reading retention policy that has contributed to its overall school improvements over the last 15 years. Between the years 1992 and 2011, Florida made the second highest gains in NAEP scores in the nation. From 1998 to 2011 Florida's average test scores increased 9.1%, Michigan's average test scores increased 1.3%, and the United States' average test scores increased 3.4%. In fact, in a Mackinac Center report "Michigan vs. Florida: Student Achievement, Education Policies and Proposals for Reform," Michael Van Beek recommends that Michigan adopt some of Florida's reading policies, including the third grade reading retention policy. Florida's 2002 retention policy says that students must score 2 out of 5 on the Florida Comprehensive Achievement Test (FCAT) to be promoted to fourth grade, but were offered "good cause exemptions" for flexibility. These "good cause exemptions" mean that student who did not show grade level reading proficiency on the FCAT could still move onto the fourth grade if they were a Limited English Proficient student with less than two years of English instruction, a student with disabilities and an individual education plan (IEP), showed proficiency on an alternative standardized test or through a student portfolio, had a disability and were previously retained, or already received intensive remediation in reading for two or more years. Florida's "good cause exemptions" ensure that the policy did not "punish" struggling readers, and that there were opportunities for students who did not test well to show reading proficiency or students who excelled in other subjects to move onto the next grade level.

There have been many studies of Florida's retention policy, which show generally positive results on student outcomes. A Manhattan Institute study of this policy showed that retained third-graders "made significant gains in math and reading" compared to their socially promoted peers, and that those gains were greater in the second year after being retained. In 2001-02, only 59% of Florida third graders score proficiently on the FCAT, but in 2007-08, 72% were proficient. As in New York City, Florida's retention program included an important professional development piece, because those schools with "stronger instructional leadership" that "clearly communicated goals, ensured learning strategies were implemented and set a climate of high expectations" showed better student outcomes.

As could be predicted, there was a "third grade bubble." Before the retention policy Florida's third grade retention rate was 3.3% and after it was 14.4%; however, by 2006-07 that rate was down to 8.1%. Florida's retention policy was only one part of its educational reform that contributed to gains over the last 15 years, and because it was implemented in 2002-03, "it could not have been responsible for Florida's early gains." Retention as a policy, while it appears to work in places like New York City and Florida, is a highly contested practice with multiple studies showing negative consequences. Studies have shown that grade retention is a significant negative predictor of academic self-concept, homework completion, and self-esteem and a significant positive predictor of maladaptive motivation and weeks absent from school. The argument that those low-performing students who are retained are more likely to perform poorly later in their education and drop out of high school begs the question: Are retained students less likely to graduate from high school because they are retained, or because they have characteristics that "predisposed them to drop out?" Is it fair or accurate to attribute a student's decision to drop out of school to retention, if they were already considered unlikely to graduate from high school had they not been retained?

To answer this question, several studies have specifically compared low achieving students who were socially promoted with low achieving students who were retained. Even when compared to similarly low achieving students who are socially promoted, retained students are more likely to continue to perform poorly and ultimately drop out of high school. The Minnesota Mother-Child Project compared high school dropout rates of retainees, low achieving students, and a control group; the findings of this study showed that 69% of retainees dropped out, 46% of low-achieving students dropped out, and only 29% of the control group dropped out. These studies support that retainees are more likely to dropout compared to their low-achieving peers, suggesting there is something detrimental about high school retention as a policy.
retention. In a 1992 study, it was found that by the end of fourth grade, socially promoted students "had gains of 8 months in reading and 7 months in math over their similarly achieving but retained peers, despite receiving no additional intervention.” This suggests retention does not guarantee student growth, and social promotion can benefit students.

The long-term benefits of retention policies have also been disputed. A 2004 Chicago study showed that retained students did benefit from repeating a grade, but those benefits were lost after the second year, suggesting retention does not benefit students in the long term. A 21-year longitudinal study of retained students showed that retained students were more likely to have poor educational and employment outcomes compared to "promoted students of the same level of achievement.” Other longitudinal studies support the long-term negative effects of retention, suggesting that even if students benefit from repeating one year, social promotion is better in the long term. Again, it is important to note many of these studies compare low-achieving socially promoted students with low-achieving retained students. This shows that students who were at approximately the same achievement level reached different (lower) educational outcomes by being retained. The most successful plan of action for struggling students seems to be social promotion with intensive intervention. A 2004 study showed that students who were socially promoted and received educational intervention outperformed retained students.

For intervention services to be effective, they almost must be individualized, early, and continuous. O’Connor et al’s study also showed that reading intervention programs need to be different if the instruction the student already received in order to make any gains, and that “early and continuous intervention” contributes to positive student outcomes for high-risk students. A longitudinal study done in 2013 reinforces O’Connor’s findings that early and continuous intervention is key. This study found that students who receive individualized reading instruction for grades 1-3 showed the strongest reading skills by the end of third grade compared with those who received fewer years of such instruction. In fact, 75% of students in the study who received three years of individualized instruction performed above the national mean on standardized tests. It is very important that these types of early intervention are sustained, because Head Start preschool studies have also shown that initial gains in reading are lost over time if the students receive inadequate instruction. If intervention services are fragmented or the same as previous instruction, they will not help students reach proficiency. Programs that focus on professional development and teacher training support the goals and success of early intervention programs.

Professional development is another crucial aspect to the third grade reading intervention and retention policies. As cited, both the New York City and Florida policies focused on professional development and teacher training as components of their retention policies. In Connor et al’s longitudinal study on individualized learning, student outcomes were very dependent on teacher quality. Students made gains with higher quality teachers and lost those gains with inadequate instruction. Regular classroom teachers, who received professional development, not reading specialists, were able to contribute to positive student outcomes through evidence-based reading instruction. Teachers in this study were also given the training and support that enabled them to provide more effective reading and mathematics instruction that was aligned with the recommended Individualizing Student Instruction. Professional development in this study included learning to use A2i software, assessment information, and classroom implementation, and teachers were able to learn this material within one school year to “make a meaningful difference in their students’ reading achievement.” The research on layered reading intervention provided teachers two forms of professional development: training in scientifically based reading instruction and in interpretation of assessment results for students. By the third year of the layered reading intervention approach complete with professional development, teachers were skilled in reading data sheets and identifying students who were making slow growth in reading. In order for the literacy intervention programs to work, teachers needed to be trained and supported to implement them successfully.

Michigan introduced its own bill for a third grade retention policy on October 29, 2013, when Rep. Price sponsored House Bill 5111 that would end social promotion to third grade, and use reading proficiency on the grade three state assessment as a benchmark to continue to fourth grade. The bill also states that if a student wishes to enroll in a school beginning in fourth grade, that student must be proficient on the grade three assessment before he or she may enroll.” If passed, the bill would go into effect in 2016-17, so the first class affected by the policy would be current kindergartners. As introduced, there were many concerns about how this would affect students with learning disabilities, Limited English Proficient students, and students who excelled in other subjects, especially since there was no mention of wraparound services such as early assessment and intervention.

To address concerns with HB 5111, it was amended to include “good cause exemptions” to the retention policy. These “good cause exemptions” would allow students to enroll in fourth grade without meeting third grade reading proficiency on the state exam if the student could demonstrate proficiency on an alternative standardized reading assessment or through a student portfolio, has a disability and an individualized education program, is a Limited English Proficient student with less than two years of English instruction, or if a principal issues a “good cause waiver.” The amended bill also includes that students may not be retained for more than two school years and that they may retake the grade three reading assessment. The bill is inspired by and modeled after Florida’s policy, as per the recommendation of the Mackinac Center. These “good cause exemptions” are the same as Florida’s current policy.

Also in response to the many concerns about the holes in HB 5111 and its negative implications,
Rep. Stallworth introduced HB 5144 on November 11, 2013. Many legislators in the House Education Committee and members of the public giving testimonials were concerned that HB 5111 would punish low-achieving students without supporting them to succeed, with programs that could prevent third grade retention from ever being necessary. 52  HB 5144 is tie-barred to HB 5111, meaning that one cannot pass without the other. HB 5144 requirements the Michigan Department of Education (MDE) to ensure that students will be proficient in reading by their grade three assessment, so that retention is truly a last resort. The bill outlines a timeline in which the Department will submit a report to the House Education Committee to identify programs that are successful in helping low-performing students reach reading proficiency by April 1, 2014, and recommend or develop reading programs to improve reading skills focusing on diagnostic evaluation, early intervention, tutoring, and mentoring by June 1, 2014. 51  A pilot program based on these recommendations will be implemented for the 2014-2015 school year, and early screenings shall be conducted within the first thirty days of each school year. 52

Even with the wraparound services offered in HB 5144, many citizens are concerned about the many studies that cite retention's negative impacts on students. A representative from Ingham County Intermediate School District speaking at one of the House Education Committee hearings said that these policies need to be for the students, in their best interest, and not for adults. 53  Rather than focusing on what students need to do to become proficient, adults need to be held accountable and the legislature needs to work with schools as they work to implement these policies. Susan Neuman, a professor of educational studies at the University of Michigan and an expert on early literacy agrees, saying "They [the legislature] like the get-tough policy. But it's a terrible strategy. It's blaming children when you should be blaming the system." 54  A mother and advocate for education who spoke at another hearing felt that enacting HB 5111 would be moving too quickly, and the process needs to be slowed down to ensure that Michigan is preparing its students in grade K-3 before it holds them accountable for third grade reading proficiency. 55  Before HB 5111 is passed, HB 5144 needs to be more fully developed to ensure that students are not being punished by being held back without being supported.

Another concern about this legislation is about how it is going to be funded. Providing an extra year of instruction to retained students and intervention services to other struggling readers will be expensive. The legislative analysis of this bill reported that the costs of the retention policy would come out of the School Aid Fund, and could cost between $7,076 and $8,049 per student for the school year 2013-2014. 56  There is no financial estimate for the costs of HB 5144's wraparound services yet, but the bill requires MDE to secure funds for the pilot program from private and public sources, with some funding from the School Aid Fund. 57  The estimate of HB 5144's costs will likely come with MDE's report on April 1, 2014 or June 1, 2014; however, it is dangerous to pass HB 5144 without knowing how much it will cost or where this funding will come from. Simply saying that the pilot program will be funded from "private and public sources" is very vague and not reliable. Funding for education is very tight, so if HB 5144's intervention services will be funded by the School Aid Fund, what will be cut to make room for these new programs? There are still many unanswered questions about funding. Critics of these bills say that the current lack of funding for new programs "shows Michigan isn't as serious as it needs to be." 58  By pushing the issue of funding to a later date by saying "we will find a way to pay for it later" it is dangerous, because Michigan may not have the funds to sustain the reading programs. Furthermore, if these programs are not going to be sustained, they are not worth enacting in the first place, because research has shown reading intervention programs must be sustained to be effective.

RECOMMENDATIONS

House Bills 5111 and 5144 are well intentioned and focus attention on early literacy which should continue to be an educational priority. Michigan is looking at Florida as a model, and if it hopes to make the same progress Florida made, it should also model its early identification and intervention programs after Florida, complete with research-based methods and comprehensive professional development. HB 5144 aims to address the identification and intervention issue, but it is still underdeveloped and vague. HB 5144 requires MDE to research and develop early literacy programs, with little else figured out. Michigan should wait until MDE has researched and developed a reading program, and then write a bill outlining Michigan's policies. Only after Michigan has a solid plan of what our early literacy program will look like and how it will be implemented should HB 5111 be passed and enacted. Rep. Price said, "My bill sets the line in the sand, and Rep. Stallworth's bill lays out how we make sure children don't reach that line." 59  This idea of setting a hard line in the sand is reminiscent of Bush's No Child Left Behind legislation, which required yearly standards-based assessments to ensure all students were proficient in reading and math by the year 2014. Unfortunately, because this admirable, yet lofty, goal was not supported by adequate programs and measures to ensure students reached proficiency, the legislation had counter-productive effects. Michigan should learn from NCLB that strict "get-tough" policies that are not supported by effective programs and adequate funding are doomed to fail.

As it is written now, HB 5144 is little more than a timeline of mandates on MDE, with little detail about the actual intervention services. By April 1, 2014 MDE must submit a report that identifies successful literacy programs. By June 1, 2014 they must recommend or develop at least one reading program to be implemented by the 2014-2015 school year beginning in September 2014. It is also MDE's responsibility to find funding for this program. The only real provisions it sets is that early screening must be done in the first 30 days of each school year for grades K-2, an identified struggling student's parent/guardian must be notified in writing with tools to help that student's reading, some kind of intervention program must be used, and that schools must submit annual early literacy data to MDE. As research has shown, in order for intervention to be beneficial to students, it must be research-based and sustained (meaning reading curriculum and intervention is cumulative and connected between grade level).

The timeline on HB 5144 is also unrealistic. After MDE submits its report to the Committee, it has only one month to develop and recommend Michigan's version of a reading intervention program and how it will be implemented in a pilot program. Then, there is only about three months between the time the MDE will have a plan ready and when teachers will begin a new school year being expected to implement this into their classrooms. Today's kindergarteners will be affected by HB 5144 (identification and intervention) in 2014-2015 when they are first graders, and will be affected by HB 5111 (retention) in 2016-2017 when they are third graders. This pilot group of students will be expected to be proficient in reading by third grade, even though intervention services will only be available to them in grades 1-3 rather than beginning in kindergarten. There is also not a guarantee that this group of students will receive the best quality of intervention services in their first year (or even second year), because their teachers will only have about three months to learn the tools and methods of the reading intervention program before the new school year. Three months is an unrealistic time frame to learn and master new reading intervention techniques, especially with the bill's lack of attention to professional development.

Professional development has also been left out of HB 5144 and all discussions on the legislation. Nowhere in HB 5144 is there a provision that requires schools to train their teachers in the new tools and methods of reading instruction and intervention. Though, perhaps professional development will be part of the MDE's report and recommendations. In

50  House Education Committee hearing, October 30, 2013.
52  Ibid.
53  House Education Committee hearing, November 16, 2013.
54  Ron French.
55  House Education Committee hearing, December 4, 2013.
56  J. Hunault, Bethany Wicksall, and Karen Shapiro.
57  Ibid.
58  Ron French.
59  Ibid.
two of the models of successful reading intervention programs mentioned above, professional development was crucial to the programs' implementation. In the longitudinal study, it took about a year for teachers to learn the technologies and methods of the program to "make a meaningful difference in their students' reading achievement." In the study on the layered reading approach to intervention it took about three years of practice with professional development for teachers to master reading data spreadsheets and identifying students who were making slow growth in reading. To expect teachers to master and implement a new reading intervention program in three months, especially without any mention of how they will be trained, is unrealistic, unfair, and unsupportive for our teachers. Teachers will probably still be learning the intervention program through the first year or two of the pilot program, which will mean that the programs' first class will not receive full benefits from that intervention program. Yet, they will still be held accountable to HB 5111's retention policy when they reach third grade. HB 5111 should be implemented later than it is currently scheduled, so that the programs mandated in HB 5144 can take full effect before students are held accountable to obtain third grade reading proficiency.

While there are good cause exemptions for students with disabilities in HB 5111, this applies to students with Individualized Learning Programs (IEPs), not 504 plans. During the most recent hearing on these bills, a woman with a dyslexic son testified against HB 5111 because it most likely would have required her son to repeat third grade. She cited dyslexia as a leading reason why Michigan should take the time to implement an early identification and intervention program the right way, with effective supports that will actually help students reach third grade proficiency instead of punishing struggling readers. Dr. Shane Jimerson, a professor and Nationally Certified School Psychologist, wrote that "children in kindergarten, first, second and third grade do not fail; their lack of academic success reflects the failure of adults to provide appropriate support and scaffolding to facilitate their early developmental and academic trajectories." If Michigan legislators do not take the time to more fully develop HB 5144, they are failing our students. HB 5144 should be the main focus right now, but it premature and lacking in detail. There is a difference between acting with urgency and rushing through something. If Michigan does not take the time to create a thorough intervention program and teach their teachers in detail about how to implement it, the entire plan could be counter-productive and useless. To more effectively serve our students, the legislature needs to focus more on developing HB 5144 than pushing through HB 5111.

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Sense of Deservingness: What are the Entitlement Beliefs of Students in Their Anticipatory Psychological Contract?

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1. INTRODUCTION

Rousseau (2001) claims that the beliefs included in the psychological contract are formed in the recruiting process, as well as during the socialisation process when first starting employment. However, according to De Vos, Stobbeleir, and Meganck (2009), the majority of adolescent graduates have no frame of reference based on earlier professional experience that can shape their psychological contract. Nevertheless, before graduates commence formal employment they already develop a mental schema that determines not only their choice of employment, but also the evaluation framework they will use to determine the extent to which their expectations match the reality after organisational entry. De Vos et al. (2009) confirm that the obligations that are prominent in graduate pre-employment beliefs are likely to affect the psychological contract. From an employee's viewpoint, the psychological contract includes what is assumed of the organisation’s promises or claims, such as an above average salary or more benefits, in exchange for the employee's commitment and contributions to the organisation (Turnley, Bolino, Lester, & Bloodgood, 2003).

Fisk (2010) and Twenga and Campbell (2009) have suggested that we were currently living in the "Age of Entitlement". It is the abovementioned authors' perception that there is a tendency that individuals are increasingly subscribing to the belief that they should get what they want, when they want it, even if that means they will have to affect the well-being of others negatively. This occurrence in which individuals consistently believe that they deserve preferential rewards and treatment, often with little consideration of actual qualities or performance levels, is regarded as perceived or psychological entitlement (Fisk, 2010; Harvey & Harris, 2010; Harvey & Martinko, 2009; Snyders, 2002). According to Snyders (2002) entitlement can be seen as a "sense of deservingness" (p. 21).

The occurrence of perceived entitlement has grown vastly in the last decade and is now influencing life in many of the social institutions, including entitlement in education (Greenberger, Lessard, Chen, & Farragia, 2008) and family inheritance (Allers, 2005; Tyre, Scelfo, & Kantrovitz, 2004). Most of the existing research conducted on perceived entitlement did focus on the social context (Exline, Baumeister, Bushman, Campbell, & Finkel, 2004; Schwartz & Tylicka, 2008). Entitlement in the workplace context has only recently been subject of study (Fisk, 2010; Harvey & Harris, 2010; Harvey & Martinko, 2009; Kets de Vries, 2006; Levine, 2005). Naumann, Minsky, and Sturman (2002) state that perceived entitlement is an important concept in organisational sciences since understanding an employee's perception of entitlement is essential to understanding the expectations of that employee and, in particular, the nature of exchange between employees and the organisation. The comprehension of an individual's entitlement perceptions is important because this will affect the shape of the psychological contract, which in turn affects attitudes and behaviours of employees in the workplace (Robinson & Rousseau, 1994).

According to Harvey and Harris (2010) unrealistic entitlement perceptions can cause problems for both employees and employers. Snyders (2002) says there should be a warning to individuals who are in the process of attaining "something special" (p. 22), like a degree or diploma, and then fall subject to the danger of unrealistic entitlement beliefs. Ochse (2005) reports on a study conducted by the University of South Africa that determined the academic expectation and perceptions of university students, and found that all the participants from the study had fairly high expectations for future success and that these students believed that they were intellectually above average. Furthermore, Ochse (2005) found that students from all racial and gender groups overestimated their future success, where it was confirmed that they had lower actual achievement. This finding confirms that it is important to create the link between entitlement perceptions and expectations to fully comprehend the psychological contract of a prospective employee.

Research that focused on perceived entitlement in the work context found that employees with unrealistic entitlement beliefs displayed a tendency toward unethical behaviour and conflict with their supervisors, high pay expectations, low levels of job satisfaction, high levels of turnover intention, perceived inequity, job dissatisfaction and even corruption (Harvey & Harris, 2010; Harvey & Martinko, 2009; Kets de Vries, 2006; Levine, 2005). It has also been suggested that perceived entitlement can negatively affect the judgment of individuals in leadership positions (Levine, 2005).

The theoretical problem addressed in this study is that we expand psychological contract theory by making a distinction between perceived entitlements and obligations and expectations. Without taking the entitlement beliefs and reasons therefore into account when examining the psychological contract of an individual, a full view on the psychological contract and its expected consequences cannot be achieved.

The aim of this study is to explore and substantiate themes associated with perceived entitlement and use this information to purpose a structural model of the anticipatory psychological contract that will broaden the scope of perceived entitlement literature in the work context by using a qualitative method of research.

To achieve the purpose of this study a literature review was conducted regarding the origins of the psychological contract and perceived entitlement, which laid the foundation for the exploration of perceived entitlement and expectations of the participants. After the literature review three research propositions were formulated, which provided the foundation for the reporting of the results.

1.1. Literature review

1.1.1 Origins of the psychological contract

It is necessary to understand the origins of the psychological contract before perceived entitlement can be explored. This is due to the fact that entitlement perceptions affect an individual’s expectations (Naumann et al., 2002), and expectations form part of the individual psychological contract (Freese & Schalk, 2008; Van den Heuvel & Schalk, 2009; Paul, Niehoff, & Turnley, 2000).

According to Linde (2007) the concept of the psychological contract has vastly grown since the 1990s although it was first used in the work context by Argyris in the 1960s. Levinson, Price, Munden, Mandi, and Solley (1962) elaborated the psychological contract by explaining it as an exchange relationship between employer and employee in which each party has expectations about mutual obligations. Rousseau (1989) defined the psychological contract as an individual's belief regarding the terms and conditions of a reciprocal exchange agreement between that central person and another party. As such the psychological contract can be seen as a set of beliefs about what the employee and employer expect to receive, and are compelled to award, in exchange for the other party’s contribution (Levinson et al., 1962).

