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ABSTRACT
The history of men has taught us that there has only been one form of ‘man’: dominant and powerful. The role of a man in society was once clear, coherent and secure. Today, being a man has become more complex and confusing. Considerable international research on gender engages with masculinities, masculinities in schools and men in non-traditional occupations. What is missing from the debate on masculinities is an account that connects the voices of men with their individual daily experiences. This paper details a four-year study of eleven male Irish primary school teachers, of which seven are included here, and evaluates the relationship between men, care and work. It examines diverse understandings of care, explores the public and private worlds of masculinities, and evaluates how various social relations are charged with formal and informal meanings of masculinities.

Keywords: care, education, gender, masculinities, work

INTRODUCTION
It is difficult to pinpoint exactly where to begin a study on masculinities, particularly as the question of masculinities encompasses biology, culture, history, society and philosophy. The elusiveness, fluidity and complex interconnectedness of masculinities in modern societies create many patterns that add to the complexity of researching and writing in this area (Haywood and Mac an Ghaill, 2003). There is no particular beginning to go back to: there are in fact multiple beginnings and multiple truths. Western culture’s metanarratives about men – male ambition, competitiveness and selfishness as communicated through literature, popular culture and the social sciences – have traditionally emphasised men’s power and authority. Western culture, at the beginning of the 20th century, presented an ideology that advanced the notion that men and women had different natures. In an attempt to make sense of the debates surrounding men and the subject of masculinities, men’s aggression, power, sexualities, subjectivities and vulnerabilities have each been discussed and analysed at length (Collier, 1998). However, as Acker (1995) observes, the influence of gender in research has been minimal, noting that ‘there is a small literature making problematic gender issues’ for men who teach at primary level (Acker, 1995, p. 106, as cited in Skelton, 2001, pp. 105-125). Male entry into a highly feminised occupation such as teaching renders it a difficult choice for many men. The main focus of this paper is to explore the everyday realities of masculinities for a selection of male teachers. It attempts to step into the minds of the participants, to explore and experience the world as they do themselves, and to investigate how each personal decision impacts on their personal and professional lives.

The men and their stories
I begin by introducing the male teachers whose stories are at the heart of this study. They are introduced in the order that I became acquainted with them. Many of the participants wrote their own introduction; when this was not possible, I wrote it for them. Each teacher also chose to use a pseudonym or to keep his own name. Through their words, we the readers are taken
into the world of a male primary school teacher. The stories in this study may or may not be representative of the larger male teaching population. The stories of each teacher are unique to him, in what Silverman (2014) terms ‘authentic accounts of subjective experience’. Each story is, however, united by a common desire to reconsider the common view of teaching as a female-dominated occupation. The following excerpts detail what seven participants intended by their contribution to this research.

David: Despite being relatively newly qualified, I would estimate that I’ve been in approximately twenty different staffrooms as a teacher. On each occasion, as a male, I was in the minority. Taking part in the research appealed to me because it gave me the opportunity to reflect on the issue of gender imbalance in teaching. Previously, the skewed gender distribution of teachers was a matter that I accepted rather than questioned.

Darren: I would be very happy to participate. It is applicable to me as I have taught in Senior Infants for the past two years, in two different schools, being the only male teacher on staff on each occasion.

Michael: ‘I have a specific interest in gender issues arising from a report issued by the Dept. of Education in 1994 called Gender Equity – Action Research Report. This challenged many stereotyping practices of the time and much of it is still relevant today. I feel that further studies such as this are needed and should be encouraged.’

Tim: ‘I am a 26-year-old teacher. The reason I took part in Suzanne’s research was because I wanted to express my opinion on the level of masculinity in infant classes and its importance to children at such a young age.’

Matthew: ‘I am a 31-year-old assistant principal and have been teaching for almost ten years. I work in a large urban school. Most of my career has been spent teaching in the younger classes. This research interested me because even though my school staff is almost 50% male, very few male teachers opt to teach the younger classes and equally few are assigned there. This has always puzzled me as I believe that male teachers have a lot to offer infant classes.’

Vincent: Vincent has been teaching for three years following a career as an engineer in the private sector. He changed career for lifestyle and family reasons. The main difference between engineering and teaching, Vincent revealed, was career motivation and progression. In engineering, ‘You have somebody giving advice … you are being appraised and given encouragement … you are moving yourself up the chain all the time. Your boss is keeping an eye out on how you are progressing.’ In his experience of teaching, ‘It’s nothing to do with did you roll up your sleeves and get the job done?’

Neil: ‘I have been teaching for fifteen years in both rural and urban schools. Currently I am shared between three schools: one is an all-boys school, the other two are mixed-schools. In all cases it’s overwhelmingly female, a predominantly female environment.’