According to Rousseau (1995) the individual psychological contract is different from other types of contracts, such as the social contract (this includes the labour legislation and other societal norms), the legal contract (this is the formal employment contract), and the normative contract (this usually are the norms of the groups the individual associate with). These concepts are illustrated in Table 1. Each individual has a unique psychological contract based on his/
her own understanding of obligations towards the organisation (Turnley & Feldman, 1999). Employees with balanced psychological contracts are less likely to want to leave a relationship, such as an employment relationship (Scott, Eau, & Jill, 2001). Psychological contract breach occurs when an employee experiences that the organisation did not live up to its requirements and commitments (Restubog, Bordia, & Tang, 2006; Turnley et al., 2003).

Table 1: Different types of contracts

<table>
<thead>
<tr>
<th></th>
<th>Individual</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Psychological contract</td>
<td>Normative contract</td>
</tr>
<tr>
<td>Within</td>
<td>Individual beliefs regarding promises made, accepted, and relied between themselves and others.</td>
<td>Shared psychological contract that emerges when members of a social group, organisation or work unit hold common beliefs.</td>
</tr>
<tr>
<td>Implied contract</td>
<td>Interpretations that third parties make regarding contractual terms.</td>
<td>Social contract</td>
</tr>
<tr>
<td>Outside</td>
<td>Broad beliefs in obligations associated with a society's culture.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Rousseau (1995, p. 9)

According to Morrison and Robinson (1997) and Paul et al. (2000) a failure to meet the employee's expectations on obligations may result in a breach of the psychological contract between the employee and employer. Previous research regarding entitlement perceptions found that the failure of organisations to meet entitlement beliefs of individuals leads to higher levels of turnover intention, perceived inequity and job dissatisfaction, which also constitutes breach of the psychological contract (Harvey & Harris, 2010). If a breach is significant, it constitutes an experience of violation (Morrison & Robinson, 1997). Hellgren (2003) and Linde (2007) defined a breach as the cognitive perception an employee experiences when the organisation has failed to uphold one or more aspects of the psychological contract. On the other hand, a violation of the psychological contract refers to the emotional and affective reactions, such as those that could arise when an employee felt that the organisation had failed to properly maintain its end of the psychological contract (Linde, 2007; Morrison, & Robinson, 1997).

Since 1960, when research began on the psychological contract, expectations were considered interrelated to the psychological contract (Freese & Schalk, 2008; Van den Heuvel & Schalk, 2009; Paul et al., 2000). The Oxford Dictionary (2010) defines expectation as a strong belief about the way something should happen or how somebody should behave. When entering an employment relationship, people tend to develop certain expectations about that relationship. Employees learn what the other party (employer) expects them to contribute and in return these employees develop ideas about what they should receive for services rendered to the employer (Heath, Knez, & Camerer, 1993). Sutton and Griffin (2004) used the term "pre-entry expectations" to refer to newcomer expectations that were formed prior to actual employment. These implicit or explicit expectations constitute the basis for the perceived obligations of the contract – the psychological contract – in a relationship.

1.1.2. Perceived entitlement and expectations

According to VandenBos (2006) the word entitlement refers to the right or benefits legally bestowed on a person or group, for instance through legislation or a contract, or unreasonable claims to special consideration (the latter referring to psychological entitlement). When considering the definition of psychological entitlement, as mentioned above, it is also relevant to take into account the definition of entitlement perceptions in the workplace according to Naumann et al. (2002). These authors defined entitlement perceptions in the workplace as "the compensation expected as a result of an individual participating in an employment relationship" (p. 150).

Snyders (2002) suggested that perceived entitlement or sense of deservingness may become a sort of identity which presupposes the individual's own rights and needs. According to Snyders (2002) these needs include rights such as the right to status and power, others' mind and bodies, space and place, not to pay attention to other peoples' reactions, be empathic, view of life as a constant battle, winning and losing (with losing resulting in shame and humiliation for the individual), blame outwards and blame others without considering one's own role in problems and processes, and to view oneself as superior.

Even though it has been argued that nearly every person displays at least some degree of perceived entitlement (Boyd & Helms, 2005), each individual appears to differ in the level of entitlement (Campbell, Bonacci, Shelton, Exline, & Bushman, 2004). Campbell et al. (2004) found evidence suggesting that perceived entitlement levels are stable over time and argued that it is stable across situations as well.

Snyders (2002) described the word “sense of deservingness” as an attitude or way of viewing life. According to Harvey and Harris (2010) a person or group may also feel a sense of entitlement due to factors within that person or group. Harvey and Harris (2010) refer to this specific perception of entitlement as psychological entitlement; thus, psychological entitlement can be defined as a fairly stable and universal characteristic that occurs when an individual expects a high level of reward or preferential treatment regardless of his/her ability and performance level (Campbell et al., 2004; Harvey & Harris, 2010). According to Snyders (2002) individuals with high perceived entitlement levels believe that they are owed many things in life where they do not have to earn what they get; that they are just entitled to it because of who they are or whom they are associated with.

The difference between expectations on obligations and entitlements has to do with the "sense of deservingness". Where expectations on obligations refer to the individual's anticipation to receive something, entitlements refer to the perceived right of the individual to receive something, even in absence of a formal or informal agreement. The level of an individual's expectations is of course influenced by the entitlement beliefs of that individual (Naumann et al., 2002). Although entitlement was mentioned in previous psychological contract studies (Rousseau, 1998; Paul et al., 2000) it has never been investigated as a separate component of the psychological contract.

The following research questions were derived from the above literature review:

Research question 1: Which expectations (individual expectations) do students have due to their entitlement beliefs?
Research question 2: Which general expectations (normative expectations) do students have regarding future employment?
Research question 3: Which factor influences the entitlement beliefs of students?

2. RESEARCH DESIGN

2.1. Research approach

This paper is exploratory in nature. Due to the lack of research on this subject a qualitative approach to data gathering is applied to derive themes associated with expectations and entitlement beliefs. The questions that were developed were based on theoretical principles of entitlement beliefs and anticipatory psychological contracts. Identified themes were also discussed through a literature study. Trochim and Donnelly (2008) stated that the central reason why a researcher may consider doing a qualitative study is when the state of knowledge in an area is inadequate.

2.2. Research strategy

Interviews were conducted and the data gathered was transcribed to identify the various themes associated with expectations and perceived entitlement of the anticipatory psychological contract of prospective employees. This article is exploratory in nature due to the fact that there hasn't been much focus on perceived entitlement in psychological contract studies. For this reason, this article focuses on deriving themes associated with perceived entitlement of students through the use of semi-structured qualitative interviews. Using the themes as points of reference a model was introduced to illustrate the anticipatory psychological contract of prospective employees.

2.3. Research method

2.3.1 Research setting

The research population examined was made up of final year graduate and post-graduate students in economic and management programmes at a South African university who will enter the workplace...
Within the next few years. All the participants were final year or post graduate labour relations or industrial psychology students.

2.3.2. Sampling

Convenience sampling was used to select participants for the interviews. The number of interviewees was 20 and had equal representation of both genders. All participants were between the age range of 21 and 24. The sample consisted of 13 final year under graduate students (third year students) and 7 post graduate students (fourth year students) who have not yet entered formal employment. Only one of the students had relevant work experience which he acquired before he commenced his studies. The other participants started studying directly after school. Participation in the interviews was voluntary and complete anonymity in reporting the results was promised in an attempt to limit bias and to increase the overall honesty of the participants.

2.3.3. Data collection method

A semi-structured interview was conducted to obtain data from the participants. The length of the interviews was approximately 20 minutes each. The interviewer asked a predetermined question which the participant had to consider and respond to. Thus the response of the participant was open and unguided. If additional information was required from the participant the interviewer would ask the participant to provide additional information. The interview scheme consisted of six open questions.

1. the desirable work-related expectations of participants;
2. the normative work-related expectations of participants; and
3. the factors that determine the entitlement beliefs of the participants.

The desirable work-related expectations of participants were identified by asking the participants what they believed they were going to receive, in other words, what they regarded as an attractive salary, employment conditions and benefits when they commenced work after having completed their studies.

The normative work-related expectations of the participants were obtained by asking the participants to clarify what they believed they should receive; what the absolute minimum was they would consider before entering the employment of the future employer.

To determine the factors that influenced the entitlement beliefs of prospective employees it was necessary to differentiate between what these prospective employees wanted and what they felt they should receive when they started formal employment. This was achieved by asking the participants how they would differentiate between what they as employee should receive in the workplace and what they wanted to receive in that workplace; in other words, why did they as prospective employees feel the organisation should provide for certain aspects before they would consider working there.

2.3.4. Recording and data analysis

The answers on each of the interview questions were transcribed and analysed separately to obtain themes associated with the purpose of the question. After this process the responses were documented using a coding system approach. This coding process was done in Microsoft Excel where a table was formed which captured each theme based on the responses from the participants. All the themes were captured in this table, regardless of how relevant it was to the question. Each time a participant mentioned a theme that theme would receive a point, these points was then used to calculate a percentage which was used in the findings and interpretation section. After analysing 17 of the 20 transcribed interviews a two encompassing constructs identified: firstly themes associated with expectations of prospective employees, and secondly aspects that influence expectations of prospective employees.

3. FINDINGS AND INTERPRETATION

From the participants responses there were two encompassing constructs identified: firstly themes associated with expectations of prospective employees, and secondly aspects that influence expectations of prospective employees.

3.1. Research question 1: Which expectations (individual expectations) do students have due to their entitlement beliefs?

3.1.1. Results

The following individual expectations where identified from the participants’ responses:

- Attractive remuneration and benefits
- Personal skills development opportunity
- Status in the workplace and career mobility
- Benefits for full time employment
- Employee assistance programs
- Personal skills development opportunity
- Status in the workplace and career mobility

The findings will be reported separately for each research question. Derived constructs and themes associated with perceived entitlement and expectations of prospective employees are documented in the following section. Answers given by participants were categorised, and the predominant categories were identified.

After the presentation of the results a model is proposed that illustrates the anticipatory psychological contract of prospective employees, thus achieving the main purpose of this paper.

2.3.5. Reporting

The factors that determined the entitlement beliefs of prospective employees are documented in the following section. Answers given by participants were categorised, and the predominant categories were identified.

In the interviews 16% of the participants stated that they expected to receive a salary of between R9 000 and R11 000 per month, which is approximately between the 40th to 55th percentiles of salaries of South Africans with a tertiary education (Statistics South Africa, 2010); 28% of the participants stated that they expected a salary of between R12 000 and R15 000 per month, which is approximately between the 60th and 75th percentiles of salaries of South Africans with a tertiary education (Statistics South Africa, 2010); 22% of the participants stated that they expected a salary of between R16 000 and R18 000 per month, which is the approximately between the 80th to 85th percentiles of salaries of South Africans with a tertiary education (Statistics South Africa, 2010); 16% of the participants stated that they expected a salary of between R19 000 and R22 000 per month, which is approximately between the 85th to 90th percentiles of monthly salaries of South Africans with a tertiary education (Statistics South Africa, 2010); and 16% of the participants stated that they expected a salary higher than R25 000 per month, which is higher than the 90th percentiles of monthly salaries of South Africans with a tertiary education (Statistics South Africa, 2010).

2.3.5. Reporting

The answers on each of the interview questions were transcribed and analysed separately to obtain themes associated with the purpose of the question. After analysing 17 of the 20 transcribed interviews a two encompassing constructs identified: firstly themes associated with expectations of prospective employees, and secondly aspects that influence expectations of prospective employees.
When asked what the participants would like to receive in future employment, some of them (10%) stated that they wanted the opportunity to grow as an employee in the workplace with opportunity for future promotion. In other words, they wanted to know that they were not in a dead-end job and that their circumstances regarding salary, job title and status in their community could only improve over time. One of the participants actually confirmed the above statement when he/she said:

“I think the average starting salary is between thirteen and fifteen thousand rand, but that should go up in time because I am not going to work for that amount the rest of my life.”

Organisational assistance regarding skills development was also an aspect that some of the participants identified, for instance, one of the participants stated that:

“I would like a programme or something that can help me to develop as an employee, for instance, if the company came and said they would help finance the education of my child up in time because I am not going to work for that amount that the participants would settle for before they entered the workplace as a working individual. The average of these pre-entry expectations is regarded as the normative expectations.

The second individual expectation was employee assistance programs. This theme refers more to an external appreciation of an individual that is not necessarily job-related, but more a motivational approach that would make the employees feel part of the organisation by providing something more than just monetary reward. According to Grobler et al. (2006) most new employees were very enthusiastic to learn more about their job and the organisation after accepting a job offer. This process is known as socialisation. Socialisation is regarded as a process by which employees are transformed from complete outsiders to participating and effective members of an organisation (Kreitner & Kinicki, 2008).

The final individual expectations included personal skills development opportunity, status in the workplace, and career mobility opportunities.

3.2. Research question 2: Which general expectations (normative expectations) do students have regarding future employment?

3.2.1. Results
The following normative expectations were identified from the participants’ responses:

• Reasonable remuneration and necessity benefits

When asked what the participants should receive from their future employer all the participants stated that they should receive a salary based on their individual perception of what they were entitled to. The minimum amount that the participants would settle for before considering a job was different for each participant.

A survey conducted by the South African Graduate Recruiter Association (SAGRA, 2011) regarding starting salaries of graduates in South Africa found that the median graduate starting salary for 2011 was about R130 000 per annum, which is approximately R10 000 per month (SAGRA, 2011). The highest starting salaries for 2011 were for positions at investment banks or fund managers, consulting firms, law firms and engineering or industrial companies, which each had a median starting salary in excess of R230 000; approximately R19 000 per month (SAGRA, 2011). Considering this, 84% of the participants expected a higher salary than the actual salary median for starting salaries of this related group.

The second individual expectation was employee development and well-being. All of the participants did believe that they were entitled to certain company benefits that would promote their well-being as an employee; for instance, medical aid and pension were considered as necessities by the participants, especially if the nature of work made it obvious. Some of the participants even stated that they should get a car allowance if the company expected them to undertake work-related travel. Of the participants 45% identified employee well-being as an entitlement belief that they should receive in the formal work environment when they commenced employment. Skills development and training opportunities for individuals were also regarded by the participants as a normative expectation.

3.2.2. Interpretation of results
According to De Vos et al. (2009) graduates already had a mental model that affected their expectations before they entered the workplace as a working individual. The average of these pre-entry expectations is regarded as the normative expectations.

The first normative expectation that was identified was reasonable remuneration and necessity benefits. It came as no surprise that money was the first entitlement belief that prospective employees identified because, according to Newell (2002), individuals work in order to gain the monetary reward which they then use to pay for the things they need in order to live (which constitutes necessities), and to pay for luxuries (which constitutes desire). In other words, without money employees can’t cover their expenditure. This indicates that their entitlement belief is set on survival of the individual, with some minor reference to money invested on qualification levels. When asked what the minimum amount was that the participants would work for (settle for), each gave a different amount, which reinforces the notion that an individual’s entitlement beliefs determine that individual’s expectation level.

The second normative expectation was reasonable conditions of employment and environment, and referred to the contract of employment. This expectation was in a way more a legitimate entitlement, as it is governed by law or legislation. An interesting finding from the interviews was the following response:

“I have previous work experience, so I believe should get a bigger salary and better conditions of employment because I am more qualified than my fellow graduates.”

This statement confirms that perceived entitlement is part of the psychological contract due to the fact that this individual feels a legitimate right (entitlement) to receive a better salary and work conditions than other fellow graduates that have no previous work experience, and it is the obligation of the organisation to meet these entitlement demands.

The third normative expectation that was identified was employee development and well-being and respect in the workplace. This normative expectation is very similar to the theme mentioned earlier, regarding employee assistance programs. But in this theme employee development and well-being pertain more to the well-being of an employee of the organisation. The participants believed that the organisation should cater for their needs as employees of that company. According to Grobler et al. (2006) it is known that motivated employee behaviour is best achieved by integrating personal goals with the goals of the organisation. In other words, the difference between the first theme (employee assistance programs) and this one is the fact that the company that cares for its employees gives more external (individual) care, and this theme has more to do with internal (employee) care.

Skills development and training opportunities for individuals were also regarded by the participants as a normative expectation due to the fact that it would create the opportunity for them to further their skills, and to make progress in their work environment. This is stipulated in the Skills Development Act, 97 of 1998 (South Africa, 1998) and the Skills Development Levies Act, 9 of 1999 (South Africa, 1999).
3.3 Research question 3: Which factors influence the entitlement beliefs of students?

3.3.1. Results

The individual or normative expectation level of prospective employees can be justified by one or more of the following factors that shape the entitlement belief of that individual. The following reasons where identified by the participants in the interview:
• Qualification level
65% of the participants stressed that, due to their level of qualification, the organisation had to comply with certain requirements before they would consider working there.
• Contribution to the company
30% of the participants stated that their expectation beliefs were due to the potential they had to make a meaningful contribution to the company.
• Self-efficacy
15% of the participants stated that they were hard workers and academic achievers, and that was why they should receive certain advantages from their future employer, e.g. a high salary.
• Labour market tendencies
5% of the participants stated that their expectations were quite low due to the current labour market tendencies related to their field of expertise.
• Job experience levels
5% of the participants stated that they already had previous work experience, so they believed that they were entitled to higher expectations than other students without experience.
• Cost of living (at workplace location)
30% of the participants stated that the main reason why they had a certain expectation belief was due to a survival need. They had to survive when they commenced work, so their income should be higher than their expenditure.

3.3.2. Interpretation of results

From the interviews it was evident that the participants already had a clear idea of what they would prefer in future employment, but when asked what they should receive in future employment their first response was that they had not thought about that all that much. This actually confirms that a person’s entitlement perceptions is a subliminal belief and that something affects the expectation levels of prospective employees, even though they had no prior experience in employment. This is where the factors that influence entitlement beliefs of prospective employees fit in because these factors determine an individual’s entitlement perception, which in turn determines the level of expectation which that individual will display.

The first factor identified was the participants’ level of qualification. The majority of the participants stated that they felt they should receive a certain salary, benefits and special considerations due to the fact that they had a tertiary qualification level. All of the participants would at least have a degree when they commenced work, and some of them would even have a post-graduate degree. Most of the responses from the participants stated that they and their parents or legal guardians had invested a lot of money and time in their qualification, and that was why they would not accept anything below a certain expectation margin that they had in mind. The participants even believed that they should get a better job than a person that had no degree at all. According to Branson, Leibbrandt and Zaze (2009) there is a positive link between tertiary education and access to the labour market. This study concluded that tertiary graduates were up to three times more likely to be formally employed than a person with only a matric certificate.

The second factor was the individuals potential to contribute to the company. Each individual is different in terms of skills, personality, ability and experience. Therefore some of the participants stated that they had a relative higher work expectation due to the fact that they would provide something unique to the company with their wide array of skills, abilities and knowledge. The participants stated that, during their degree study, they gained knowledge of the subject matter, communication skills, learning skills, creativity and they could, and would, influence the company with these skills. Some of the responses actually mentioned the phrase “bringing something new and unique to the company” as this implied that they wanted to apply their academic mind to the working environment.

The third factor identified was the self-efficacy levels of the participants. According to Coetzee and Schreuder (2010) self-efficacy refers to an individual’s belief in his/her own capacity to perform a specific task or reach a specific goal, and also the belief that they could overcome obstacles and accomplish difficult tasks. The achieving of challenging goals in personal and academic situations in an individual’s life has an effect on that person’s self-efficacy and self-esteem levels. According to Coetzee and Schreuder (2010) an employee who has the confidence to take on and put in the required effort to complete a challenging task successfully, and who is optimistic about succeeding in the present situation and also in future, can persevere in goal-directed activities and even redirect activities to ensure goal achievement. In other words, if self-esteem and self-efficacy levels in an individual are high, that person would have higher expectations regarding future productivity and outcomes. In the interviews some of participants mentioned that they had an average of above 75%, or they were very productive while obtaining their degree, and thus felt they could have higher organisational expectations than a person who had just obtained his/her degree.

The fourth factor was the current labour market tendency. According to Barker (2007) the labour market is an imaginary market place where labour is bought and sold. The labour market works hand in hand with the current economy of a country; if the economy is excellent, there will be a higher employment rate, but if the economy is in a recession, there will be a lower employment rate. Organisational downsizing is always a possibility when the economy is in an unfavourable state (for an organisation), and rumours of retrenchments are also frequent in these times (Barker, 2007; Venter, 2006). This creates a problem for prospective employees due to the fact that they are dependent on the economy and labour market tendencies of the country they wish to work in. Another problem is that tertiary education is not necessarily appropriate for the needs of the economy. According to Barker (2007) some qualifications in humanities (for instance languages, social sciences, arts, communication) still form a major part of all qualifications awarded, although the proportion has declined since 1992. There is still a sharp increase in the number of qualifications awarded in business, commerce and management. This leads to an oversupply of labour in certain qualification areas, for instance business management, which has the potential to shape an individual’s (who has that qualification) expectation level.

The second factor was the participant’s previous job experience level. Only one of the participants had relevant work experience, excluding temporary (student) employment. Even though no one else had relevant work experience, it did not prevent the participants from stating that job experience was worth much more in the workplace than a degree. According to Pop and Barkhuizen (2010) firms are generally not able to use new graduates to fill their skills requirements due to the fact that graduates have the qualifications but not the necessary practical skills and experience. In other words, a person who has job-related experience may feel more entitled to be considered for a position than a person without job experience.

The last factor is the general cost of living at the workplace location. Cost of living is one of the most important reasons the participants identified for their entitlement beliefs. Most of the interviewees were still dependant on their parents or legal guardians, and on the day that they commenced work, they would have to survive on their own. The emphasis in this theme is on the survival of the individual. They would need the basic necessities in order for them to survive, for instance accommodation, petrol and food. These few expenditures were just a few examples of the total expenditure. 30% of the participants stated they believed they should receive a minimum salary that would at least cover their basic expenditure and necessities and would enable them to survive.

The previous section of the paper explored and documented all the themes regarding expectations and entitlement beliefs of prospective employees by utilising a research proposition approach. In the following section a structural model will be presented on the anticipatory psychological contract of an individual.

4. ENTITLEMENT BELIEFS AND ANTICIPATORY PSYCHOLOGICAL CONTRACT MODEL

Utilising the results and interpretations of the data a structural model was developed that represents the entitlement beliefs and anticipatory psychological contract of a prospective employee.
This was achieved by grouping all the expectations together, and then grouping all the perceived entitlement factors together; then linking them in such a way that the individual's entitlement perceptions are influenced by certain factors. In turn this entitlement perception determines the expectation level of that individual. An entitlement beliefs and anticipatory psychological contract model can be seen in Figure 1.

In theory, if a person has a high level of perceived entitlement based on one or more factors that influence the entitlement beliefs, they would have higher job expectations, for instance better pay and more benefits than what the average individual has (individual expectation). On the other hand, if a person has an average entitlement belief, that person will have a normative level of expectation (normative expectations) for instance, a salary that covers the basic cost of living with certain necessity company benefits, for example a pension fund.

5. DISCUSSION AND CONCLUSION

The main objective of this paper was to explore and substantiate themes associated with perceived entitlement and utilise this information to develop a structural model of the anticipatory psychological contract that would broaden the scope of perceived entitlement and psychological contract literature in the employment context.

To achieve this objective a literature study was conducted to better understand the psychological contract and perceived entitlement, and how these two constructs are interrelated. The next step was that themes regarding the expectations and entitlement beliefs of prospective employees were obtained and explored, ultimately to broaden the theory of perceived entitlement in the workplace. This was achieved by conducting interviews with participants and asking questions to identify the entitlement beliefs and expectations of prospective employees.

This paper identified two main constructs, namely expectations of prospective employees and factors that influence the expectations (entitlement beliefs) of prospective employees. The construct of expectations of prospective employees was further divided into two sub-constructs – individual expectations and normative expectations. These constructs and themes can aid in better understanding the underlying perceived entitlement beliefs of prospective employees and how they shape the individual's expectation level.

By using the various constructs and themes associated with a prospective employee's entitlement beliefs and expectations, a structured model was suggested to understand the anticipatory psychological contract of a prospective employee better.

From the findings it is evident that there is a difference between the expectations and perceived entitlements that prospective employees have. The main difference is that, if an individual has a certain expectation regarding the workplace and that expectation is not met by the employer, the individual will still settle for less. According to Hellgren (2003) this will constitute a breach of the psychological contract. But if that person has an entitlement belief regarding the workplace, that person will not settle for anything less than what they feel they are entitled to; in other words, this will have a negative impact on the relationship between the employee and the employer. Harvey and Martinko (2009) observed a positive relationship between perceived entitlement and turnover intent. This actually confirms that perceived entitlement is a component of the psychological contract due to the fact that, if a person had an entitlement belief in the workplace and the employer did not meet the entitlement demands, that person would definitely feel a greater breach or violation of the psychological contract and would ultimately resign or start looking for other work. According to Pop and Barkhuizen (2010) turnover is very high among newly working graduates in South-Africa. This failure of organisations to meet the entitlement beliefs of prospective employees may be one of the reasons why turnover is so high among new working graduates.

By fully comprehending the effect entitlement beliefs have on the anticipatory psychological contract of prospective employees, the employer may minimise the occurrence of psychological contract breach or violation, which may decrease turnover intention of new working graduates.

The themes derived from the study also have theoretical relevance to the literature for perceived entitlements in the workplace. From the qualitative research gathered in this study, the three basic entitlement beliefs of prospective employees are necessity of remuneration, reasonable conditions of employment and environment, and employee well-being and development. Although some of these findings are also identified in other studies on psychological contracts, it is striking to see that expectations such as fair treatment, trust, safety at work, job security and additional benefits (for example company car, child care provisions) are not listed in this study.

The factors identified that influence the level of an individual's entitlement beliefs are the level of qualification of an individual, the individual's belief that he/she will contribute to the company, the individual's self-efficacy levels, current labour market tendencies, the individual's association with an employment equity group, the individual's work experience level, and the general cost of living (survival). From the interviews it became clear that the main sources for prospective employees to generate ideas regarding future employment were interaction with friends and family, information on job opportunities, and societal norms.

Entitlement beliefs are determined by factors pertaining to the individual, and factors due to association with groups. It is important to note that homogenous groups may experience similar entitlement beliefs due to legislation, demographic area or societal norms. For instance, a group of people may have a higher entitlement belief regarding future employment in the city – due to cost of living being higher than in urban areas – than a group that wants to work in an urban area. This may also apply between members of certain race groups, gender groups and sectors in South Africa.

Another interesting finding of the study is that none of the participants actually stated that they were entitled to a better situation (or conditions) than what they were in currently. All of the participants are still students and none of them is in any sort of formal employment, thus a legitimate entitlement belief should have been that they should at least have a higher living standard than what they were currently experiencing.
actually reinforces that the main entitlement belief of prospective employees is monetary reward, as one of the participants stated:

“All that we as students are basically looking for is a good salary.”

6. LIMITATIONS

This study had several limitations. Firstly, this research only included graduates who have not yet entered formal employment. When graduates start working it is possible that their expectations may change based on their experiences. Secondly, the study of entitlement beliefs and the anticipatory psychological contract was not researched through a quantitative research method. An exploratory qualitative study was performed to establish themes and propose a structural model. Thirdly, the results of this study cannot be generalized to the whole population due to the specific context of the study. It is important to note that this study focuses on the South-African graduate population. Certain unique entitlements can exist within this context, such as the entitlements associated with being part of a designated group. Although we took care to prevent issues of anonymity and confidentiality, this could have influenced the response of the participants. Finally, it was challenging to compare entirely different responses, causes by the idiosyncratic nature of the subjective perceptions of the participants.

7. REFERENCES

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Child adversity is one of the reasons explaining high numbers of street children seen in South African town, because child abuse and insecure attachment increases chances of homelessness among children (Gwadz, Clatts, Leonard & Goldsamt 2004). Child abuse constitutes all forms of abuse that have a potential of affecting the child’s health, survival or development (World Health Organization 2010). Dysfunctional family background such as domestic violence and child abuse has been proven to contribute to a young person running away from home (Marianne et al. 2009). It is therefore imperative to understand the relationship between parenting styles and childhood trauma in order to achieve a better understanding of the phenomenon permitting formulation of appropriate intervention strategies.

**PARENTING STYLES**

Parenting includes the ways in which parents interact with their children in order to equip them and give them guidance enabling them to be future members of the society. Parenting practices also include how parents reward or discipline their children, support and protect them (Crockett & Hayes 2011). For parenting to take place there should be an attachment between the child and the parent or the primary caregiver. This attachment is a continuous series of interactions between parent and child, and these interactions change both partners in the parent-child dyad (Baumrind 1967).

This attachment that leads to parenting styles is explained by Baumrind (1991) who laid the theoretical foundation for parenting practices. According to Baumrind (1991) there are three categories of parenting styles namely: the authoritarian, the authoritative or democratic, and the permissive or un-involving. Baumrind (1967) has explained them as: (a) authoritative parenting, characterised by high levels of parental nurturance, involvement, sensitivity, reasoning, control, and encouragement of autonomy; (b) authoritarian parenting, consisting of high levels of restrictive, punitive, rejecting, and power-assertive behaviours; and (c) permissive parenting, characterised by high levels of warmth and acceptance, but low levels of involvement and control.

According to Bowlby (1969) dysfunctional family background, characterised by parental child abuse can be explained by the relationship which is known as attachment between the child and the care giver. This relationship develops gradually and it is very substantial for the child’s development. The gentle guidance and unobtrusive supervision offered by a sensitive primary care giver helps create the conditions for the child’s subsequent ways to deal with a potentially dangerous environment; whereas, consistent rejection by a primary caregiver disrupts this dynamic and results in the child experiencing insecurity about how best to maintain proximity to the caregiver (Bowlby 1969; 1973). This theory explains street children as children who view the home environment as hostile due to abuse and lack of parental warmth, eventually leading to a decision to run to the streets.

Literature indicates that there is a positive relationship between permissive parenting style and adolescent delinquency behaviour which is a prominent characteristic of street children.
Okorodudu (2010). Permissive parents do not give adequate supervision to their children and as such their children find it easy to engage in unacceptable behaviours. Children are also deprived of an opportunity to learn to deal with challenges in an appropriate manner from their significant others. Hence the children are involved in unacceptable behaviours, which they usually observe from the environment (Bandura 1977) and eventually run to the streets. On the other hand, it is indicated that authoritarian and permissive parenting increases the risk of the development of antisocial behaviour (Hart, O’Toole, Price-Sharps & Shaffer 2007; Jones, et. al. 2008).

Positive parenting, including parental warmth and emotional sensitivity, is related to lower levels of aggression and psychological controlling; whereas untreated parenting styles elevate the level of aggression in children (Kawabata, Alink, Tseng, van Ijzendoorn & Crick 2011). This aggression is characteristic of street children characteristics. Parental illicit drug use is significantly associated with internalizing and externalizing behaviour in children, because positive and warm parenting provides a supportive context for children to thrive and act as a buffer from negative and stressful environments (O’Campo, Caughy & Nettes 2010). When children are inadequately supported and they find themselves in adverse situations without parental care, with limited ability to cope appropriately with their challenges they react with aggression.

Aggression can be a symptom of abuse, as various types of abuse ranging from verbal, psychological, general abuse and neglect, and health and physical abuse have been reported among street children (Mathur, Rathore & Mathur 2009). Psychological and verbal abuse is experienced both within their family and working on the streets. Other form of challenges experienced by street children, and homeless people in general, includes physical problems (Kerfoot et al. 2007), and mental, social, and medical problems (van Laere, de Wit & Klazinga 2009). Furthermore, these problems were found to be present prior to and during homelessness.

Huang et al. (2011) indicated that childhood maltreatment is related to subsequent illicit drug use and drug-related problems in young adulthood. In addition, younger boys who have experienced sexual trauma are at increased risk for initiation in to drug use (Roy, Boivin & Leclerc 2011). Researchers indicate that childhood sexual abuse is also associated with homelessness (Rosario, Schrimshaw & Hunter 2011), and symptoms of drug use disorder (Asgeirsdottir, Sigfusdottir, Gudjonsson & Sigurdsson 2011); whereas, childhood physical abuse is associated with alcohol use disorder (Swogger, Conner, Walsh & Maisto 2011). It is further stated that lifetime physical or sexual abuse is highly prevalent among drug-dependent individuals (Oviedo-Joekes et al. 2011). Identification with homelessness is also associated with both alcohol and drug addiction (Thompson, Jun, Bender, Ferguson & Pollio 2010).

Kennedy, Agbényiga, Kasiborski and Gladden (2010) reported that homeless adolescent mothers have experienced high levels of cumulative victimization and adversity. They reported that risk that accumulated over the course of their childhood and adolescence, including fundamental lack of caring and support from their families. It was also recognised that physical abuse (Julie & Lee 2010) and neglect Fantuzzo et al. (2011) is common in children of parents with low socio-economic status. Many children are living on the streets as a result of abuse at home, involvement in criminality, or of rejection by families (Cluver et al. 2010; Rukmana 2008).

Children with secure attachment, as a results of parenting styles utilised by their parents, tends to report less worry and anxiety than children with ambivalent or avoidant attachment (Brown & Whiteside 2008). In Cameroon, Matchinda (1999) indicated that authoritarian parenting style was found to be associated with children running away from home. In addition to this, Fantuzzo, Perlman and Dobbins (2011) reported that children with a history of parental neglect are likely to experience homelessness. This illustrates that poor attachment with the caregiver leads to children experiencing verbal and psychological abuse within their families (Mathur, Rathore & Mathur 2009). Due to this verbal and psychological abuse, children will run away from home to the streets. Their fear of returning home is mainly due to fear of abuse and if they return, they indeed experience the abuse (Yu & Lee 2010).

Schoeder, Higgins and Mowen (2012) reported that adolescents who had a low, stable attachment to their parents were more likely to have the highest offending tendencies. Positive parenting in childhood as a factor of good parenting has been found to be associated with positive psychological adjustment in late adolescence while parental psychopathology is associated with less effective parenting and poor psychological adjustment in late adolescence (McKinney & Milone 2012). Insecure attachment and poor parenting skills play a significant role for the child’s development of psychopathology after an exposure to a traumatic incident (De Young, Kenardy & Cobham 2011). It can be argued that children who report psychopathology and have been exposed to trauma, had poor relations with their parents due to poor parenting styles. From the above literature it was hypothesised that:

There will be significant differences in parenting styles and childhood trauma among street children compared to non-street children.

There will be a significant positive relationship between childhood trauma and parenting styles of street children's parents.

METHOD
Sample.

Using a cross-sectional design, a total of 300 (N=300) street children were sampled using a snowball sample method to form part of the experimental group and a total of 300 (N=300) non-street children were sampled using a simple random sample to form part of the control group. Children who were excluded from participation were those who were found to be under the influence of substances (most of them sniffed glue) during the time of data collection. Of the sample, 42% were males and 58% were females. The age of participants ranged from 8-18 years with the mean age of 15.92 (SD= 1.89). The majority of the street children were from South Africa (62%), followed by those from Zimbabwe (36.3%) and Mozambique (7%). Many of these children (20.7%) came to the streets at the age of 15 and have been on the streets for a period of about 2 years (30.7%). Of the street children sample, 67.7% reported not having at least one parent and of these, 37.3% reported that both parents had died.

Among the non-street children, 56.7% were male and 43.3% were male with ages ranging from 8-18 years, with the mean age of 15.46 (SD=1.87) participated in the study. All participants in this group were South Africans and a majority of them (76.7%) reported having both parents.

Measures

Child Abuse and Trauma Scale: In addition to the biographical information, participants completed The Child Abuse and Trauma Scale. Developed by Sanders and Becker-Lausen (1995), this measure was used to assess history of childhood trauma. This is a scale. The scale contains three distinct factors reflecting negative home environment/neglect (14 items), sexual abuse (6 items), and punishment (6 items) in childhood and adolescence. This is a 38- item scale with responses ranging from 0= never, l= rarely, 2= sometimes, 3= very often and 4= always. A higher score on this measure indicates a history of child abuse. This measure also proved to be reliable in this current study with a Cronbach’s alpha of .93.

Parenting Style Index: This self-report, 18-item likert scale, with four additional questions, was used to measure the parenting style. The scale has two dimensions of parenting: acceptances or warmth and control or supervision. The first 18 items (MY PARENTS) alternate between involvement and psychological autonomy-granting scales. All of the psychological autonomy items are reverse scored, with the exception of item 12. The last eight items (MY FREE TIME) compose the strictness/supervision scale. The response style of the first 18 items range from 1 (strongly disagree) to 4 (strongly agree). Responses for parental supervision questions ranged from 1-6 and 1-3 respectively. The measure demonstrated reliability in this study with Cronbach's Alpha of .72 for parental warmth and .62 for parental supervision.

Ethical Considerations and Procedure

After the proposal has been presented to the Department of Psychology, Higher Degrees Committee, and Ethics Committee, North-West University gave the initial approval for the study. The Limpopo Provincial Department of Education also approved data collection ata local Senior Secondary Education and Youth Conference Proceedings 2014
School. The Principal of the school, after consultation with the parents, also gave permission for data collection in the school to proceed. Participants have also signed consent forms indicating that they agree to participate in the study willingly. This was because for the street children participants, no adult figure was responsible for their lives no parent or guardian could be found to give consent. The researcher visited four towns in Limpopo Province to collect data from street children. Data for the control group (non-street children) was collected from one local high school and other children were recruited from the after-care centre.

RESULTS

Hypothesis one, which stated that there will be significant differences in parenting styles and childhood trauma among street children compared to non-street children was tested using the independent sample t-test. (See Table 1).

Table 1

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>Mean</th>
<th>SD</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PW</td>
<td>23.84</td>
<td>3.969</td>
<td>31.23</td>
<td>7.132</td>
<td>14.023</td>
<td>&lt;.000**</td>
</tr>
<tr>
<td>PS</td>
<td>2.38</td>
<td>2.077</td>
<td>8.01</td>
<td>4.171</td>
<td>20.927</td>
<td>&lt;.000**</td>
</tr>
<tr>
<td>CAT</td>
<td>86.01</td>
<td>19.196</td>
<td>42.72</td>
<td>19.719</td>
<td>27.242</td>
<td>&lt;.000**</td>
</tr>
<tr>
<td>GA</td>
<td>10.970</td>
<td>3.008</td>
<td>8.216</td>
<td>3.549</td>
<td>10.249</td>
<td>&lt;.000**</td>
</tr>
<tr>
<td>PN</td>
<td>45.773</td>
<td>10.506</td>
<td>18.286</td>
<td>11.198</td>
<td>31.903</td>
<td>&lt;.000**</td>
</tr>
<tr>
<td>SA</td>
<td>8.823</td>
<td>6.451</td>
<td>8.836</td>
<td>4.308</td>
<td>10.988</td>
<td>&lt;.000**</td>
</tr>
</tbody>
</table>

Notes: CAT = Child abuse and trauma; PW = Parental warmth; PS = Parental supervision; GA = General abuse; PN = Parental neglect; Punishment = Sexual abuse; SA = Sexual abuse.

The results revealed significant statistical difference in childhood trauma t(598) = -27.24, p<.000. The type of trauma reported was characterised by general abuse t(598) = -10.24, p<.000, parental neglect t(598) = -31.00, p<.000, parental punishment t(598) = -15.21, p<.000, and sexual abuse t(598) = -10.89, p<.000. Furthermore, significant statistical differences were found in parental warmth t(598) = 14.02, p<.000 and parental supervision t(598) = 20.92, p<.000. This confirms the first hypothesis.

The second hypothesis stated that there will be a significant positive relationship between childhood trauma and parenting styles of street children's parents. To test this hypothesis Pearson correlation coefficient analysis was used. (See Table 2).

Table 2

<table>
<thead>
<tr>
<th>Predictors</th>
<th>R</th>
<th>SE</th>
<th>Beta</th>
<th>t</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>19.075</td>
<td>0.76</td>
<td>19.543***</td>
<td>218</td>
<td>268</td>
</tr>
<tr>
<td>Warmth</td>
<td>-1.49</td>
<td>0.42</td>
<td>-2.212</td>
<td>3.562***</td>
<td>1</td>
</tr>
<tr>
<td>Supervision</td>
<td>2.282</td>
<td>1.134</td>
<td>1.464</td>
<td>2.068</td>
<td>**</td>
</tr>
</tbody>
</table>

Note. * = p<0.05; ** = p<0.01

The results of this study indicated that childhood trauma is more prevalent among street children compared to non-street children. Results of this study are consistent with the literature as reported by Cluver et al. (2010) that street children reported to have been abused by their parents and guardians. Furthermore, street children reported that they also experience sexual abuse, parental punishment, and parental neglect. As a result of abuse and inadequate parental warmth which leads to parental neglect, children run away from home to the streets. This was supported by Rukmana (2008) who reported that homelessness is associated with history of domestic violence. More street children reported a history of childhood sexual abuse than the non-street children. The findings were consistent with the work of Rosario, Schrimshaw, and Hunter (2012) who indicated that childhood sexual abuse was more often found to be associated with homelessness among the homeless youth than their non-homeless counterparts.

DISCUSSION

The study findings revealed that street children come from poor parenting style backgrounds compared to non-street children. This poor parenting was characterised by inadequate parental warmth and parental supervision. Children would view their environment as hostile and would want to protect themselves. In this case the only way of protecting themselves from their abusive parents or care giver is by running away from home. However, other researchers have come to different conclusions. In their study, O'Campo et al. (2010) reported that parenting did not play role in children's behavioural problems, which can include running away from home and this finding was mainly affected by their sample size. However, they acknowledged that positive, warm and supportive parenting helps children to thrive and acting as a buffer in stressful environments.

Street children in the current study reported lack of adequate parental warmth and parental supervision. There are various factors that can contribute to this lack of adequate parental warmth and supervision (Crosley&Buckner 2012). For example, one factor that might contribute lack of warm and supervision by the parent can be the parent's illness which might also serve as an explanation of high percentage of the population being HIV positive in 2011. This can lead to child adversities that cause children to run to the street due to lack of adequate parent-child attachment and parental supervision as the ill parent or care giver will be unable to adequately care for the child. This is further supported by Fantuzzo, Perlman and Dobbins (2011) who reported that children with a history of parental neglect are likely to experience homelessness.

The results of this study indicated that childhood trauma is more prevalent among street children compared to non-street children. Results of this study are consistent with the literature as reported by Cluver et al. (2010) that street children reported to have been abused by their parents and guardians. Furthermore, street children reported that they also experience sexual abuse, parental punishment, and parental neglect. As a result of abuse and inadequate parental warmth which leads to parental neglect, children run away from home to the streets. This was supported by Rukmana (2008) who reported that homelessness is associated with history of domestic violence. More street children reported a history of childhood sexual abuse than the non-street children. The findings were consistent with the work of Rosario, Schrimshaw, and Hunter (2012) who indicated that childhood sexual abuse was more often found to be associated with homelessness among the homeless youth than their non-homeless counterparts.

This study revealed that there is a relationship between parenting styles and history of childhood trauma. In addition, the study revealed that lack of parental warmth as a result of poor attachment can cause parents to abuse their children. Abuse is also due to the parenting styles utilised by parents in rearing their children. Adolescents whose parents utilise authoritarian parenting styles have a negative
Parental warmth supersedes parental supervision when it comes to the issue of child abuse. Increase in parental warmth leads to decrease in child abuse. This can mean that parents need parenting skill training to help eradicate child abuse which leads to homelessness. From the ecological system theory of Bronfenbrenner (1976), the relationship between achild and his/her multiple socialand physical surroundings is important to the child’s developmental process which contributes to the child’s behaviour. It was seen in this study that parents and society at large can negatively affect a child’s life, leading the child to engage in deviant behaviours. In this regard, it is indicated that appropriate intervention strategies that will help at risk children are needed.