Working together and separately, the participants and I paved the way through the terrain of masculinities in Irish primary schools. The range of topics the participants addressed was broad: attention to conversations in the staffroom, caring for pupils, discipline, engaging with the school environment, family desires, peer perceptions, public perceptions, and interactions with colleagues. This paper presents three key themes raised during this study: male teachers and care, perceptions of men working with young children and staffroom interactions.

POLITICS AND PERCEPTION: THEORETICAL BACKGROUND

‘I don’t really remember ever telling someone I am a teacher without someone going “Oh?” or the eyebrows going up.’ As pointed out by Matthew, daily life is awash with gender politics (Kimmel, 2013). Indeed, daily teaching experiences illustrate acute examples of gender politics in the workforce. This is evident in many of the stories of those interviewed. Vincent recalled his first day as a substitute teacher in a school. A stray dog wandered into the school yard. As
he was the only male present in the school that day, he was asked to remove the animal from the school grounds. According to the male teachers in this study, such examples of sex role theory are widespread in primary schools. Vincent summarises that male teachers ‘are sent to do whatever job men are supposed to do, lifting things … fixing things’. Furthermore, Darren states, ‘All the time I am called in. If there’s a ball that goes up on the roof, I have to get the ladder and get the ball down. Oh, the girls at the moment, they shout for me if there’s a spider in the school or in their sink or …’ Gender, in these cases, appears to make two jobs out of one (Hochschild, 2012). Similarly, David reminisces about the day a football fell into a stream that flowed next to the school. Again, being the only male teacher present, he was asked to ‘go in with wellingtons and try and fish out the ball’. Although he did not mind helping out, he did question why he was asked to perform this task. ‘I don’t know why they thought I would be a good person to get the ball back.’ In addition, Neil recalls the time there ‘was a dead bird outside the school gate and I was asked to move it’. Equally, Neil did not understand why he was singled out to remove the bird, ‘…it could still be there for all I know because I didn’t move it. I said, “No, why are you asking me to move it?” … I didn’t hear of it anymore.’

The political ambiguities of masculinities and scientific knowledge stem from the question of what counts as knowledge. The first attempt to create a social science of masculinity centred on the idea of a male sex role (Connell, 1995). According to sex role theory, society comprises males and females, who provide different and complementary functions (Allan, 1994, p. 3). It has its origins in the work of Parsons (Parsons and Bales, 1953), who claimed that all societies need to fulfil the functions of production and reproduction. Although sex role theory informed the early men’s movement of the 1970s, it has numerous shortcomings. A number of critics have pointed out that by focusing on one normative standard of masculinity that is white, middle class and heterosexual, sex role theory is ‘unable to account for diversity and difference in men’s lives’ (Pease, 2007, p. 555). Additionally, it under-emphasises male economic and political power and their ‘resistance to change’ (Pease, 2007). Sex role theory has now ‘become obsolete, rejected for its ethnocentrism, lack of power perspective, and incipient positivism’ (Kimmel, 1987 as cited in Kimmel, Hearn and Connell, 2005, p. 5). It is clear that the sex role model does not work. However, Connell (2000) states, it is not very clear ‘what way of thinking about the making of gender should take place’.

Recently, the concept of hegemonic masculinity has strongly influenced current thinking about men, gender and social hierarchy (Connell and Messerschmidt, 2005). Hegemonic masculinity can be defined as ‘an aggressively heterosexual masculinity’ (Connell, 1987, p. 120) or the modes of masculinities that claim the ‘highest status and exercise the greatest influence and authority’ (Skelton, 2001, p. 50). That is to say, the hegemony is both dominant and dominating. Hegemonic masculinity was a regular pattern in the stories told by participants: male teachers are more likely to have responsibility for senior classes, occupy decision-making roles such as Principal or Assistant Principal, and generally maintain discipline throughout the school. Hegemonic masculinity, the form of dominant masculinity prevailing in a school, is used to explain behaviours among male teachers. Connell (1995) maintains that to recognise diversity within a setting is not enough. We must also ‘recognize the relations between the different kinds of masculinity’ (Connell, 1995, p. 37, italics in original). In order to achieve this, we must consider the gender regime of the school. In other words, we must identify the pattern of practices that construct various kinds of masculinities among staff and students, such as the surveillance of ‘appropriate’ gender behaviours and the marginalisation of others.
FINDINGS

Theme 1: Male teachers and care
The caring qualities needed for teaching are deemed to be natural, intuitive and inherently feminine. The teachers interviewed believe care is an important part of daily teaching interactions. However, when care is demonstrated by male teachers, the problematic relationship between male teachers and the concept of care emerges. David gives a clear example of this phenomenon when recalling how he interacted with a child who had fallen on the ground during lunch time.