CONCLUSION AND RECOMMENDATIONS
The study findings indicate that there is a relationship between parenting style and childhoodtrauma. It is concluded that a good parent child relationship is paramount for the prevention of child adversities which are the major pathway to homelessness. The results provided new insights regarding the population under study.

However, more research needs to be conducted in order to understand the root of parents’ abuse of their children. Parental awareness of child abuse should be emphasised in order to curb the phenomenon. Policies related with child abuse issues should be formulated in such a way that they incorporate educating the parents and the community in general about the long term effects of child abuse in order for these incidences to be prevented.

The study has some limitations. Data was obtained solely from children without inputs from parents. The contributing factor for the abuse experienced by children was based on one factor (parenting styles) without taking into consideration other factors, such as stressors that parents themselves can be undergoing. More research in this field, which considers a number of potential avenues for expansion and clarification of the current study limitations is needed.

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Making History Alive in the Minds of Generation Y

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The new aspiring generation of future leaders is known by the term: Generation Y. They are the descendants of Generation X, the last true generation of the 20th century. Generation X witnessed the ending of the Cold War and experienced the pressures and social divisions that accompanied the major political, economic and social shifts during the rivalry of Communism against Capitalism. Yet, non-conformity was rife in the youth of Generation X. Evidence of resistance against the lifestyles and philosophies of the Baby Boomer and the GI Generations, such as Punk, Grunch and Anarchy movements, have received little attention in academic circles and today routes to nostalgic ideas of yore for the few interested members of Generation Y; many forgetting the organisation, purpose and impact which the youth of Generation X left behind. The finality of the impact that Generation X had in the past, and now in the present, is still unable to be measured entirely due to the fact that Generation X is still occupying most of the leadership positions in the world today. Yet, their time to relinquish their positions will be reached sooner than many of them would like to admit. This means that Generation Y must be ready to take over when the majority of Generation X had lived their lives or are enjoying their “Autumn Years.” The question however is: Will Generation Y be ready to take over the roles of leadership when they are requested to, because of the natural progression of time? In addition: Is Generation X ready, willing and able to become mentors that will aim to enlighten Generation Y with substantial and sustainable skills and knowledge systems to take over when the former needs to step down? It will be extremely careless if a passive strategy is followed to see the outcome of these two questions. The cliché states: “There is not time like the present” and thus Generation Y must come to grips with the burden they carry and what can be done to create generations which will follow a philosophy of being pro-human, productive and profitable. It is believed that such a philosophy will be beneficial for Generation Y, as well as our descendants, who will be called Generation Z.

If Generation Y succeeds in finding practical ventures for this philosophy, the “Z” in Generation Z will not stand for “Zombie” but for “Zeal.”

What can the leadership-group of Generation Y do differently to make sure that they hand over a world to their successors which will inspire them to continue in the momentum that the latter had created? Such an idea, and similar expressions, sounds too lofty to be achieved and yet when one starts to think of sustainable ideas which never loses sight of the pro-human and productive balanced approach, Generation Y will be able to keep investors pleased with their returns while keeping human development on the top of their agendas (but not through wasteful short term solutions for the sake of marketing or fulfilling the plans of a detached sponsor through a NGO). Generation Y would need to come up with solutions that must be long-term, if not permanent, properly organised and funded, and most importantly, in favour of building a life worth living for all on Earth (no matter where they might be). This dream had been dreamt by previous generations and none of them succeeded. The dawn of Generation Y’s era is rising with every year and this highly laudable ambition of a seemingly unreachable goal, will undoubtedly be bestowed on Generation Y.

Before any planning or strategizing can happen, Generation Y must obtain the realities of human civilizations and societal issues. What can Generation Y do to make sure that they can comprehend the issues

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1. The members of this Generation were born from 1980 to 1999/2000, they are also known as the Millennials. There are several works which have been done by social scientists about the college students of Generation Y; those who discontinued their studies and those who did not. Examples of these works are: MAIN D. “Who are the Millennials” from www.livescience.com, Elam et al. “Welcoming a New Generation to College: The Millenial Students from www.nacacnet.org to name a few.
2. The members of this Generation were born from 1960-1979.
3. This rivalry is known as the Cold War. There are several general historical works which can be of assistance.
4. It is here important to note the resistance by the Rock music industry and the works by bands such as Nirvana, Pearl Jam, Smashing Pumpkins etc.
which humanity faces today? What field of science can Generation Y students study to give them the knowledge and necessary set of skills to work for the prosperity of humankind, even if the main goal of any enterprise is not for the betterment of any community? The answer is obvious and had been ignored, if not completely forsaken, by the older generation in power today. The answer is Humanities/ Social Sciences.

Generation Y must understand that if they make the same mistake by neglecting Humanity Faculties in Universities/ Colleges and therefore neglect to teach the future generations any social sciences, then these generations will not have a historical awareness from a young age and even consider Social Science research to be unimportant. Imagine the contentious results from such a reality and Generation Y would not have the right to demand any respect or admonishment from the future generations if it makes such a blunder. If members of Generation Y do not commit themselves in creating and maintaining structures for the different cultures to interface with each other; educate themselves about the realities of human existence and continue to travel to places of interest, then Generation Y would have failed in their task in contributing to humanity’s development and aid humanity in obtaining that higher level of understanding which the German philosophers, such as Hegel, begged the latter generations to reach.

A higher level of understanding will be most aptly aided by having a proper historical awareness. To obtain a high level of historical awareness, the point is not to force every member of Generations Y and Z to memorise dates, events and the minuscule detail of the general historical narrative. The aim which Generation Y must aim for is to be able to find the lessons embedded within the different historical narratives, on a basic or advanced factual level. The Nobel-Prize winning literary scholar, JM Coetzee5, stated about the role of Humanities within South Africa; that it must be the aim of Universities within South Africa, to teach every new student the lessons from the past, rather to force them to remember every date that they are expected to know. Coetzee only briefly touched on the issues which Humanity Faculties face within South Africa6. Humanities have not received the same support from the ANC7 Government as it was supposed to and for that reason, Generation Y have been left with a major gap in their basic and to a degree their tertiary education8. A gap however that can, and most probably should be filled. The question is just: Why should Generation Y be historically aware? The major issue which Generation Y members surely have with being educated within the different fields of Humanities is that it is believed that a humanity degree does not carry the guarantee of employment as other fields of sciences usually do. This impression has added to the major issue of youth unemployment which is so evident globally9. Surely, Generation Y should not allow this misunderstanding to continue in the time of Generation X’s control10 and especially when they take over within the next two decades? Surely something must change. It is too premature to state what the entire diagnosis is for a plan of action and it is not merely “the systems of society” that should change. Generation Y’s modus operandi should rather be completely comprehensive; focussed on the basics of human rights and needs by not forgetting the aforementioned philosophy.

Part of this comprehensive plan is to focus on the education of the later group of Generation Y and also the entire Generation Z group. Education will, and must be, the key for the success of every generation. Sadly, the South African Government of the last twenty years had failed the first group of Generation Y with their outcome-based education system (OBE)10. Not only did this curriculum not teach the fundamentals of society’s different systems, it had literally robbed the South African Generation Y public-school learner from obtaining any necessary skill to find a means of income after they obtained a Senior Certificate (either in Grade 9 or 12); not the least to say about the South African Generation Y members lack of historical awareness but South Africa’s complex past due to the failed OBE system (and then to expect these members of Generation Y to still to make an educated decision when elections are held).

Generation Y across the world should be vigilant for these abnormal practises and start to react as organised and focussed as those generations before us who actually considered education to be a high priority. In addition, the high costs involved with tertiary education are extremely senseless. Generation Y has the hard task to find ways around the costs involving the education of our entire generation. If not, then millions of similar cases to that of James Roy11, as reported in U.S. News, will be the legacy of our generation.

Caroline Porter calls Generation Y to be the “new Lost Generation”12. Harsh criticisms towards a generation who only started recently to reach adulthood. It is however a clear warning for Generation Y to stop trying to follow in the shadows of Generation X and try to seek their approval or even to blame them for the world’s inequalities. Generation Y must shrug of the remoteness it has with the realities with the present and the different realities of the past. From all of the generations that had come before, Generation Y is the first generation which has all of the tools necessary to remove all ignorance from their minds. Generation Y has the advantage to be part of the Information Revolution; a time where information and the sharing of ideas are easier than ever before; and the beauty of the situation is that this revolution is still in its beginning phase and that the technology that makes this revolution feasible, is improving daily. Politicians who will aim to refuse Generation Y the ability and the right to know about the different situations on the globe will most definitely face serious consequences13. Yet, the South African government is trying to do so with the acceptance of a Secrecy Bill to keep their entire public in the “dark” when it comes to the affairs of the state. Allow this idea to percolate within the perspective of how old fashioned and fascist the efforts by the South African government can be deemed. In this sense, politicians from the Generation Y group must remember that it cannot refuse their Generation Y voters the right to obtain the information they desire, as a matter of fact, it should actually support and open more channels for the information to reach even the bottom levels of society. Only then, can the Generation Y public increase its historical awareness. History is the citizen’s resource, as Prof John Tosh from Roehampton University, would gladly acknowledge14. What should be added however is the fact that no government agency or politician, or any other form of power-incarnate, has the right to refuse the public the right to obtain any information from any state department, public library, website etc. To do so would be entirely detrimental for Generation Y, a criticism which it would not escape from when uttered by the succeeding generations.

If Generation Y can obtain the information which they desire, it will not only support democracies around the world but also make it possible for those in power-seats to be easier held accountable for any misdeeds. Imagine the power which the public would then have, the power which they are entitled to have in the first place15. Would this then maybe create a society under Generation Y with little to no corruption, social crises or major international deadlocks? A Utopia which Sir Thomas More wrote about five centuries ago?

The task of allowing Generation Y and succeeding generations, to be historical aware of the days of yore is daunting within itself. It is true that when the past

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6 This paper will take several examples from the Republic of South Africa, from where the author currently resides in. Yet, it is obvious that there can be similar and different situations across the globe.
7 African National Congress.
8 This is not to say that there is a signed Humanities Charter which promises support to the Humanities. In addition, the different fields in which South African Humanity graduates could play a role are in the majority of places badly administrated and within a decadent state.
9 Yet, in South Africa it is stated that over 600 000 Humanity students are currently unemployed. Within the perspectives of Labour Studies it should certainly be seen as a major crisis and if not reversed, the death nail for Humanity Faculties in South African Universities.
10 The author was part of the first group of OBE learners, known as Curriculum 2005. By 2003 this project was discontinued and the learners were placed back on curriculum 1987, which was not even remotely connected with the new OBE curriculum. The amount of High School dropouts and failed students due to this massive error by the South African Government had not been measured yet. The system was introduced during the time of the late Kader Asmal.
12 Ibid
13 An example of this is the Arab Spring from 2010 which started with the awareness of disagreement with North African leader’s actions and policies through social networks.
15 Comparisons can be made with the immediate results after the French Revolution of 1789 when the archives of the government were open for the perusal of the third estate.
is studied that it can open up old wounds and that history can easily be abused and misused by those who are hungry for power. Many examples of these vices with history can be found in every political campaign or administration, such as Margaret Thatcher’s proposals for “poor-welfare” which was close to the New Poor Laws of the 19th century and the role the family should play that would be more reminiscent of the Victorian times than anything contemporary. In South Africa, the public is still forced to acknowledge only the sacrifices of those who did, and in some cases still, belong to the ruling party. Even the national broadcaster refused any criticism against the ruling party to be broadcasted. It seems that the South African public is slowly losing its right to have alternative views, even of past administrations, because it will be deemed to be “unpatriotic”.

Yet, imagine if the world continued to live with no certainty of the past (uncertain if the events of the present had been felt by people of yesteryear) or if their legacies would be remembered at all. Imagine a world in which the television viewing public would not understand why Putin’s actions are so reminiscent to the Sudetenland-crisis and why a second Cold War is in the works. This public would be easily persuaded to accept everything and left confused about events. This public is already in existence and can even be found within the corridors of Universities/ Colleges.

The North-West University in South Africa had shown its lack of historical awareness clearly within the beginning of this year. Within the former Afri-kaans-only institutions, the age old, though barbaric, traditions of initiation into residences had continued even after the start of the transitional period in 1989. In these initiation practices, traditional songs and activities are held in which the newcomer must complete, to pass through a rites-de-passage, and thus be part of an elite group. A waste of time it most cer-tainly is but the practises at the North-West Universi-ty had reached high levels of tediousness for the sake of “tradition”. This in itself was a major issue of con-tentment and still remains so, however, the real issue which not a single journalist or critic of the North-West University picked up was that the management of the University and also the student public at large had a very low and sub-standard level of historical awareness with regards to the following incident:

One of the actions which the new female students, of one of the NWU residential halls, had to do was to make a hand salute which was very reminiscent of the “Hitler Youth” and “Sieg Heil” to follow the National Socialist German Labour Party or Nazi for short, implemented since the early twenties until 1945. The town of Potchefstroom, where the Pukke campus and the Institutional Office of the North-West University is situated, was during the 1930s one of the hotspots within South Africa for pro-National Socialism feelings. Within this town, the headquar-ters of the Ossewa Brandwag (A National Socialist Organisation) was located and many members were among the student population of the University Col-lege in Potchefstroom. Through this channel, several of the Nazi traits were incorporated within the initi-ation practices which were not known upon in those years and even remained as a tradition within the following seventy years. As initiation became all the more unfashionable for the later generations, the ma-jority of Generation Y members included, the North-West University planned to follow to rectify the low level of historical awareness within this saga stretches further with the solution which the North-West University (NWU) had to follow to rectify the situation. Credit must be given to them regarding their immediate response for such an action to have continued undetected and a reasonable person could wholeheartedly agree that it was because a specialist in the field of contemporary World and South Afri-can history was not given the opportunity to aid with the clearing of any extra-curricular activity. With this situation impacting on the repetition of the NWU, it is agreeable that the call for historians to aid with the solving of not only the issue but also the education on the reason for the social uproar was of cardinal impor-tance. Sadly, the North-West University failed in this task. It had commissioned another committee under Dr Leon Wessels, a lawyer and alumni of the univer-sity, with the help of Rhoda Kadali, granddaughter of Clements Kadali (a former trade unionist) and social worker, Advocate Rehana Rawat, Dr Bismark Tyobeka (a nuclear scientist) and Dr Somadada Fik-eni (a political analyst who was guilty of being dis-honest about having a PhD for six years from 2002-2008) to find a solution to the initiation-saga. The chances therefore are still great for someone on the committee to miss any tradition which had its origins within the past and therefore any prevention of any future embarrassment to occur will be harder.

From this example the defining question is there-fore clear: How can Generation Y be able to boast about its potential if it allows themselves to forget the mistakes made by the generations that came before them. In addition, can Generation Y afford it to be more like Generation X, rather than to reinvent itself into a generation of no excuses but actually evidence of positive results? Can Generation Y even consid-er being a success without the help of the specialists within Humanities?

Our solutions are manifold and should be correlat-ed in cohesion from the start: (all aiding in the develop-ment of a high level of historical awareness).

The importance of education cannot be over-stressed. Generation Y had inherited major issues with the creation and implementation of interesting, skill driven and personal empowering education sys-tems. Within South Africa, where only Science and Technology presently receives the greater deal of fi-nancial and lip-service support, the Humanities are decreasing in its members and its practitioners are extremely worried about its future existence. It is only recently that academics have come to the conclusion that bridges must be formed between Universities and within the markets in which Humanity gradu-atates could actually participate in. Therefore a new approach to Humanity graduates development and/ or employment is essential for humanity to benefit from their knowledge and skills. Employment does not necessary mean to work in NGOs or in Govern-ment Departments because the Corporative world can easily benefit from their knowledge of Humanity graduates.

In addition, the youngers of Generation Y and Z should be educated about the world and its different societies from as young as possible. This is of quint es-sential importance when these generations will be confronted with the turmoil of the past from the start of their existence. This is the case in South Africa since the ending of the system of Apartheid (and even the entire scope of South African history).

The leadership group of Generation Y will surely be praised for their efforts for personal empowerment if they continue to make channels of information easi-er accessible. Yet, not only within digital form but also within the tangible physical spaces in every society; within the Republic of South Africa several places of public education is in a decadent state and the public as a whole is therefore unable to utilise the specific public space for their own education. Generation Y

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17 Recently the South African Broadcasting Corporation had refused to broadcast a television advertisement by the offi-cial parliamentary opposition, the Democratic Alliance (DA). This is reminiscent when this same broadcasting corporation had refused to broadcast a television advertisement by the older generation by agreeing to similar views and ambitions, about its potential if it allows themselves to forget the mistakes made by the generations that came before them.

21 Information about the task of this committee can be found on www.nwu.ac.za/node/9806.
leaders should continue to invest into these spaces where the public can continue to empower themselves. Within the different rural districts of South Africa, places like public parks and squares, museums, monuments, galleries, public schools, public halls, theatres and amphitheatres have become extremely unattractive for all who live in the immediate vicinity. Can the leadership group of Generation Y afford to have a public who has no space to utter their differences with the powers who will take over the control and administration of their communities?

Generation Y must truly aim not to make the same mistakes as the generations before them. The generations before Generation Y carried with them an enormous burden of guilt feelings and discriminating rules and regulations. To this very day, South Africans are still being discriminated with regards to their race and gender; reasons similar to the Act on Population Registration which the Malan Administration installed in 1951[2]. South Africans are still required to indicate their race on every application form (for studies or work) and are reminded on every channel of communication that their abilities and knowledge will be of lesser importance with regards to their race. This has meant that South Africa’s Generation X wanted to solve the racism and discrimination of the country’s older generations with their racism and discriminating laws. The social divisions are now as deep as they ever were. Generation Y, not only in South Africa but also in the world, have the massive task to eliminate this entire system of discrimination, which are alive within specific South African laws today, and show the future generations that it is not necessary to discriminate against another based on the attributes which he/she had no choice about; race and gender included. This would only be possible when Generation Y is truly historically aware of the realities of the different societies in the world.

South Africans still have to face Affirmative Action daily, especially after the May 7 2014 election as promised by the present ruling party. Sadly South Africa’s youth had not realised the power it has to be different in their theories and methods to actually rebuild their country of birth, rather than just to appease the older generation who had obviously not healed from their wounds obtained during the fight against the NP Government and fellow liberation movements.

Pity must also be shown to those within Generation X which had not tried to find out a common ground with Generation Y, in the same sense, praise must be given to those who have. Generation Y however should not condemn Generation X but also not allow their ideas to chain them down, no matter how hard it will be to do so. The future of this century belongs to Generations Y and Z. Generation Y are the carriers of an enormous task, not a burden any more, but the time is now, while Generation Y is in its youth and able to channel its energy into awakening its members to the reality of being aware of the different human societies and the common past which we share. It is time for the leadership group to understand the necessity of learning from history the lessons which are useful in every situation, to see similar patterns even if it is in a different setting, and to make calculated decisions while remembering the philosophy of being pro-human, profitable and productive. We might not be present to hear the criticism of our descendants but hopefully they will agree, if we actually consider them when we make our decisions, that Generation Y was the foundation of the new millennium’s success stories. All because they were aware of each other’s past and thus knew how to create and maintain proper working relationships between different cultures, societies and communities; the realm where Generation Y’s Humanity graduates are able to serve humankind extensively.

THE CONTEXT OF WAR

Over the course of the latter part of the twentieth century, academic and popular debate concerning the “construction” of the Australian historical record has tracked an interesting and turbulent trajectory. Prior to the last few decades, Australian Aborignals had been relegated to “fringe-dwellers of Australian historiography”[3] who, “apart from fire, the stone implements he used for hunting and food gathering, and the rock paintings on which he portrayed his vision of the world,”[4] were considered to have little else to contribute to posterity. It took several domestic and international stimuli in the 1960s and 1970s, to upset this orthodoxy.

First, the catalytic effect of global social rights movements, spearheaded by ML King in America, in drawing international attention to the institutionalised inequality and discrimination towards Indigenous populations that existed unchallenged, in many ‘developed’ countries. Second, the election of Labor Prime Minister Gough Whitlam in 1972, which marked the end of a 23 year Liberal-Country Coalition monopoly on power in Australia and the inclusion of Indigenous affairs on the federal agenda. While there had been sporadic episodes of political advocacy by Aboriginal Australians in previous decades – the Federal Council for Aboriginal Advancement (1958) and the Yirrkala Bark Petition of 1963 spring to mind – it was not until the 1965 “Freedom Rides” led by Charles Perkins, that sufficient media exposure propelled the blatant segregation and poverty experienced by rural Indigenous communities into the national consciousness.[5] The increasingly public spotlight on Indigenous affairs and the reformist agenda of Whitlam, cast a long shadow back towards thousands of years of virtually unexamined Indigenous history and prompted historians to consider the possibility that Australia’s history, like the continent, might not be simply terra nullius.

A third catalyst in exposing the “great Australian silence”[6] with regards to Indigenous history was the emergence of an intense and fundamental historiographical debate within the discipline itself. The beligerent philosophies have been loosely termed “empiricism” and “post-modernism”, however, it would be inaccurate to consider each term as absolute – both have various shades of extremism and important nuances, to which time and space prevent me from doing justice in this essay.[7] In a radical departure from the historical convention established in the eighteenth century by Von Ranke that historians were to present the past “as it actually was,” post-modernists such as E. H. Carr began to characterize the work of the historian necessarily selective – as “fishing for facts.”[8] The challenge to existing master narratives and “truths” saw the emergence of a new perspective on the construction of history – “history from below”.

THE POLITICS OF WAR

From this melting pot of philosophical, moral, political and academic considerations emerged the concept of Australian Aboriginal history as a scholarly enterprise, with a particular focus the manner

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5 Ibid, 12.
7 Ranke, L. (1824) History of the Latin and German Peoples.
8 Carr, above n4, 9.