David: ‘… this child fell and he was balling his eyes out and I went over and I was trying to comfort him with words. Then the Principal came over and gives him a big hug, she rubs him on the back and then he is beginning to get a bit better and she walks away holding his hand … I couldn’t do that though. If somebody saw, if somebody was looking over the wall and saw me holding a child’s hand and hugging them it would look weird … I mean, it only takes one person to be suspicious.’

As King (1998) notes, ‘hugging and touch are risky behaviours for men who work with children’ (p. 66). David’s description of the child who fell and his inability to engage with strategies of care, such as hugging and touching, exemplify the risk of such behaviour. David is clearly aware that young children need affection and warmth from him as a teacher. However, he also keenly notes that the very same incident created an opportunity for a female colleague to demonstrate care and emotional connection. Care in relation to male teachers is a concept that is often misinterpreted and surrounded with suspicion. Some teachers always teach with the classroom door open; others always keep the blinds open in the classroom even on a sunny day or while watching a DVD. All teachers demonstrate their sensitivity to pupils through words rather than action. In fact, part of the construction of male teacher identities is an awareness of how others perceive male teachers and care (King, 1998).

Theme 2: Perceptions of men working with children
Being a male is a potential source of simultaneous advantage and disadvantage for men who work with young children. The majority of teachers interviewed noted that they had a particularly positive effect on male pupils. They also noted the delight conveyed by parents in response to them, simply because they are men. The main reason given for the apparent gender advantage was the public’s demand for male role models in the classroom. Yet Michael maintains that role modelling is not assigned to a specific gender in schools. He believes males and females both model good practices but he also asserts that they model different aspects of positive living.

Michael: ‘You are a role model in generosity; you are a role model of kindness. That doesn’t have to be a male or female thing … a role model models different aspects of life.’ Michael believes, however, that ‘there is some little thing missing when there isn’t a male teacher, there is some male role model missing.’

Darren: Darren’s account illustrates the effect that the lack of having a male teacher can have on a young child, particularly if the child does not see teaching as a male activity. ‘One boy got so shocked by having a male teacher that he vomited, he vomited … there were coco-pops everywhere. But I cared for that boy by cleaning up and calming him down and calling the Mum and ever since, he’s just been so happy in school.’

The perception of men working with children raises many questions, several of which have been posed by Skelton (2001). What kind of role models do we want to provide boys with? What are the implications for the hierarchy of primary schools if the numbers of male teachers are increased? Would we, in fact, be reinforcing the current images children have of men occupying powerful positions? Most pupils in primary school will only come into contact with a male teacher at the senior end of the school, if this is even a possibility.
Theme 3: Staffroom interactions
Interview findings reveal that male teachers can find the staffroom an intimidating and lonely room to be in. Male teachers may become ‘fed up’ with socialising in a female milieu such as the staffroom. As Darren notes, ‘It’s just trying to pass half an hour really.’ This difficulty is explained in part by the topics of conversation in the staffroom.

Michael: ‘Conversation is usually about jewellery, clothes … children … there is zero concession to what I would like to talk about, you know? Being a male in that situation is a lonely experience.’

David: David echoes this sentiment of loneliness. ‘Sometimes you go through lunch times without saying anything.’

Darren: Similarly, Darren describes the staffroom as ‘quite isolating at times’, a place where ‘you can either be very much on your own or you can be very much the centre of attention.’

Tim: Tim agrees that the topics of staffroom conversation are quite limited. However, the most difficult situations encountered in the staffroom are as a result of uncomfortable interactions with other male teachers, particularly male teachers of senior classes. ‘Nothing against the other male teachers, it’s just that they do give off the vibe of machismo and big bravado and they wouldn’t talk about every single interest in the world. They would have their one specific topic and if you are not part of that loop … they won’t talk to you.’

Haywood and Mac an Ghaill (2013) state that men occupy a hegemonic masculinity ‘or assert a position of superiority’ by ‘winning the consent of other males … in order to secure their (hegemonic) legitimacy’. Furthermore, Bradley (2013) claims, even in situations of warmth and companionship, ‘embodied masculinity remains on display’. Tim understands male teachers’ unwillingness to broaden the topics of conversation as a fear of portraying too much femininity: ‘You can’t give off any viable femininity in your personality or your character or else you would have to assert your masculinity.’ Similarly, Bradley (2013) notes that where friendship groups are heterosexual, wariness remains about possible misinterpretations of emotionality. Through the manipulation of gendered power relationships at micro-political level, the traditional model of male dominance is turned on its head.

Tim: ‘I can see it in them, that they would have to portray “I am the man. I am a man here in this job. I do what men do … I will talk like a man, I will walk like a man, I will teach like a man” … I don’t get that. We are all teaching the very same way.’