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22 Yet today it is written within paragraphs 30–32 in the Act on Employment Equity, No. 53 of 1998.
of British colonization in 1788 and nature of Indig- enous-settler relations. The ensuing debate has been coined ‘the Australian History Wars’ for the deeply polarized and combative interpretations that have emerged, and the development of a ‘violent’ narrative of early Indigenous-Settler relations. Parenti’s obser- vation that ‘the established familiarity and unanimity of bias is frequently treated as “objectivity”’ is cer- tainly applicable to the Australian History Wars and thus, emerging academic discussion of potential un- acknowledged colonial genocides attracted criticism for being everything from purely ideological, to fab- rication and a threat to Australia’s national identity.

The close relationship between politics and history has long been observed, dating as far back at least as 200BC to the Greek figure of Polybius, who believed that experience in public affairs was an essential qual- ification for the historian, or else ‘there will be no respite from the errors that historians will commit.’ While political bias is, undoubtedly, sometimes nei- ther willful nor conscious…because many historians who claim to be disciples of impartial scholarship have little sense of how they are wedded to ideological respectability and inchoatable counterhegemonic views, sometimes, political motivations are clearly discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable – take, for example, Winston Churchill, who assured his Tory associates that ‘history will be discernable. The work of J. A. La Nauze, who observed that Aboriginal Australians had appeared in history only as ‘a melancholy anthropo- logical footnote,’ C. D. Rowley, Bernard Smith, John Mulvaney, H. C. Coombs, Henry Reynolds, Anne McGrath and Bain Atwood, among others, also produced a ‘fundamental shift in the way Australian history had been contested.’ Simultaneously, the Australian political scene was also experiencing sig- nificant change. The year 1966 saw the departure of Liberal-Coalition giant Sir Robert Menzies who had maintained the Prime Ministership for an unparal- leled eighteen years. The successive Labor tenures of Harold Holt and Gough Whitlam destroyed their culture and brought hardship, degradation and humiliation to the survivors.’ The Keat- ing administration drew on this approach to campaign for recognition that ‘it was we who did the dispossess- ing,’ committed the murders and ‘smashed the tradi- tional way of life’ and an exploration of the national guilt associated with these crimes. Keating himself stated, at the opening of the Manning Clark Centre at the Australian National University in 1994, that he ‘drew a lot of inspiration’ from Clark. Keating noted that ‘there is something of an affinity between [we] politicians and historians. Politicians who believe in their cause are always conscious that they have a story to tell … an historian has to have an imagination.’

As such, divisive interpretations of the Australian historical narrative were already simmering in aca- demic spheres, particularly in the lead-up to the Bi- centenary in 1988. However, it was not until the elec- tion of Labor Prime Minister Paul Keating in 1991 and the appointment of conservative opponent John Howard, that the already hazy lines between politi- cal and academic agendas became indistinguishable. Both political protagonists began to pursue ‘aggres- sive and calculated historical engagement’ to com-plement and supplement their respective political narratives, employing history as an ‘effective political strategy.’

Keating was influenced by the work of historian Manning Clark whose work evolved to spearhead the push for revisionist history of Australia. Clark urged Australia to turn the ‘evil’ that the British ‘in- vasion’ has wrought upon Indigenous people and ac- cept ‘that the Europeans dispossessed something like half a million people of every square inch of the land of a whole continent; brought about the extinction of the whole Tasmanian race; they killed thousands of the original inhabitants of the mainland: they all but destroyed their culture and brought hardship, degra- dation and humiliation to the survivors.’ The Keat- ing administration drew on this approach to campaign for recognition that ‘it was we who did the dispossess- ing,’ committed the murders and ‘smashed the tradi- tional way of life’ and an exploration of the national guilt associated with these crimes. Keating himself stated, at the opening of the Manning Clark Centre at the Australian National University in 1994, that he ‘drew a lot of inspiration’ from Clark. Keating noted that ‘there is something of an affinity between [we] politicians and historians. Politicians who believe in their cause are always conscious that they have a story to tell … an historian has to have an imagination.’

This approach infuriated Howard conservatives, who berated the Labor administration for engaging in an apostle, ‘black arm band’ account of Aus- tralia’s national history, ‘reflecting a belief that most Australian history since 1788 has been little more than a disgraceful story of imperialism, exploitation, racism, sexism and other forms of discrimination.’ Howard drew particularly on the work of eminent, yet controversial historian Geoffrey Blainey. Indeed, the previous remark was a near-verbatim quote from Blainey’s Eye on Australia, where he suggested that ‘socialist elements’ in the Labor government were promoting a history of violence, exploitation, repres- sion, racism, sexism, capitalism and, colonialism and other isms’. Blainey, in a prominent 1993 article in Quadrant magazine, put forward the view that Aus- tralia was being ‘assailed’ by a ‘black armband history’, which represented the ‘swing of the pendulum from a position that had been too favourable to an opposite extreme that is decidedly jaundiced and gloomy’. Similarly, Howard suggested that while ‘injustices were done in Australia’, ‘the balance sheet of our history is one of heroic achievement’ and that, from guilt, the ‘average Australian’should be comfortable and relaxed about their history.’ The Liberal campaign took great lengths to pitch itself as the ‘reasonable’ alternative to an increasingly radical and revisionist history offered by Labor, with Howard calling for a ‘sense of balance, objectivity and honesty in drawing lessons from the past.’ However, his comments in a speech to the Australian Liberal Students Foundation in 1996, that that Liberal Australia needed to ‘win back history,’ provided a telling insight into an un- derlying ideological agenda.

It is tempting to characterise the ‘History Wars’ as an inherently political ‘misrepresentation’ and sim- plification of the work of many serious historians. Certainly, the works of Clark, Blainey and other key figures in the ‘Wars’ contained nuances and eviden- tiary content that were not adequately captured by political rhetoric; however even for these historians, the distinction between academic work and politi- cal commentary often became muddied. Ironically,
while Clark had previously warned of the dangers of a ‘one-dimensional history’ and the risk of the political history, but does little to reveal the logic of the Aboriginal response and can be traced as far back as the works of Herodotus and Thucydides in fourth century BC – it concerns the capacity for historians to write ‘objective’ history, independent of individual or contextual influences. In the last century, such considerations have taken on a more public and adversarial profile, with the development of two, distinct alternatives to the practice of history. On one hand, the empirical approach espoused by those such as G. R Elton in *The Practice of History* (1967) suggests that the employment of ‘scientific’ procedures, methodologies and conventions based on erudition, will reveal to the historian an objective ‘truth’ about the past ‘as it actually occurred.’ On the other, the post-modernist school of thought suggests that history is, rather, an interpretive, or its more extreme strains, a purely creative) exercise and that the historian inevitably projects a part of his or her perspective on their work – objective ‘truth’ therefore, is unascertained.

The belligerent nature of this debate has added considerably to the conflict surrounding the Australian ‘History Wars.’ Concerned empiricists have warned of the ‘crisis’ facing the historical discipline in the form of post-modernism, with Elton memorably dubbing it ‘the intellectual equivalent of crack’ and a sort of ‘frivolous nihilism.’

**THE GUERILLA WAR**

There is another crucial element to the ‘History Wars’ that often escapes analysis, but which both adds to the contentiousness, and the complexity, of the debate. As Clark phrases it, ‘rhetoric of ‘black arm bands’, ‘balance sheets’ and the ‘history wars’ confirms an enduring polarisation of Australian political history, but does little to reveal why history is so contested and why it generates such political engagement.’ A foundational element of much of the underlying tension in the ‘History Wars’ relates to historians and politicians alike ‘grappling with the fact that there is more than one national story to be told’ and a consideration of ‘the legitimacy of different perspectives, while also retaining a shared history which can act as a binding force in the national community.’

This sub-contextual ‘war’ is historiographical in nature and can be traced as far back as the works of Herodotus and Thucydides in fourth century BC – it concerns the capacity for historians to write ‘objective’ history, independent of individual or contextual influences. In the last century, such considerations have taken on a more public and adversarial profile, with the development of two, distinct alternatives to the practice of history. On one hand, the empirical approach espoused by those such as G. R Elton in *The Practice of History* (1967) suggests that the employment of ‘scientific’ procedures, methodologies and conventions based on erudition, will reveal to the historian an objective ‘truth’ about the past ‘as it actually occurred.’ On the other, the post-modernist school of thought suggests that history is, rather, an interpretive, or its more extreme strains, a purely creative exercise and that the historian inevitably projects a part of his or her perspective on their work – objective ‘truth’ therefore, is unascertained.

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ligent, competitive nature of the debate. Historians must strive to regain the habit of conscious separation of the political and the historical – not in terms of the content of their analysis (indeed, politics and political developments play a big part in any national history), but in terms engaging in self-critical analysis of their own political persuasions and the influence on their work. Only then, will we be able to appreci- ate the complexity of the past and not reduce history to shallow field of point scoring.69

Politicians, for their part, must also be encouraged to draw a clear line between commentary on, and manipulation of, past events. It has been clear that ‘prevailing narratives of Australian history swing significantly according to government elections and …the use of history has undoubtedly become an effective political strategy in Australia’.60 Politicians should be responsible and ethical in their utilisation of history to support their own campaigns, recognising that, after all, there may be several valid ‘truths’ or interpretations for the history of Australia’s Indigenous-settlers relations. However, while politicians certainly play a part in defining public opinion on national history,61 they themselves draw inspiration from historians. Thus, the onus must fall on the historians, rather than their political counterparts, to set an example of eradication and self-critique in their scholarship – the art of politics involves too much persuasion and hyperbole to be relied on as well-researched and critical ‘truth’, however, this is the kind of professionalism and discipline we expect from historians.

Establishing (or in some cases, re-establishing) a critical and post-modernist approach to Australian historical scholarship concerning colonisation is of crucial importance, looking forward. The narrative of Australia’s national history is too important to be left to the ‘swings and roundabouts’ of politics – the shape and tone of our national history has a part to play in the development of primary and tertiary education syllabi, state and federal policy development, the shaping of national ‘identity’ and in achieving meaningful reconciliation with our first peoples. We need a balanced and self-critical history, to advance Australia ‘fair’.

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The Foundations of Human Rights: Human Nature and Jus Gentium as Articulated by Francisco de Vitoria

Ms. Élaina Gauthier-Mamari
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The affirmation of human rights and the socio-political responsibility to protect them have been the object of scholarly concern for centuries. The Universal Declaration of Human Rights of 1948 (UDHR) explicitly calls for the protection of such rights under the rule of law. Since the mid-20th century, international treaties and customary law have allowed human rights law to take a positive, written form. But what is the rule of law? The rule of which law? If any declaration is to claim to be universal and upheld "as a common standard of achievements for all peoples and all nations", it must appeal to a general concept that cannot be exhausted by any inevitably culturally embedded positive law.

In the 16th century Spain, a group of thinkers that are now referred to as the School of Salamanca were confronted with the practical and theoretical stakes of the European discovery of the Americas and the American peoples. Prompted both by the horrific confrontations that the School of Salamanca were all human beings. It is this natural law that allowed Vitoria to use the concept of “human nature” as the basis for the recognition of a natural law common to all human beings. It is this natural law that allowed Vitoria to articulate fundamental human rights and, by reformulating a customary “law of nations” or “right of peoples” (jus gentium), paved the way to modern international law.

Since the 16th century, we have become wary of appeals to “human nature”. Amongst other thinkers, feminist philosophers such as Luce Irigaray have raised the issue of conceptual homogenisation or neutralisation. The danger with the use of one universal concept, according to Irigaray, is that it glosses over the organic and necessary rational structure that allows human beings to survive and develop fully. In other words, human nature, with its capabilities for language, rational thought, justice and morality, needs an organized social structure to flourish and fulfill itself. It is insofar as he has created a rational human nature capable of pursuing and realizing this goal that God can be said to be the ultimate source of political power.

Vitoria adheres to the Aristotelian principle that all beings tend towards their end, or their good. Thus, human nature needs to give themselves the means to persevere in their being and to actualise their potential, including their rational potential. This dual concern for self-preservation and development is best addressed in a political association. Vitoria believes that this is true for every person taken individually, but also for any people taken as a whole. That is why he rejects the possibility of abolishing the rule of power altogether. Even if all the human beings on the planet expressed a wish to dissolve all political structures of power, it could not be done. To conceive of such a situation would be nonsensical and self-defeating, since human nature fully manifests itself in and through society and no society can sustain itself without some kind of governance. It should be noted that Vitoria has not specified what kind of government should reign: every community is responsible to find the form that suits it the best. But government (or governance) there nonetheless must be. If we are to accept a common, rational human nature, we must accept the framework of human existence that such a nature implies. And that framework is inherently political, according to Vitoria. Furthermore, if this human nature is truly shared by all peoples of the world, everyone should be able to recognise common general principles that any individual, community and state must endeavour to protect and promote.

Vitoria maintains that, according to natural law alone, there is no reason that justifies the dominion of one man over another. It is the result of necessity human association, the community or commonwealth, that has the power to govern itself. Granted, this includes the transfer of a portion of its political power to a governor or government, but the point is that every human being is fundamentally equal politically to any other human being. No one may claim to be “predestined” or “graced” by God to rule over their fellow citizens. This has consequences not only regarding the issues of absolute monarchy in Europe,
but also for the extension of the imperial and papal jurisdiction over the newly “discovered” lands and peoples of the Americas. It means that the Emperor has no God-given right to automatically assume that the entire world is legitimately under his dominion, neither does the pope have the authority to give temporal power to any prince over other peoples, even if it is for a missionary purpose. Why is this? Vitoria demonstrates that, since the Indians are human beings, they share the common human nature and, consequently, they too have naturally legitimate political power. This means that they are sovereign over their own property and land and cannot be deprived of their dominion without just cause. In other words, because of natural law, the peoples of the Americas cannot be denied the fundamental rights inherent to nationhood and the Spaniards must abide by the law of nations (jus gentium) in their relations with them, just as they are bound in conscience to do so with any other nation of the known world.

We have seen that for Vitoria human nature must be understood through its fundamental social aspect. Rational potential, that specifically human attribute that every individual possesses, cannot be actualised fully in isolation. In a similar way, no single human community can sustain itself for long by ignoring or neglecting its ties with the larger commonwealth of all nations. The necessary recognition of a “global commonwealth” is one of Vitoria’s most radical assertions. He recognises that it is in such a commonwealth’s political power, according to natural law, to promulgate laws for its own benefit. This implies that there are higher laws for the benefit of humanity as a whole to which the internal laws of states are subordinate. These universal laws grant both rights and responsibilities to all nations. The next section will explore the concept of law of nations that, rooted in this framework of human nature, informs our understanding of international law.

**THE LAW OF NATIONS: EQUAL FUNDAMENTAL RIGHTS, EQUAL BASIC RESPONSIBILITIES**

The definition of jus gentium that Vitoria quotes9 from the Gaiss “Institutions” (1. 2. 1) is as follows:

> “What natural reason has established among all nations”. The law of nations is to be either identified with or derived from natural law, according to the Salamanca scholar. In that sense, we should be able to find a link between the effective customs that regulate trans-national rapport and the tenants of natural law, i.e. all that reason requires to preserve and realise the human person. Vitoria provides examples both from history and from Scripture to show that most peoples seem to act upon a widespread understanding of such things as diplomatic immunity, the common use of waterways, the treatment of prisoners of war and hospitality towards strangers10. There are also practices, such as cannibalism and human sacrifice, that seem to be “universally” condemned11.

These last two examples are of particular importance for Vitoria since it was made manifest that some American Indian societies abided by these practices and the Spanish conquerers wished to use this reason to justify declaring a just war against the perpetrators of what they considered to be a crime against natural law. Vitoria’s answer is an interesting one12, but it has its place in another discussion about his views on just war. For our purposes here, it will suffice to note that he does not understand the universality of natural law and of the law of nations as requiring the total and complete agreement of all practices around the globe in order to be binding. As was mentioned in the first section of the article, Vitoria agrees with Thomas Aquinas that natural law is the same everywhere for everyone according to it’s general principles, but its applications vary in degrees of clarity according to cultures and circumstances. It is therefore possible that some peoples act against natural law without its universal quality being annulled. As with the sanction of any other law, Vitoria maintains the force of the majority.

The case surrounding the rights of the American Indians provides us with an opportunity to better understand the law of nations and its implications. In his lesson “On the American Indians” (De Indis), Vitoria discusses the justice and injustice of the causes the Spanish Empire was putting forward as legitimate reasons to divest the American peoples of their political sovereignty. Two main reasons put forward were those of difference in religion and inferiority in culture. The Indians were “infidels” and outside of the grace of God and since all power comes from God, they could not have legitimate dominium over land, property or indeed themselves as a political whole. Furthermore, they were no where near the European standards of technology and did not seem to demonstrate a rational grasp of their so-called natural rights. To the first point, Vitoria replies that he had previously established that political power is given by God through human nature, not through adherence to the Christian faith. Vitoria points out that Christian kingdoms do not deny sovereignty and political power to other “non-believers”, such as Muslims and Jews. Thus, the Indians’ religion(s) cannot be counted as a prejudice against their fundamental human rights to dispose freely of their person, to own property and to choose their political structure. As to the second point, whilst he does not attempt to deny this perceived cultural inferiority, Vitoria maintains that it cannot be used to justify the forceful taking over of communities and that the Indians’ rights were not annulled by their being ignorant of or possessing any. Rather, the Spaniards were aware (or, at least, were made aware through consultations with theologians, philosophers and jurists like Vitoria) of human rights, they were bound to respect them in all fellow human beings, including the Indians.

By examining the particular case of the Americas, Vitoria is formulating the theoretical basis upon which universal human rights can be articulated. By showing that, by being consequent with the belief in a rational human nature, we must grant equal rights to all human beings regardless of religion, socio-political standing, race, culture and education, he is affirming belief in a common human dignity. Moreover, he stresses the fact that this transcendental dignity must be effectively protected and defended by the international community. In other words, it is not enough to recognise human rights: every nation has a responsibility to make sure that these rights are respected not only within its own jurisdiction, but also in the human world as a whole.

Hence, if the law of nations is based on equal rights between nations, it also requires the same basic responsibilities from every nation. Just as no king or legislative power is removed from the commonwealth and the rule of its laws simply by being in a position of governance, no nation can legitimately transgress the law of nations. Vitoria explains:

> “The law of nations (jus gentium) does not have the force merely of pacts or agreements between men, but has the validity of a positive enactment (lex). The whole world, which is in a sense a commonwealth, has the power to enact laws which are just and convenient for all men; and these make up the law of nations. From this follows that those who break the law of nations, whether in peace or in war, are committing mortal crimes, at any rate in the case of the graver transgressions such as violating the immunity of ambassadors. No kingdom may choose to ignore this law of nations, because it has the sanction of the whole world.”

Again, this universal sanction need not be effectively enacted by all nations to be binding. It is enough that a majority of peoples recognise the rational value of peaceful interaction between states. The UDHR abides by a similar principle: explicitly, it can only vouch for the member states of the United Nations and their pledge to recognise, promote and protect the rights and freedoms stated in the Declaration. However, it also implies that these rights and freedoms do indeed apply to all human beings, including those who do not fall under the jurisdiction of the member states. Just as the individual is called to use her reason to better interact with other human beings in order to conserve and fully develop herself as a person, so a nation reasonably must have friendly relations with other nations in order to sustain itself and flourish. “Tranquility and peace are counted among the good things which men strive for; without security, all the other good things together can make for happiness”, proclaims Vitoria. Nations are mutually responsible for the promotion of world peace according to their means. In this they are all equal.

This concludes the exposition part of this article. I will now focus on analysing and interpreting four articles of the UDHR in the light of what has been discussed about Vitoria’s framework of human nature and of the law of nations.

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9 Vitoria, On the American Indians 3.1, §2

10 Ibid., §4

11 Vitoria, On Dietary Laws, or Self-Restraint

12 It may be found in his treaty On Dietary Laws, or Self-Restraint and in On the American Indians
THE UNIVERSAL DECLARATION OF HUMAN RIGHTS: TELLING BOOK-ENDS

There are many ways one could analyze the UDHR. The Preamble alone is a rich object of study in itself. However, for our purposes, I have chosen to focus my attention on articles one, two, 28 and 29 only. A relation could be drawn between multiple aspects of the UDHR and Vitorian theories, but this combination provides an interesting angle of interpretation. Since they open and close the Declaration, these particular articles form the “book-ends” of the document, and therefore produce a snapshot of its general structure.

If we can understand the foundation and the culmination of a project, chances are we can grasp its orientation and purpose. Without further ado, let us examine one article.

“Article 1.
All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.”

“All human beings are born free”. This statement was a point of contention in the 16th century. The Spanish conquerors were suggesting that the indigenous peoples of the Americas were in fact examples of the “natural slaves” that Aristotle mentions briefly. Peoples of the Americas were in fact examples of Spanish conquerors were suggesting that the indigenous human nature. She or he who is human possesses by that fact equal, fundamental, existential status that is human. She or he who is human possesses by that fact equal, fundamental, existential status that is human.

The Preamble alone is a rich object of study in itself. As has been mentioned above, Vitoria believes that global peace and security are essential to foster personhood and happiness. Article 28 expresses a similar belief in a more legal vocabulary. But if, taking a Vitorian stand, everyone according to their nature is entitled to live in a world where their fundamental rights and freedoms are not only respected but “can be fully realised”, who is responsible for bringing about such a world? The key is in “international order”. The nations must order themselves, the one with the other, the one according to the other. But what Vitoria’s framework allows us to identify is the organic structure of such an organization, stemming from the very core of the individual. Communities for Vitoria are necessary for personal development and, consequently, the well-being of the community is of the first importance to the individual. What Vitoria had endeavoured to make clear in the case of the Spanish Crown’s relation to the American Indians. However shocking a people’s customs, religion or culture might seem to us, their human rights cannot be waived. There are laws that run deeper than our culturally-specific legal framework. There is a notion of equality regardless of the status of the political community a person belongs to. It is also very telling of the individual-community relationship at stake here. For one, it is taken for granted that an individual must live within a political structure, however loosely we understand that relationship. Individual rights exist within an organized community. However, the status or structure of this community in no way affects the entitlement of the individual to her human rights. This means that people living in protectorates, colonies, developing and dependent states or provinces cannot be treated as “second class” citizens of the world. There is no natural reason that justifies the transgression of human rights in those communities and, I would press, the international community cannot turn a blind eye because it considers these people as being ancillary in the grand scheme of global affairs.

The authors of the Declaration are establishing at least two things in this article. The first is to be found in the assertive opening statement: “Everyone is entitled to all the rights and freedoms set forth in this Declaration”. At a first glance, this statement might seem to simply reiterate the content of Article 1. However, it introduces an important new element: the appeal to a specific document, the Universal Declaration of Human Rights, the written legal context of these fundamental human rights. Using Article 1 as a platform, Article 2 announces the listing of crucial rights as they are defined by a free association of nations. A global community has agreed on specific individual rights that can be deduced from a common human nature.

From the abstract principle of equality between all members of the human species, the attention is now turned towards the individual person, where it will stay throughout the rest of the Declaration.

The second part is of a negative nature. Identities that set a sort of “accidental” differences might legitimately be appealed to to eclipse or destroy the “essential” human rights and freedoms. Vitoria had endeavoured to make clear in the case of the Spanish Crown’s relation to the American Indians. However shocking a people’s customs, religion or culture might seem to us, their human rights cannot be waived. There are laws that run deeper than our culturally-specific legal framework. There is a notion of equality regardless of the status of the political community a person belongs to. It is also very telling of the individual-community relationship at stake here. For one, it is taken for granted that an individual must live within a political structure, however loosely we understand that relationship. Individual rights exist within an organized community. However, the status or structure of this community in no way affects the entitlement of the individual to her human rights. This means that people living in protectorates, colonies, developing and dependent states or provinces cannot be treated as “second class” citizens of the world. There is no natural reason that justifies the transgression of human rights in those communities and, I would press, the international community cannot turn a blind eye because it considers these people as being ancillary in the grand scheme of global affairs.

On the other hand, I believe Vitoria would maintain that all nations, without exceptions, have a responsibility to protect human rights not only amongst their own people, but also in the international community. Means and outlets might differ, but responsibilities still exist just as surely as rights do. Let us now turn to the end of the UDHR now, where this very point is underlined.

“Article 28.
Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.”

As has been mentioned above, Vitoria believes that global peace and security are essential to foster personal development and, consequently, the well-being of the community is of the first importance to the individual. What Vitoria had endeavoured to make clear in the case of the Spanish Crown’s relation to the American Indians. However shocking a people’s customs, religion or culture might seem to us, their human rights cannot be waived. There are laws that run deeper than our culturally-specific legal framework. There is a notion of equality regardless of the status of the political community a person belongs to. It is also very telling of the individual-community relationship at stake here. For one, it is taken for granted that an individual must live within a political structure, however loosely we understand that relationship. Individual rights exist within an organized community. However, the status or structure of this community in no way affects the entitlement of the individual to her human rights. This means that people living in protectorates, colonies, developing and dependent states or provinces cannot be treated as “second class” citizens of the world. There is no natural reason that justifies the transgression of human rights in those communities and, I would press, the international community cannot turn a blind eye because it considers these people as being ancillary in the grand scheme of global affairs.

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be exercised contrary to the purposes and principles of the United Nations."

As has hopefully been made apparent, the first sub-section of this article is in line with Vitoria’s concept of the essential individual-society relationship. In the light of this framework, I have been noting the implied role of individual responsibility throughout my analysis, but this is the first explicit mention of universal personal “duties” in the UDHR. After 28 articles, the Declaration concludes by stating what Vitoria had opened his treaty On Civil Power with: mainly, that the political community is the necessary means for the development of human nature. Morality, public order and general welfare of society are the concern of every individual precisely because one’s personhood cannot be fully respected without these conditions.

The second sub-point can be related to an aspect of Vitoria’s criticism of the Spanish claims on the Americas that I did not expand on. When he examines the just causes for a continued Spanish presence in the New World in On the American Indians, Vitoria mentions the right to travel and trade and even extract resources from previously unclaimed land without being arbitrarily attacked, acts that are legitimate according to the law of nations, to which the American Natives are also subjected to. However, these rights can only be exercised as long as they do not cause harm to the communities we are dealing with. In other words, if we are to recognise limitations to our basic rights, these limitations would be the equal claims every other person has according to her rights. This point is concerned with the effective exercise of our rights within a social context, both by protecting them from being excessively curtailed (“In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for...”) and by reinforcing the fact that these rights exist in a world where persons live in political communities.

Finally, the third sub-point: “These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.” This statement comes full circle with the contextual particularity that was pointed out in Article 2. It reiterates that these universal rights are to be understood within a specific framework, that of the principles of the United Nations. It stipulates a law of nations, but not exactly the way Vitoria understands it. I believe he would agree that no rights should be exercised in a self-defeating way, that is, contrary to the demands of human nature (and therefore natural law), but he might object to the function of the United Nations if it were to become a way for states and nations to divest themselves of their “personal” responsibilities concerning international affairs. But that is the subject of another inquiry.

CONCLUSION

The history of the conception of human rights is a rich and nuanced one. It has not been without its critics, including those who believe this concept to be a hollow, Western construct aimed at providing a privileged few with a good conscience. Some will inevitably point out that the bloody Spanish colonization of the Americas was not ended after Vitoria and numerous other scholars had voiced their robust concerns and condemnations. We might legitimately wonder if academic theories and debates are the best way to effect positive change in the world. I think they are not. That is, not if we take them in and of themselves, as a mental and even communicational exercise. Wars will not be stopped, world thirst will not be quenched by my musing about Thomas Aquinas at my desk or even presenting Vitoria’s ideas on human rights at an international conference. As Spinoza says in his Ethics, the world needs engineers and medical doctors before it can have philosophers. However, if we do not put the onus on intellectual labour to rectify every injustice, we cannot in conscience deny its tremendous effects. As much as we like to remind ourselves that it takes concerted, systematic and efficient means to build and sustain harmful industries and power imbalances, we cannot forget that human beings also create humanitarian organisations that contribute to making each other’s lives better and more dignified.

The fact is that the Universal Declaration of Human Rights is the result of a common effort between not only individuals, but representatives of communities, and that international courts enact international laws based upon the principles that it promulgates. Thinking through theories, searching for principles based on human experiences doesn’t have to be a sterile activity. Trying to understand the world is never entirely futile. If revisiting Vitoria’s works can provide any insight into our understanding of what human rights mean in our international scene, it is that individual, personal action does matter. In fact, it must matter because human beings fundamentally, “naturally” tend towards living, not dying, and human life manifests itself fully, essentially, in a community. Vitoria proposes that we take the individual-community dialectic seriously and that we resist the temptation to treat it as an inflexible dichotomy. If all or nothing is our measure, everything, including intellectual discourse, will inevitably fall short. But the act of trying to find and understand the principles of our actions can never be totally in vain. It is up to us, individually and collectivly, to pursue the means of exercising our rights and freedoms.

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Confucius and Mencius: The Definition of Confucianism and Its Impact on Asian Culture and Society

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WHO ARE CONFUCIUS AND MENCIUS?

Confucius (Chinese: 孔子 Kongzi), better known as ‘Master Kong’, was a Chinese philosopher during the Spring and Autumn period. He was born in the State of Lu in 551 B.C. (estimated). His academic achievements are immeasurable as he is most credited with having written most of the China’s Five Classics. He was the founder of Confucianism (Chinese: 儒家 Rujia). Confucianism is an ethical and philosophical system, sometimes described as a religion. Confucianism deals primarily with moral conduct and ethical living.

Almost a century later, Mencius (Chinese: 孟子 Mengzi) was born in the State of Zou in 372 B.C. He was also a philosopher and is known as the principal interpreter of Confucianism. He sought to defend the teachings of Confucius against other influential scholars’ teachings. Mencius studied under the school of Zisi (Chinese: 子思). Zisi the only grandson of Confucius. Mencius had a very similar ideology trend with Zisi. Some scholars assert that Mencius was directly influenced by Zisi himself but this is not true as Mencius was born 30 years after Zisi’s death. Mengzi was never satisfied by the teachings he received from the school of Zisi. He had a great ambition of inheriting Confucius’ academic achievements directly. He sincerely emulated Confucius as a model.

WHAT IS CONFUCIANISM?

In Confucianism, man is the center of the universe and man cannot live alone but with other human beings. Confucian ethics is characterized by the promotion of virtues, encompassed by the Five Constants: Ren (benevolence), Yi (righteousness), Li (propriety), Zhi (wisdom) and Xin (faithfulness). These Virtues are described together as “Five Constants”.

Among the five Constants, Confucius focused most on Ren. Ren relies heavily on the relationships between two people, but at the same time encompasses much more than that. It represents an inner development towards an altruistic goal, while realizing that one is never alone. He believed that everyone has these relationships, being a member of a family, the State and moreover, the world. Confucius thought that Ren cannot be learned but it is innate, in other words, everyone is born with the sense of Ren in their mind. Confucius believed that the key to long-lasting integrity was to constantly think about oneself as the world changes so rapidly. There are many definitions for the term Ren. Ren can be translated as “benevolence”, “humaneness”, “goodness”. When someone asked, Confucius defined Ren by the Chinese word for love (Chinese: 愛).ai.

MENCIUS’ ACHIEVEMENTS AND THE DIFFERENCE BETWEEN CONFUCIUS’ AND MENCIUS’ CONCEPT OF CONFUCIANISM

As mentioned above, Mencius was one of the pupils under the school of Zisi. However, he wanted something more than studying what already existed. He wanted to inherit Confucius’ teachings directly. In modern history of thought, it is a widely-accepted theory that the successors of Confucianism are Zengzi, Zisi and Mencius. Zengzi was a direct disciple of Confucius and Zisi was a direct disciple of Zengzi. However, Mencius was not directly taught by Zisi. Then why do people say that Mencius was a successor of Confucianism even after Zisi’s death? This is due to the fact that Mencius was the key interpreter of Confucius’ teachings.

The basic Confucian ethical concept is Ren (Chinese: 仁, benevolence, humaneness). Mencius developed Confucius’ teachings and his ethical concept into a theory and an ideology. He also made elaborated Confucius’ ideas more logically. In fact, Confucius was the founder of Confucianism but as Confucius himself mentioned, his teachings were not new but the republication of the past scholars’ teachings altogether. He avoided using plain speaking and used indirect speech to express his opinion. This is why Anlect of Confucius (Chinese: 论语 Lunyu) is somewhat vague in what it is trying to say. However, the way Mencius interpreted Confucianism in his Anlect ‘Mengzi’ is very argumentative and logical. The difference between the way Confucius and Mencius express their idea can be very plainly seen on their Anlects. So basically, Mencius organized Confucius’ teachings and arranged them to be more logical. Mencius reinterpreted and expanded the meaning of Ren, the main concept of Confucianism. Along with Ren, Mencius considered Yi (Chinese: 義, righteousness) as an important virtue.

Confucius Ren and Mencius’ RenYi contain similar but somewhat different meanings. Confucius’ Ren only contains the meaning of love but Mencius’ RenYi Not only contains love but also righteousness. Mencius thought that men, especially the sovereign should follow RenYi. The first passage of Mengzi Anlect clearly shows Mencius’ idea. When King Liang-Hui (Chinese: 梁惠王) asked about the meaning of beneight, Mencius answered him that there was only Ren and Yi.

THE REASON FOR THE DIFFERENCE

The difference shown on their concept of confucianism is due to the time period and the State they lived in. During the Spring and Autumn period (春秋时代 Chunqiushidai) and the Warring States period (战国时代 Zhanguoshidai), State of Lu and State of Zou was very closely related culturally and geographically. They had similar culture, traditions and ruling system. Even though they were in the similar cultural area, the two periods of time had a huge difference. The Spring and Autumn period, which Confucius lived in, was a time of chaos. However, order of rank still somewhat existed and it’s cultural base existed as well. Confucius believed that by maintaining and improving the order is the only way that can end the chaos. He asserted that if feudal lords put benevolence (Ren) into practice the world could be as ideal as it was during the Yao-Shun Period (尧舜时代 Yao-Shun shidai). After travelling from state to state and persuading the feudal lords, Confucius gave up on his belief and concentrated on compiling books.

On the other hand, the Warring States period which Mencius lived was a harsh society. During that time, only the fittest and the strongest could survive. State of Zou became a weak country no one cares about. Strong military force was believed to be the best virtue of the time. Mencius believed that Ren was not enough to make the world more ideal. He asserted to the feudal lords that pursuing power and benefit is not the right way to rule the people. He pointed out that Ren and Yi should be pursued. Despite his effort to persuade the feudal lords, Mencius also gave up on spreading his teachings to the lords and concentrated on publishing books in his latter years.

MENCIUS’ POSTHUMOUS RECOGNITION

Even though Mencius was confident that he inherited Confucius’ teachings, scholars posterity scholars did not acknowledge him until Hanuy (Chinese: 漢) as a precursor of Neo-Confucianism during the Tang dynasty, mentioned that Mencius was the key interpreter and successor of Confucius. He gained a
remained in people's minds. We can easily see that in long period of time, his teachings were unwittingly corruption and inequality in modern Chinese society. Hu Jintao specifically asked the government officials as the government desire for social harmony and stability. As a matter of fact, the former premier of China stressed a good idea for the modern Chinese government emphasis on harmonious society and Rén is considered as China's official state philosophy in 100 B.C. However, Confucianism started ot lose its attention. Nevertheless, Confucianism has remained the dominant orthodoxy in Chinese society over the past two millennia. Confucianism fell out of people's favor in early 1990s. As western powers were eager to be followed as a basis for government and administration. After so many centuries of pursuing Confucianism, Koreans can hardly be said to have discarded the customs, habits and thinking patterns derived from the system. Fundamental ideas about morality and the proper ordering of human relationships are closely associated with the Confucian concept of filial duty. The pervasive and highly elaborated system of lineage and bloodline was the basic structural principle on which most groups in traditional society were organized. Kinship devotions and obligations have generally taken precedence over other claims and commitments, both ideally and in terms of actual behavior. As part of the modernization process, profound changes have been taking place in the kinship system, especially in the fast growing urban areas. There has been considerable erosion of the dominance of family concerns. Nevertheless, ideals of family cohesion and solidarity retain influence, and individuals still rely on their kins emotionally.

Today, Confucius is back in favor again. Confucius' emphasis on harmonious society and Rén is considered a good idea for the modern Chinese government as the government desire for social harmony and stability. As a matter of fact, the former premier of China Hu Jintao specifically asked the government officials to return to Confucian moral ethics to counter the corruption and inequality in modern Chinese society. Even though Confucius was out of favor for a long period of time, his teachings were unwittingly remained in people's minds. We can easily see that in the way Chinese people respect the elderly and emphasize politeness.

For centuries in Korea, Confucianism has meant a system of education, ceremony and civil administration as first expressed by Confucius in his Analect. Confucian concepts of social harmony and moral ethics permeated the intellects and played an important role in shaping the Korean culture as we know it today. In Korea, Confucianism was accepted so earnestly and in so strict a form that the Chinese themselves regarded the Korean supporters more virtuous. They called Korea 'the country of Eastern decorum' referring to the punctiliousness with which the Koreans observed all aspects of Confucius' teachings ritual.

Confucian teachings have, over time, become less eager to be followed as a basis for government and administration. After so many centuries of pursuing Confucianism, Koreans can hardly be said to have discarded the customs, habits and thinking patterns derived from the system. Fundamental ideas about morality and the proper ordering of human relationships are closely associated with the Confucian concept of filial duty. The pervasive and highly elaborated system of lineage and bloodline was the basic structural principle on which most groups in traditional society were organized. Kinship devotions and obligations have generally taken precedence over other claims and commitments, both ideally and in terms of actual behavior. As part of the modernization process, profound changes have been taking place in the kinship system, especially in the fast growing urban areas. There has been considerable erosion of the dominance of family concerns. Nevertheless, ideals of family cohesion and solidarity retain influence, and individuals still rely on their kins emotionally.

CONCLUSION

Confucius dreamed of a peaceful and harmonious world. Mencius also had the same dream and they spent their lifetime trying to achieve it. Their teachings focus on how mankind can improve, how we can live better lives, how we can teach our children to improve the society we live in today. Confucius and Mencius are the most important Chinese philosophers of all times, and their teachings need to be recognized and comprehended today, as they have the ability to enact new changes, something this world urgently needs.

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From Development of Thought to Informational Society

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WORDS AND IDEAS

To begin with, it is important to mention that behind every thing there is an idea. Idea is reflected in the words and expressed in the reality in the specifically organized structure of sounds, to which human beings have been adapting from childhood. These ideas, hidden behind language, are forming the mind and lead the carrier of this idea to accomplish different actions and reflect in the special way on the exterior circumstances. That is why it is necessary that any explanation and absorption in the terminology is started from linguistically based analysis of the main word that precedes the idea. In order to explain informational society it is important to understand what formed the society. From my perception, we need to begin with history.

From Greek, history is «learning or knowing by inquiry; derivative of history, one who knows or sees (akin to wit, video, veda)» (Random House Dictionary). The minimal point of history is fact. History is based on facts and factum (which is the past form of the verb facio – to do something), meaning something that was done by somebody. In this terminology a third side exists, which refers to the description of facts and this is what we see in history. All our history is based on different facts, which have been described by somebody. It is obvious that each of us has a subjective point of view. This intention of actions happened.

If go back in the old Pre-Indo-European language and refer to one of the oldest words “weide”, “to see”, which came to Greece and turned into the word “idea”, it could be seen as an old association of ideas, as a way of vision. This vision can be seen through the actions that have been made. Certainly, there can be no pure idea before a singular fact, but several facts that affect and help in forming the idea. Only after that, was a historian who could describe this fact and put it in the context of his arguments to form his opinion. If the circumstances are correct and all together at the right time and in the right place, the fact is being described by different historians, who include their own perception of reality in it and their own system of values. These descriptions are being made, carefully studied and put in the line of arguments of another historian, who builds his own line for his own reasons. This quoting of authors comes that the description of the main fact happened, being more or less different from the actions, have been made originally. The way that facts are seen seems more important than the fact itself. The reasons of the past actions bring less importance than the future actions, caused by interpretation of the past actions. This pyramid, vice versa, builds artificial understanding of reality with no way to distinguish the real past and the real future. However, creating the starting point in present and steady movement back to the past to create difference could be started from describing an informational society.

Etymology of word information came from the Latin verb “inforame” (to inform) which means “to give form to the mind”, “to discipline”, “instruct”, and “teach”. According to Carlos Kjell Guerard: “the ancient Greek word for form was morphe and also eidos “kind, idea, shape, set”, the latter word was famously used in a technical philosophical sense by Plato (and later Aristotle) to denote the ideal identity or essence of something. “Eidos” can also be associated with thought, proposition, or even concept” (“Beethoven and the Archetypal Light: A Unique Multidisciplinary Insight Into The Composer’s Process”). Capurro & Hjorland refer to the Latin roots and Greek origins of the word “information” to “formation or molding of the mind or character, training, instruction, teaching” (“The concept of information. Annual review of information science and technology. 2003)".

Nowadays the perception of forming of someone’s mind is regarded as a fact, not as an action, but as a thing, which is tangible, movable, precious and alive. Information is coming from everywhere and being used by anyone, anytime. Exchange of information, saving it, and producing it, represents an expensive business. New technologies, medicine, culture, science, commerce, management, everything is being affected by information and depends on its propagation. We become dependent on the information even more and we live inside its sphere. Information becomes the most important thing in our society and now we are coming to the idea of informational society, hence the need to describe it and understand how it affects us.

INFORMATIONAL SOCIETY

Laslo Kavric in the article for the book “Information Society: From Theory to Political Practice” (Gondolat Kiado, Uj Mandatum, (2008), gives several explanations from different sources of the term “informational society”:

- “A society that organizes itself around knowledge in the interest of social control, and the management of innovation and change... (Daniel Bell)
- A new type of society, where the possession of information (and not material wealth) is the driving force behind its transformation and development [...] (and where) human intellectual creativity flourishes. (Yoneji Masuda)
- The information society is an economic reality and not simply a mental abstraction. The slow spread/dissemination of information ends [...] new activities, operations and products gradually come to light. (John Naisibb)
- A society where [...] information is used as an economic resource, the community harnesses/exploits it, and behind it all an industry develops which produces the necessary information [...] (Nick Moore)
- A social structure based on the free creation, distribution, access and use of information and knowledge [...] the globalization of various fields of life. (Hungarian) National Strategy of Informatics, 1995)
- A new type of society in which humanity has the opportunity to lead a new way of life, to have a higher standard of living, accomplish better work, and to play a better role in society thanks to the global use of information and communication technologies.” (Bela Muranyi)

In these statements you can easily see how different the positions of authors are regarding informational society and how broad the perception can be. From the mental level to the economical one, the formulas are fluctuating and giving the idea of the special type of society with the information in the center. However, it is important to know how the information has been created. Before any information, there is an idea, or, as mentioned before, vision of reality from the other perspective. Idea is always short-term process, which occurs rapidly. As a result of it, the other perception of reality forms the concept, which is being reflected and propagated by information. At the same time, Idea is a directional process in achieving different goals, mostly subjective. It is being created from the knowledge and the past experience, which relentlessly drives individuals forward for subjective and objective reasons. This intention being the main factor of any action, hence being reason for facts, has created history, affected society and formed our civilization. The movement to subjectivity and objectivity are the main differences between our reality and the main factors for our actions. This intention of movement from subjectivity to objectivity and back, is being main factors for the individuals to form society, create language, migrate and build communities. The movement of objectivity and subjectivity is performed in circles and constantly changing each other. After forming community, people are separating by the different ideas reflected in the principles. Then the movement to commonness is taking place
again and the actions by cooperation with other communities with the same principles are taking place, as well as confrontation. Such actions form different tribes, languages and cultures, which can be understood only by studying base ideas, formed this or that nation. Such actions formed informational society as well and its structure, rational and simple. Understanding the main factors, forming the culture would be incredibly important for the spheres, profitability of whom depends on human approach and their influence, as for example management, human resources and information technology. One of more abstract attempt for understanding the factors and intentions could be made from revising of creation of Modern philosophy and its contradiction with ancient philosophy and philosophy of renaissance. However, it could not been made without understanding the method and new terms, which will clarify the ideas of informational society.

NEW TERMINOLOGY

Coming back to the perception of idea, it is important to mention of the commonness of information in informational society. Ideas are being created and live in the humans as a carrier. By the influence of these ideas, human being find commonness and these common perception communities form the main reflection of ideas of these individuals. We call this process of putting ideas together and their realization in the human commonness NIMBUS. NIMBUS is being formed by basic ideas, by subjective or objective factors in the human being and expressed by the time and place needed. Necessity is being formed by exterior conditions formed by other ideas. NIMBUS is alive, movable, intangible and has no time limitation, as long as the existing carrier is carrying it. It may not only be a human being but also any external momento. It could be symbolic or obvious, cryptic or opened. Through the carrier and external conditions ideas can be changed and reflected in a different way than in the beginning and hence have a stage of birth, youth and old. Without any changes, NIMBUS is disappearing fast, and is being always carried and changed. It can exist as long as the idea is formed, being current reflection of the truth. The transformation of NIMBUS is having three stages as well, with its own fading, enflaction of the truth. The transformation of NIMBUS is being created by the conditions and formed idea. This intention is going through feculent window of objective and subjective conditions, formed by external factors in individuals and is being called NUB. NUB intends to take its place, but being obstructed by external conditions. When the conditions are sufficient NUB is taking its place and becomes unification of Vernadsky’s Biosphere and Noosphere. NUB is being this short-term process existing incidentally by the factors depending on many previous ideas reflected in reality. NUB is the essential part of the idea, as it is the reason of it and link of it with something more, existing through immanent and transcendent reflection of something, we called NUBES. In order to describe NUBES we need go out of the borders of well-accepted terminology, language and perception, and this can not be done at the moment and first of all can not be understand by nowadays human being, because of strict hierarchical structure of perception formed in us by subjective and objective reasons. The concept of NUBES is being reflected in many cultures and has different names: Neoplatonistic Logos, Tantric Buddhist’s Rigga, Christian God the Father etc. NUBES is absolute, and it can be understood by human being only short-term, through perception of NUB and its forming the ideas. The short-term intention at the same time is subjective and objective because of dual structure of human being, referred in Judaism Nigleh (Revealed) and Nistār (Concealed). NUB is the only pure reflection of immanent NUBES and is the only one leading factor for everything alive. At the same time, it is a link between all lives and NUBES. Perception of NUB as the core point of ideas gives an opportunity to comprehend information, which forms NIMBUS and the core ideas of informational society.

To make a picture of these ideas in the mind I would like to refer to the diagram in Fig. 1.

In the directionally-dependent properties of material, the intention of all the things takes the right place and short-term conditions match. Following this, the short-term process of realization of immanent NUBES in the reality takes place and the idea is being born. At the same time, the creation of the idea is being taken to another level, in Noosphere. By developing of idea and creation of its form, principles are being formed. Principles, matched all together creating NIMBUS, something new, based on position of subjectivity and objectivity of the individuals are developing it. NIMBUS, as the unification of common perception and values reflected in principles live by help of other individuals in the level of Noosphere. When the conditions match, NIMBUS is realized fully and critically; the own intention of Noosphere having been matched with the external conditions, the new level of Noosphere is created. At the same time, the intention of the new level of Noosphere creates NIMBUS, totally different from the previous perception and forms the new principles from it. The new principles already contain the idea, which is being created in the very beginning, as well as the own intention of Noosphere created by its permanent influence. The principles create a new level of perception and are being taken as something usual and common in the daily live of individuals. One example of this new level of perception could be language. A new word is being created, formed and popularized, whereas if the popularization of it being successful and the other conditions are sufficient, the word is forming the new understanding and coming to the language as granted. After forming the new level of perception, the influence of it comes back to the individuals and affects their future steps and perception. The realization of ideas is being formed by the creation of isotropic space, which is being changed, and is coming through several stages and forming a new anisotropic space, followed by intention to NUB.

However, for the main goal and the most valuable part of informational society is information, it is crucial to provide constant production and consumption of it, as well as demand and diffusion. For that, the fundamental basis and settings of human mind for producing information and ideas must be achieved through overall understanding of its importance, which cannot be formed on the surface level. Linking immanent NUBES, which reflects through NUB and forms ideas. The concept of NIMBUS, reflected through information, can bring necessity, deepness and background for a new understanding of reality, which should be reflected in revising the history of humanity. Understanding actions, as not a fact, but as something made by the influence of ideas will link us back to Plato’s Ideal State (“Republic”) and new structure of society. It constantly and rapidly produces more and more information, which we call IDEOLISM. Perception of idea as the most valuable structure of society will form need and demand of human minds and create irrational intention, as well as changing in educational spheres. The new education will based not on remembering already happened facts, but on its link with each other and creation of the whole understanding of events including ideological, material and rational spheres. It will provide more and more creative and wise individuals, with
disregard of knowledge but understanding of linked actions made by ideas. Changing in ideological sphere will definitely lead changing of perception of time, providing soft and unharmed changing from consumption society, through informational society, to IDEOLOGISTICAL society, living only for realizing and producing ideas. This structure and process of self-realization will rapidly lead to progress and happiness of the people, struggling from the old time from mixed values and perceptions. Concept of IDEOLOGISTICAL society can drive us out from the common theories of Alvin Toffler with limitation of the Third Wave (“The Third Wave”) as well as Taddeo Umaneso's ectodermal sector (“Information Industry Theory: Dawn of the Coming Era of the Ectodermal Industry”), and give us the future to move forward with disregards of informational property but fully self-realization as a new religion.

Finally, I would like to refer you back to the middle part of my work. Based on the descriptions used in lectures of Prof. Dugin of Moscow State University, I will describe subjective and objective factors as well as give an example for the approach in understanding that has been mentioned about.

**DEVELOPMENT OF THOUGHT**

Alfred Whitehead mentioned “philosophy as a series of footnotes to Plato” (“Process and Reality”). It is obvious, that Plato and Aristotle gave the base for the nowadays-philosophical discourse. Aristotle with the perception of ideas existing in the things and Plato, describing existence of ideas before things, gave the beginning of all Christian theology and the context of God itself. However, ideas always take different positions, and understanding of them can be achieved the most by their critical realization, which can be seen in history. Scuots Eriugena is one of the representatives of Platonism and critical thoughts of Plato, mentioning existence of only ideas (“De divisione naturae”). On the other hand, critical perception of Aristotelian ideas, Thomism, was created by Thomas Aquinas (“Summa Theological”). At the same time, Democritus and Lucretius made another concept, existing still in time of Plato and Aristotle, but just being less popular. It was the idea of existence of everything from atoms. Aristoxenus even wrote that Plato suggested, that the works of Democritus and Lucretius should be burned, who’s main idea is individual ( lat: in – dividium – indivisible ), and the idea of subjectivity (Diogenes Laertiou, “Lives and Opinions of Eminent Philosophers”).

Renaissance with Petrarca continued Greece middle age philosophy, bringing works of Plato to the new level, restoring antique philosophy and managing contradiction of Plato and Aristotle (“Secretum”). However, there was a new category of scholars, alchemists, who propagated ideas of active Platonism with the ruling of ideas on the human being. Same as Giordano Bruno they challenged Christianity, coming from the separated Ideas to the united God, and from united God back to separate Ideas. With the restoration of something completely forgotten (at that time, there was a totally different type of Platonism – Christian Platonism), human became a sleeping God and the ideas of subjectivity inexorably led to realization.

Modern time continued a trend of Renaissance philosophy, changing previous ideas to two approaches, not popular before - Atomism of Democritus and Nominalism of Occam and Roscellinus. Antique Platonism of Restoration is coming to the modern times and is losing ground in favor of modern philosophy, particularly Thomism. In the modern time, new atomism of Democrit, Epique, Lucretius, and nominalism are ruling ideas and the main representatives of subjectivity.

Afterwards, Galileo Galilei appears right in between new time and renaissance with his main idea of changing of Aristotle’s physics (“Dialogue Concerning the Two Chief World System”). Galilei’s idea about movement totally opposes ideas of Aristotle, on which physics of previous centuries was based. Aristotle believed that every thing has a goal for moving, and everybody moving at the same time to telos (“Physics”). However, there are other things in the world and they are disturbing this movement. There are places and everybody want to take their place, center is more important then what is around and we have a picture of rational cosmos, anisotropic structure of space, with the qualified directions and objectivity of world as a subjectivity of individual.

Up is intangible, down is tangible, and hence we can see realization of philosophy and science as a complex in the real world. Galilei destroys this picture, saying that there are no goals, and movement has a causal structure. One atom is clutching with another and together they create an impulse to move. This is a picture of isotropic space with no qualified space but only quantified, with the subjectivity of world as a subjectivity of individual. Now, everything in the modern time depends on which place we take (von Fingerhut G, “Heliocentric and Geocentric system”). New space is extremely dangerous and only Pascal understands it. An opening of the new space comes to the situation, when material things are ruling by causal system, with the consequence sequence, without quality, but with quantity.

Furthermore, Francis Bacon, Roscellinus and Nominalism are considering nature totally opposite from the ancient perception of it. Now nature has no soul, nothing sacral, only as it is, everything else is human mind imagination and the goal of philosophy to make rule of nature. In the ancient times, behind things there was something: soul, cosmos or state made by this philosophy. Now, the objectivity of world is totally lost and being divided in subjective parts opposing each other and inexorably destroying themselves. Moreover, Bacon observed that things are something unarranged, and we need to fight with and overwhelm them (“Thoughts and Conclusions on the Interpretation of Nature”). Soul exists only in human, which is the only carrier of spirit in the death world. Another scientist, Hobbes is continuous ideas of nominalism and perceives society as a system of natural things (“Leviathan”). He declares straightforward: “Homo homini lupus est”; for him existing only his own interest and any moral is artificial. In order to maintain the society, the only thing needed is a social contract. He is creating a sort of Atomism in the social sphere, together with Machiaveli and Jean Bodin. These are scientists who formed our nowadays perception about politics, sociology, philosophy and morality. A totally new science in continuing previous traditions was made by Descartes. Building a new philosophy, he starts from skepticism, founding on doubt as the main principle.

Prof. Dugin in the lecture “Modern Philosophy” has a valuable overview, trying to make attempt to explain main theories in one single word: idea of Plato is “wondering”, scholastics is “faith” and Cartesian is “doubt”. “Cogito ergo sum” is pure subjectivism. Doubt means something existing, here idea is as a doubt, dualism and Cartesian rationalism. Subjectivism here is rationalism and this is exactly the basis for nowadays science. For us, it is already hard to understand subjectivism and cognition without rationalism. Here is the main point between distinguishing subject and object.

Modern time destroys perception of God, but at the same time accepts its existence. Descartes and Galilei’s question about the reason is not Aristotle’s goal. God as a reason from now on, reason existing one time and not active anymore. Here is beginning of deism, totally different perception of reality then theism, when the God is active. Subjectivity reflects in God and perceives it as a single random short-term action with no consequence. God as a pure objectivity and immaturity will come back only with Kant, when the new wave of objectivity will rise up again.

Likewise, Isaac Newton, opposing Descartes inside modern paradigm, giving preconditions for Kant’s immanency, continues Bacon’s hypothesis of existence of things. For him, only experience makes a difference in existence from subjectively and objectively existing things (“Principia”). From now on, existence of things is not dependent on the subject, the world is fully objective in subjective structure. Descartes is starting from subject – cogito, and going through it. Newton is starting from something existing, from objectivity, hence some forces are ruling the world and humans need to understand these forces. Newton had his own God, God-watchmaker. In his perception of planet system he comes to the conclusion that planets need to change the directions after friction force and God needs to maintain the planets in their places. The great idea of pursuit of stability af-
Another scientist - Blaise Pascal is starting from optimism and idea of human being as a “thinking reed” (Richard H. Popkin “Pascal, Blaise”). Pascal understands loneliness in this new world existing on the ruins of old one, in between emptiness and ideological vacuum. Here is starting philosophical pessimism, expressed by Nietzsche perfectly well. Dramatic dualism of subject and object with the personal God, saving the world - is the new picture of the world. Spinoza is going further and coming to the idea of God existing not before world, but in the world (“The Principles of Cartesian Philosophy”). Continuing the trend of objectivity he is coming to an idea of practical necessity of God inside, if there is no perception of it outside. This is the beginning of a new Pantheism, with the God as nature, rational nature, hence with existence of the subject and object, equally rational.

Here we can see all possible juxtaposition of main paradigms of modern times - Descartes with his dualism and subject, Newton with his empiricism of subject and object, and Spinoza as an immanent process of both. There were some other scientists standing in between these main concepts and perfectly mentioned by Prof. Dugin, for example George Berkeley with subjective realism of Descartes and existence of only subject. A new concept has emerged - critical subjectivity as a new paradigm of modern times, same as all previous decades. A careful analysis of social and political structure of that time will fully reflect its influence and show all the changes first existing in human mind and breaking out with great social changes. In time, the fluctuation of ideas of commonness and subjectivity throws the human mind in unification in one immanent God and in small atoms. As well as through the changes of idea of God in the antique and modern philosophy, we can see the principle of movement from one single idea, through its enlarging, coming to the critical position and creating of a totally new idea, forming new individual mind and creating the new principles and ideas as a consequence. The process of creation of ideas from anisotropic space and structuring them in isotropic cosmos could be seen from many historical examples. Due to space limitations, I could not mention them all here, but I intend to include them in a future book. IDEOLOGICAL understanding of reality with its movement from Vernadsky’s Noosphere is being influenced by a smaller unit of reflected ideas - NIMBUS, which at the same time is being created through enlargement of NUB’s activity. Creation of one NIMBUS is followed by transition in another one, division and unification. The one immanent idea, NUBES, is being sought by time and many people, trying to be explained and expressed in different meanings and different context. Perception of idea through only one

CONCLUSION

It is obvious that influence of philosophy on politics and society took place in modern times, same as all previous decades. A careful analysis of social and political structure of that time will fully reflect its influence and show all the changes first existing in human mind and breaking out with great social changes. In time, the fluctuation of ideas of commonness and subjectivity throws the human mind in unification in one immanent God and in small atoms. As well as through the changes of idea of God in the antique and modern philosophy, we can see the principle of movement from one single idea, through its enlarging, coming to the critical position and creating of a totally new idea, forming new individual mind and creating the new principles and ideas as a consequence. The process of creation of ideas from anisotropic space and structuring them in isotropic cosmos could be seen from many historical examples. Due to space limitations, I could not mention them all here, but I intend to include them in a future book.

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Journalism Training as a Means of Engaging with Mainstream Media: The AuSud Media Project

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INTRODUCTION

In 2007, a young Sudanese-Australian man, Liep Gony, was murdered in a suburb of Melbourne, in the Australian state of Victoria. Gony, a 19-year-old student, was attacked one evening at a train station. Initial news reports attributed his murder to other Sudanese migrants, sparking discussion around whether Sudanese migrants were able to fit into Australian society. Then federal Immigration Minister Kevin Andrews used the idea that Sudanese refugees had trouble integrating into Australian society to justify a reduction in the intake of Sudanese refugees. Ironically, Gony was actually murdered by a White Australian who had wanted to bash a Black person. Nevertheless, for many Sudanese and South Sudanese Australians the damage had been done. The reduction in the intake of people from Sudan was perceived by many Sudanese and South Sudanese Australians as a direct consequence of the negative media discourses surrounding their group. They further attributed negative media portrayals to their ability to find work and, more broadly, to integrate into Australia. It is notable that almost no media reports of the incident actually quoted any Sudanese people (cf Windle, 2008); their views were not part of the media discourse.

How can a numerically tiny minority respond when they feel they have been negatively portrayed by the media? The AuSud Media Project was an attempt to explore whether a disadvantaged and negatively portrayed minority such as Sudanese and South Sudanese Australians could develop an effective media voice. The AuSud Project was a community media intervention that provided journalism training to interested Sudanese and South Sudanese Australians with an eye to teaching them to develop a media voice. It was also a research project, evaluating the effectiveness of the intervention in meeting its goals.

This paper reports findings from the AuSud Media Project. In the following sections we discuss community media interventions in general and AuSud in particular. We focus on one aspect of the project, a journalism training program, exploring the question: can journalism training enable a minority group to develop a media voice? We conclude with key lessons learned from the project.

MEDIA INTERVENTIONS

1. Voice, listening and media interventions

The AuSud Media Project was a type of community media intervention. Media interventions are attempts to “exercise symbolic power to effect change” (Howley, 2013: 3, italics in original). Media interventions aim to change some aspect of society through changes in the media. Community media interventions are a type of media intervention that aims to enable marginalised peoples to: speak back to mainstream news media (Dreher, 2010: 86) by providing opportunities for skill development and for fostering relationships between the marginalised community and the mainstream news media. Community media interventions aim to enable communities to develop a media voice and in so doing, to reform the practices of the mainstream media that contribute to their marginalisation (Howley, 2013: 7).

But it is not enough to have a voice, the voice must also be listened to, and it is this that is much more difficult to achieve (Dreher, 2009, 2010). What does it mean to be heard? For a voice to be effective, where must it be heard, and by who?

2. The AuSud Media Project

The AuSud Media Project was a community media intervention initiated by a senior journalist (Michael Gawenda) and a group of researchers (David Nolan, Timothy Marjoribanks and Karen Farquharson, with Denis Muller joining at a later date), hereafter called the research team, in 2009. The idea was to see whether journalism training could enable the development of a media voice. The Australian Sudanese and South Sudanese provided a good case study in that they had been singled out in the Australian press as problematic others. Thus there seemed to be a real opportunity for this particular group to develop a positive media presence. In addition, the project team had links with the Sudanese and South Sudanese communities that would foster their involvement with the project from the start. The AuSud Project also included two industry partners: the Australian Broadcasting Corporation (ABC), an Australian public broadcaster, and Adult Multicultural Education Services (AMES), a Melbourne-based refugee and migrant settlement agency. Both would assist with these development and delivery of a journalism training program for Australians of Sudanese and South Sudanese background.

The AuSud Media Project was a media intervention that had three key elements:

- media analyses
- journalism training
- the development of connections between working journalists and members of the Sudanese and South Sudanese communities through mentoring and training.

The project started with a content analysis of Melbourne news print media. This analysis, reported in Nolan et al. (2011), showed that the Sudanese were indeed systematically negatively portrayed in the news media, most often being placed in the contexts of violence, migration policy, and their perceived lack of ability to integrate into Australian society. The findings of this analysis were shared at a public roundtable discussion at the University of Melbourne in 2010. At the same roundtable the training program was announced and people were invited to participate. A pilot journalism training program, supported by a small grant from the Myer Foundation, an Australian philanthropic organisation, was run in 2010 while the research team aimed to secure long-term funding. Such funding in the form of a three year grant from the Australian Research Council (LP110100063), a statutory agency within the Australian government that advances research, commenced in 2011.

2.1 Journalism Training

Journalism training programs were run in 2010 (the pilot project), 2011 and 2012. Each program ran over 12 sessions, one per week, and each session was delivered by an experienced journalist. The training covered topics such as: “What is news?”, “Sources”, “media law and ethics”, and “Australian media industry”. Participants were asked to attend all sessions and they were given homework in that they were asked to report and write stories. All stories were collected on a private participant blog where trainees received feedback from the training coordinator and the trainers. Some stories were published on a public blog if the authors wished.
The training introduced the participants to how the Australian media operates and also provided them with the journalism tools that would enable them to participate in the mainstream media as reporters or as sources. A further goal was to enable Sudanese and South Sudanese Australians to develop their own media outlet where they could tell stories of interest to their communities in the form of a website. The training offered in 2013 was only available to those who had completed a previous training session. It was less formal than the previous sessions and was focused around the development of the website.

All trainees were paired with a mentor, a working journalist who would meet with them and discuss their development as journalists themselves. The mentors came from the ABC and other local media organisations. The mentoring relationships were fairly open-ended, with mentors and mentees deciding for themselves how frequently to meet and what to discuss when they did meet. Through working with mentors and mentees, members of Melbourne's Sudanese and South Sudanese communities were linked with key journalists, fostering relationships between the communities and the mainstream media.

The journalism training program, then, incorporated two key elements of community media interventions. First, it aimed to enable participants to develop their own media voice through skill development. Second, it aimed to link working journalists with members of the Sudanese and South Sudanese community so that they would have both insight into the community and credible sources for their stories.

**RESEARCH METHODS**

The AuSud Media Project utilised in number of research methods to investigate the journalism training program. The training sessions were studied using participant observation, pre-training questionnaires, and post-training interviews with participants. For the participant observation components, researchers attended training sessions and steering committee meetings throughout the project. Notes were taken on these experiences. In depth interviews were conducted with 26 training participants after they had completed at least one round of training. The interviewee was not one of the participant observers, which allowed the participants to feel able to critically evaluate the training. All data were analysed thematically. All identifying information has been removed in our reporting of the findings to protect the confidentiality of the participants. The project was approved by the University of Melbourne Human Research Ethics Committee.

**OUTCOMES**

Here we report the participants’ views of the AuSud Media Project as a media intervention. The findings are organised in two parts: skills development and linking with mainstream media. The first looks at what the participants hoped to achieve regarding skills development and what they felt they actually achieved. Participants gained skills in writing and knowledge of how to better engage with mainstream media organisations. These aligned with some of what they had hoped to achieve. The second looks at the links developed with trainers and mentors. It finds that the types of links developed were genuine and durable for participants who had engaged with the project for more than one month training. For those who only participated in one round of training, the links were, unsurprisingly, more tenuous.

### 1. Skills development

A key aim of the program was to develop journalism skills. To meet this aim the training provided formal sessions on how to report, write and publish news stories. It also provided broader sessions on how the media worked. One participant commented that the journalism in Australia was very different from journalism elsewhere in its practices and norms, so these sessions were important. Throughout the training the participants practiced their writing skills on a shared private blog where they got feedback from their trainers, mentors and writing tutors.

Participants hoped the project would do a number of things: to enable them to develop writing skills, develop a media voice, and hopefully gain some skills that could lead to work: ‘… it is important to improve my skills and knowledge to get a good job in the future or to help’ (Male participant). Many were un- or under-employed and looking for career outcomes. This need for appropriate employment was an on-going theme, although the AuSud Project was not meant to a job training program and did not provide any formal certification. Participants linked their employment issues with the media images and also with broader Australian racism. For them, the racism and the media images were interconnected. In their view the negative media images exacerbated the racism and the resulting negative stereotypes of their group affected their employment outcomes.

The skills actually gained were in writing news, gaining knowledge of the Australian media industry and learning techniques for engaging with mainstream media if they thought reports were inaccurate. One participant commented: ‘… I learned how to attack that, if that's how it is, like write that and raise some issues, because the technique they taught us of how to like file a complaint if it was misrepresented’ (Female participant). These skills were quite well aligned with expectations. Work, though, was more elusive and some participants wondered why they were spending time on something that was: ‘not any productive to us in any way’ (Male participant). Although this was the view of only a few people, it was an important one, highlighting some of the key challenges faced by the Sudanese and South Sudanese communities in Melbourne in finding work. Nevertheless, the majority of participants felt that the training in the trainers were very good. They felt empowered through their participation in the course because of the knowledge gained about how to engage with the mainstream media and because of their improved writing skills.

By learning the types of stories that constitute publishable news, participants became less critical of the news industry and more understanding about the way their group had been reported on. They also became increasingly discerning about their own participation in this industry. Learning about how the news media operates led them to be wary about which stories they participated in. On one occasion a journalist contacted AuSud asking for Sudanese or South Sudanese people to participate. When the Sudanese and South Sudanese participants learned about the topic of the story they declined the invitation because they felt it would not be beneficial to the community for them to participate. In this way they became critical collaborators with mainstream journalists, only participating in stories they wanted to and felt would not vilify them. In this way the training was quite literally empowering: it enabled participants to make informed decisions and act upon those decisions. Having knowledge about the realities of contemporary journalism helped them to better engage with it. However the engagement was now on their terms, not the professional journalists.’

### 2. Linking with mainstream media

The approach to developing links with the mainstream media was a two way intervention in that it provided Sudanese and South Sudanese Melburnians access to active journalists, and it provided journalists access to members of the Sudanese and South Sudanese communities, communities they previously had trouble accessing.

The trainees reported positive outcomes from their relationships with their mentors and trainers. Participants spoke highly of the training given and the feedback received on their writing in particular: ‘The mentors, yes they were really very good at that time anyway when we were just there training, so we used to put articles together and then put them on the blog, and then our English tutors they used to edit them and then we sent them out to our mentors. I thought it was pretty good, English is a second language to us and everyone is coming along… Yes, so it was pretty good yes. (Male participant)’

However, unlike the participant quoted above, few of the trainees actually shared the stories they were working on as part of the training. What many trainees wanted from the mentors was a supportive person to provide advice and listen to them, and this is what they received. Nevertheless, the trainees spoke highly of their mentors and in at least one case the mentor journalist developed a story based on the connection with their mentee. Most mentoring relationships, though, ended when the training program ended.

In terms of developing a media voice, having space to publish stories of interest to the Sudanese and South Sudanese communities is another key element of linking to mainstream media. A successful news website could not only provide an important space for the Sudanese and South Sudanese commu-
Living in a Computer Graveyard: An Anthropological Analysis of the Community and Economy of Agbogbloshie, Accra, Ghana

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Agbogbloshie is an area on the outskirts of Ghana’s capital city Accra. Since the mid-1990s, its economy has rapidly transformed from an agrarian market-place into one of the world’s largest “e-waste” dumping sites, specializing in the collection, recycling, marketing and disposal of scrap precious metals and used hard drives. This informal scrap-dealing economy is fueled by industrialized countries shipping used electronics to Ghana to be recycled, disposed of, or as “donations” intended to bridge the technological divide1. International media, environmental groups, and NGOs have depicted Agbogbloshie as a slum causing severe, irreversible harm to the environment and the health of the local population, while Western governments have focused on the potential security threats of shipping unformatted used hard drives offshore. To mitigate these risks, the international community has advocated for the reduction or complete discontinuation of e-waste exports to Ghana.

My aim in this paper is two-fold. First, I will situ-ate the informal micro-level economy in Agbogbloshie within a macro-level context by focusing on the co-lonial legacy of dependency, economic mismanage-ment, and the influences of global markets and the in-ternational community. At the micro-level, I will draw on the extensive research of Martin Oteng-Ababio to examine the site’s role as an informal economy as well as a cultural base where people live, work, and interact with each other. The e-waste industry offers employment and security for thousands of the country’s poorest, but these economic opportunities are offset by the precariousness of employment and ind-ustry-related health and safety risks. At a macro-level these risks are shown to be exacerbated by poor domestic regulations and an economic disincentive to enforce the existing UN Basel Convention among importing and exporting nations alike. Once these tensions are established, I aim to show how a syn-thesis of micro-level and macro-level considerations supports a third policy option that neither halts the global e-waste trade nor upholds the laissez-faire sta-tus quo. If regional, domestic, and international bod-ies work together to formalize and thus legitimize the global e-waste trade through regulatory policy, the industry might reach its true potential, as a promise of economic development and secure livelihoods in Agbogbloshie and all of Ghana.

In the first section of this paper, I examine the his-torical political and economic factors that have led to the emergence of the Agbogbloshie e-waste recycling industry and informal settlement. In the second sec-tion, I discuss the development of Agbogbloshie’s in-formal e-waste economy in the context of the interna-tional economy, and the employment opportunities it offers Accra’s poorest people. In the final section, I hone in on the informal economy in Agbogbloshie to reveal tensions between the promises and threats of the industry, including the contradictions between local and outsider perceptions of its value as an infor-mal community, as well as its role in the international sphere. Ultimately, I argue the micro-level economic benefits for workers and the community must be seri-ously considered at both a domestic and international policy level. Rather than condemn Agbogbloshie outright, the international community should recog-nize the site’s role as a local, community and cultural base, as well as its potential to contribute positively to economic development in Ghana. The international community should also encourage the Ghanaian gov-ernment to integrate the e-waste trade into its formal economy so profits can begin to benefit the wider community and worker safety standards can be en-forced.

1 In reality, most donated computers are usable for an average of three years before breaking and becoming e-waste themselves, while over 40% of donated computers are nonfunc-tional upon arrival.

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This historical background of colonial dependency and post-colonial economic mismanagement has inhibited the emergence of viable economic infrastructure in Ghana. As a result, Ghana’s economy has relied heavily on high levels of consumption from developed countries ever since British colonization, and this trend has carried through to its export-centered role in the international economy today. Ghana once provided resources for developed nations and today it manages the waste they produce. Throughout its history and into the present, Ghana’s economy has centered on supporting the economic growth of wealthy states in the global economic “core” at the expense of its own development.

Structural adjustment policies (SAPs) introduced by the World Bank and International Monetary Fund (IMF) to address Ghana’s economic crisis in 1983 weakened the Ghanaian economy and social safety net even further. While there were some positive outcomes from the SAPs, such as reduced inflation and a more stable industrial base, the policies’ effects were overwhelmingly negative. Ghana’s debt increased by nearly US$5.5 billion within 10 years, and the ensuing currency crash priced most businesses and individuals out of the market for needed imports, from medication to machinery and other important supplies. The consequences of the SAPs were felt most acutely in Ghana’s northern provinces, the region with the highest levels of poverty, lowest accessibility to healthcare, and highest unemployment rates. Cuts to agriculture subsidies and government-funded social programs in northern Ghana caused rapid north-south migration in search of new livelihoods.

Ghana’s historical colonial dependency and post-colonial economic mismanagement has inhibited the emergence of a viable economic infrastructure.

Together, these conditions fostered the development of a large and lucrative informal urban economy in Accra. The Ghana E-Waste Assessment written under the auspices of the United Nations’ Basel Convention lists “migration from northern Ghana as a result of few income opportunities” as one of the four main factors of population growth in Agbobloshie. Northern migrants have not only moved to Agbobloshie because of its relatively inexpensive informal living accommodations, but have also begun participating in the e-waste economy in Agbobloshie as a means of surviving in the urban environment. Today, 56 percent of the population works in “survival” industries, informal work that provides only the basic necessities for a person’s survival. This is believed to be largely due to the policies prescribed by the World Bank and the IMF almost 30 years ago.

While the SAPs created favourable conditions for the development and growth of the informal e-waste economy in Agbobloshie, direct American, European and Ghanaian influence is unacknowledged and then perpetuated it. In the 1980s, the US and Europe targeted African countries for toxic waste disposal, offering significant financial incentives to national governments for participation in waste import programs. By 1989, the majority of UN member states adopted the Basel Convention, which restricted and regulated the trans-boundary trade of hazardous waste. This convention has been expanded in recent years to include e-waste. The Basel Convention has however failed to adequately address the global e-waste trade. Many African countries, including Ghana, have assumed their peripheral roles as end-of-the-line international waste disposers without significant economic growth or development. Domestic Ghanaian policy has further encouraged the industry by leaving it unregulated. Currently, the Ghanaian government has not attempted to tax or restrict e-waste imports. The free and unrestricted importation of computers is a government initiative aiming to “decrease the technological divide” and increase the availability of computers to the Ghanaian population. Out of the estimated 280 000 tons of used technology delivered to Ghana annually, approximately 60 percent is repaired and sold in second-hand markets and 40 percent enters the recycling industry through informal collectors. Those devices that are repaired and sold have very short lifespans, with most ending up in the e-waste circuit within three years. This policy does, however, serve to justify non-interference by the Ghanaian government, meaning they are not obligated to tax or regulate shipments and dumping of e-waste by more developed nations. It can be concluded that this policy has not increased the use of technology in Ghanaian businesses, institutions or households; rather, it has perpetuated the country’s historical peripheral role in the international economy, and initiated the rapid growth of the e-waste economy in Accra’s largest slum.

The International Nature of Agbobloshie’s Informal Economy and Its Impact on the Community

Strict regulations on the disposal of hazardous waste have lead North American and European countries to look beyond their borders to dispose of or “donate” used computers and technology. The EU Waste Electric Equipment Directive, for instance, only allows e-waste disposal systems to be set up and financed by technological producers. In the US it costs approximately $500 to recycle one ton of e-waste, but it only costs $40 to dispose of the same quantity of e-waste in a landfill. Because the US has implemented laws that ban the disposal of e-waste in domestic landfills, e-waste instead gets shipped to developing countries where importation is free and unregulated. The Basel Convention states that this is a form of NIMBY-ism (“Not in my backyard”), meaning core states choose to ship waste to peripheral states with fewer environmentally- and socially-concious restrictions on disposal. Because of Ghana’s unregulated import regime for used electronics, the
As a result, Agbogbloshie has established as an informal local economy that provides livelihoods for thousands of Accra’s most impoverished people. The e-waste industry in Agbogbloshie is a key sector of Accra’s economy. It generates $105 - $268 million annually, directly employs 4500 - 6000 people, and indirectly supports the livelihoods of 300,000 people nationwide. The site has also acquired a worldwide reputation for having a high degree of local expertise in extracting, recycling, and installing e-waste scraps. For this reason, I have chosen to examine Agbogbloshie not as a dump, but as a recycling site in the international commodity chain, which has the potential to become a location for innovative and sustainable e-waste management. This perspective builds on the analysis of researcher Martin Oteng-Ababio, who has written numerous papers about Agbogbloshie that are referenced throughout my analysis.

Previously in Accra, waste collecting was a stigmatized occupation. Waste collectors were called Kaya Bola, which is derogatory slang implying low rank on society. Today, the waste-collection industry is no longer limited to the marginalized poor; rather, Ghanaians of all backgrounds now participate in the industry to make ends meet. The economy is composed of young, male full-time collectors and scrap dealers, and a small number of schoolchildren who collect part-time to provide an additional income for their families. While some women work directly in the e-waste industry, most participate by providing complementary goods and services for sale, such as tools, food, and water.

Agbogbloshie workers are organized in a hierarchy of scrap collector, refurbishers, middlemen, and scrap dealers. A scrap collector’s role is to sort through e-waste, dismantling pieces by hand or with rudimentary tools, in search of recyclable parts or precious metals. Scrap collectors are considered the lowest in the economic hierarchy, but are able to gain higher earnings and stronger bargaining positions by specializing in collecting a certain item, such as PC laptops or specific computer parts. The middlemen buy recyclables from collectors, and then sell them to local or foreign scrap dealers. These individuals have well-formed connections in scrap collecting and scrap-dealing circles, allowing them to buy high-quality, low-priced goods and sell them for large profits.

Many scrap dealers reprimand middlemen for exploiting both the collectors and the dealers. The scrap dealers, however, are at the top of the hierarchy and earn the most profit in the economy (close to $50 a day). They buy scraps from middlemen then sell them to refinery industries like steel plants and aluminum smelters, or to exporters. Dealers can also become more competitive by specializing in certain types of materials, or by developing their own micro-firms, which sell materials in higher quantities. This hierarchy, however, is generally inflexible and closed, making it difficult to move up the economic ladder.

Agbogbloshie’s e-waste recycling industry is built on the key principles of an informal economy. These include a lack of government regulations or monitoring, and the employment of vulnerable groups who otherwise would be unable to find work. As the e-waste industry in Agbogbloshie has grown, the recycling community has established formal organizations to protect the industry’s vulnerable workers. The Ghana Scrap Dealers Youth Association is one example. Membership provides dealers with protection from market fluctuations, a larger social network and some financial security through microfinance loans.

The association has 2000 members, although many scrap dealers are not members. Other associations, including a Repairers’ Association (GESTA) have also been established to formally organize and offer security for workers.

Research on Agbogbloshie’s recycling economy by NGOs, the UN, Ghanaian government organizations and universities has also become more prevalent in recent years. This research has led to the quantification of certain aspects of the economy, including its profitability, employment figures, and GDP percentages, and has formally mapped out the economic activities of individuals and firms. Although this research has attempted to shed more light on the scale and significance of the e-waste economy, it must be noted that much of its findings have been limited by the informality of the occupation. The scrap dealers, middlemen and collectors interviewed were only able to verbally estimate their daily and total earnings, and the full economic significance measured by GDP and employment figures could only be estimated due to the lack of government monitoring.

MICRO-LEVEL ANALYSIS OF THE AGBOGBLOSHIE NEIGHBOURHOOD AND ITS INHABITANTS

The informal economy’s workers have also become inextricably tied to national and international formal economies. E-waste is delivered to Accra’s international airport or seaport, marking Agbogbloshie as the end-of-cycle waste-management center in the international computer and electronics industry. Dealers or middlemen sell recycled products to refiners in Ghana, or export them to refineries in either Kenya or China. These recycled parts then re-enter the commodity chains of the formal economy through downstream processors, industries that use these recycled parts in production. Because the Agbogbloshie economy is relatively new and rudimentary, many of the intensive recycling operations must be performed in more developed e-waste sites in China or India. Wiring boards are transported to informal recycling sites in either of these two countries, while cathode ray tubes and hazardous waste (including batteries and backlights) must be sent to specialized recycling facilities, which are part of the formal economy.

This intricate international trade network ties Agbogbloshie to the formal global economy, complicating its informal and unregulated local status and implicating the international community.

While Agbogbloshie’s e-waste industry has rapidly developed into a lucrative sector that connects Accra’s informal economy to the rest of the world, the region cannot be understood simply as the end of the line in the global commodity chain. Agbogbloshie must also be recognized as a neighbourhood, which has developed within the context of the international economy and provides informal settlements, facilities, and rudimentary resources for more than 40,000 of the world’s most impoverished people. This community is intimately affected by the international e-waste economy both positively and negatively: by earning a livelihood from it, by the more general wealth it has brought to the community, and by the pollution produced by the recycling operations.

For Accra’s poor, uneducated, and unemployed, Agbogbloshie has become a living community, and the e-waste economy has become its means of survival. The e-waste economy offers significant employment opportunities to Agbogbloshie’s destitute population, providing incomes that are higher than Ghana’s formal minimum wage. Workers who were previously unemployed or forced to migrate from the failing agricultural industries in Ghana’s north now have the opportunity to earn significantly more than a civil servant in the country (scrap dealers can earn the equivalent of $20 per day).
Children, who work part time as scrap collectors, can potentially provide an additional $20 per month to their family’s income, equivalent to two weeks rent in Agbogbloshie. 39

Although Ghana’s position in the international commodity chain has allowed the e-waste industry to generate relatively good incomes for some individuals, work and life in Agbogbloshie remains precarious for most. Interviews with e-waste workers reveal “the economic hardship and livelihood fragility of this industry.” 36 While earnings from scrap dealing have the potential to be very high, in reality profits can fluctuate significantly for all actors in the sector due to the lack of government monitoring, fluctuations in the international economy, and increased local competition. The informality of the economy means there is little job security, which increases the precariousness of e-waste work. The 2008 economic crisis, for example, has had a significant recessionary effect on e-waste recycling industries. Because consumption of electronics has decreased, waste produced from the replacement of electronics has decreased as well. The demand and prices for recycled precious metals and other computer parts have also fallen. 36 The global economic recession has thus significantly reduced the informal economy has developed within the most peripheral area of Accra. Lack of government funding and oversight in Agbogbloshie means poorly built high-density housing and unhygienic sewage systems and water sources continue to be the norm. These poor living conditions have resulted in increased rates of illnesses, such as malaria and gastro-intestinal diseases, in the Agbogbloshie community. 37 Although the e-waste economy has been able to provide Agbogbloshie’s population with improved economic means to establish livelihoods, prosperity has not translated into the development of improved community infrastructure. Living and working conditions in Agbogbloshie therefore remain precarious, perpetuating the cycle of poverty and underdevelopment despite opportunities for promising individual earnings.

International and local contradictions are pronounced in the analysis of health risks in the community. International media, NGOs, and the UN Basel Convention have made the health risks associated with e-waste recycling a major policy concern. According to Greenpeace, health risks include “acute damage to the lungs from inhalation of fumes of heavy metals, […] mental retardation in case of lead exposure, […] damage to blood cells, the kidney, and predispositions to cancers.” 38 But workers’ perceptions of health risks are significantly less negative than the international community purports. All respondents in a survey by Samuel Agyei-Mensah and Martin Oteng-Ababio believed that working in the e-waste industry did have health impacts, but the biggest health impacts were “accident induced” injuries (burning, cuts, scrapes, etc.). 39 Within the Agbogbloshie community, youth scrap collectors were much less likely to recognize the potential hazards of working and living in Agbogbloshie. Men in the e-waste industry perceived health risks as being less significant compared to the women’s perceptions, which can be explained by women’s traditional roles in Ghanaian society as caregivers and environmental and health stewards. 40

This peripheral industry within the international economy has developed within the most peripheral area of Accra. Lack of government funding and oversight in Agbogbloshie means poorly built high-density housing and unhygienic sewage systems and water sources continue to be the norm. These poor living conditions have resulted in increased rates of illnesses, such as malaria and gastro-intestinal diseases, in the Agbogbloshie community. 37 Although the e-waste economy has been able to provide Agbogbloshie’s population with improved economic means to establish livelihoods, prosperity has not translated into the development of improved community infrastructure. Living and working conditions in Agbogbloshie therefore remain precarious, perpetuating the cycle of poverty and underdevelopment despite opportunities for promising individual earnings.

Conclusions

Throughout this essay, I have discussed how the e-waste industry’s economic activities have shaped the lives of the people in Agbogbloshie’s impoverished community. I have examined the historical background of the development of Agbogbloshie and the e-waste economy, and I have focused on Agbogbloshie as an economic center and a community. Today, the people of Agbogbloshie are faced with the potential of high economic returns by participating in the e-waste industry; however, they are also faced with the high risks associated with living and working in this community, and the precariousness of e-waste collecting and dealing as a livelihood.

Agbogbloshie is currently transitioning from a stigmatized slum into an economic urban center, yet the future of the community and its people largely depends on the action of the Ghanaian government, business interests and the international community. I see three possible outcomes moving forward, two of which maintain some version of the status quo, and one of which will potentially offer the highest degrees of economic and social stability to Agbogbloshie residents. The first possibility is the complete halt of global e-waste imports to Ghana, driven by the international community’s health and environmental concerns and enacted through domestic legislation upholding the Basel Convention tenets. This possibility threatens Agbogbloshie’s e-waste economy and the many livelihoods it supports. A second possible outcome involves the threat of offshore business interests if the industry remains unregulated. If the international community is unable to put a stop to e-waste imports, the economy could become lucrative enough to attract large corporations. These corporations have the potential to gain large profits by exploiting the community’s poor labour force, which could drastically change the current organization of the economy and decrease earnings and working conditions for these labourers. A final and best possible scenario would see the Ghanaian government begin to monitor and regulate the development of Agbogbloshie as a neighbourhood and economy, while working with the community to develop and respect workers’ associations and co-operatives. This government action has the potential to improve the health and environmental standards in Agbogbloshie, and will allow the economy to continue to develop, while keeping the economic benefits within the Agbogbloshie community.

Agbogbloshie cannot be understood simply as the end of the line in the global commodity chain. It must also be recognized as a neighbourhood.