The school should be viewed not only for its teaching but also its atmosphere as a workplace.

DISCUSSION
Men and Care
Being a teacher means being able to establish human relations with the people being taught (Connell, 1993). Care, when considered as a performative act, reproduces male teachers’ subjectivities in the workplace. This is because caring and emotional attributes do not correspond with workplace perceptions of masculinities. Caring can be defined in a number of varied ways but this study takes Noddings’ (1992) definition of care as relational, not as a virtue or an individual attribute. ‘A caring relation is … a connection or encounter between two human beings – a carer and a recipient of care’ (ibid, p. 17). It is a way of being in relation, not a set of specific behaviours. However, when men exhibit caring attributes at work, they are not considered compatible with dominant definitions of masculinities. Indeed, motherly or caring qualities are not deemed appropriate to the male domain of management or authority. Furthermore, a caring approach to education may suggest an anti-intellectual approach. Sustaining beliefs about men and masculinities can be read in relation to the ‘global subordination of women to men’ (Connell, 1987, p. 183). Within this framework, which
connects masculinities to wider social and economic forces, caring is associated with ‘subservience’ (Noddings, 2006, p. 228), a point reflected by King (1998), who notes its ‘subordinated status’. Holding on to the ‘centrality of women’s oppression’ in a study of masculinities has ‘generated some of the most exciting work on men and masculinity’ (Haywood and Mac an Ghaill, 2003, p. 9). With this in mind, understandings of masculinities impact on what is considered as work. Alvesson and Billing (1997) contend that gendered work is ‘deeper than sex typing, meaning that not only is a job openly viewed as women’s or men’s work, but that it refers also to non-explicit meanings, unconscious fantasies and associations’. In other words, what men do is synonymous with what men are. The gender of care is considered female (King, 1998). This is because, as noted by Noddings (2006), care and caregiving are treated as the same. The dual nature of care, the technical concept involving attention and response and hands-on caregiving, may help to explain the ambiguity of care in education. Caregiving has long been the domain of women and ‘the ethics of care seems to have its origin in female experience’ (Noddings, 2006, p. 229).

**Men and Work**

Starting work has traditionally been understood as an important moment in the passage from boyhood to adulthood. Historically, work stood as the most fundamental foundation of masculine identity. Haywood and Mac an Ghaill (2003) note that men have often been understood though the idea of being a worker, ‘with which they have closely identified and invested’. Indeed, an assumption about the relationship between masculinities and men rests, for many, between ‘a particular correlation … between men and work’ (Collier, 1998, p. 74). Connections between masculinities and work are reflected in various social processes and social structures (Evans, 2003; Haywood and Mac an Ghaill, 2003). Social processes involve the interconnection of becoming a worker with becoming a man. Work, alongside marriage, facilitates an otherwise problematic transition from youth to male adulthood. For those working within the sex-role paradigm, work not only matters to men, it is part of them (Edwards, 2006). With this understanding, an important passage is made from the private family sphere to the public sphere that is characterised by a shift in values from ‘dependence to independence’ (p. 22).

Matthew: Matthew alludes to such values: ‘… men have to rule the world and they have to be in charge…’

Neil: Similarly, Neil alludes to the link between work and masculinities: ‘It is not a very masculine job to admit to, “I’m a primary school teacher” versus you’re a plumber, you know what I mean? You are good at doing things we expect men to be good at doing … laying pipes … fixing blockages or you are a brick-layer or you’re a cabinet maker. We expect men to be good at those things. “You are a teacher. What do you do?” “I teach, I write. I do long-term plans…” Like, how manly is that?’

**Public and Private Masculinities**

A key aspect of male teachers’ identity is the performance of a public masculinity. Entering teaching as a profession means entering a profession that is built upon complex cultural and social networks. This network is constituted by factors including attitudes towards caring, gender-coded behaviour and the gender division of labour in emotion (King, 1998). The social aspects of care locate it within the personal or private realm. Furthermore, economic aspects relegate care to the status of unpaid labour (Noddings, 2006). However, when male teachers enact caring behaviour it disrupts the subordinate status of care. When the boundaries of public (the workplace) and private (care) become blurred, male teachers adopt alternative resources to validate their masculine identities. Care may manifest in caring-*for* and caring-*about* (King, 1998). Engaging in caring-*for* behaviour involves listening, speaking softly, touching, hugging and providing space. Women, in general, have been expected to care in this manner, ‘that is, to
provide tender, hands-on caregiving’ (Noddings, 2006, p. 229). These acts may seem ‘unnatural’ when enacted by male teachers. Male teachers may distance themselves from these behaviours and only care-about pupils (King, 1998, p. 126). In other words, male teachers will represent their students, encourage and discuss them with others but overall they will appear not to care. King (1998) also notes that it is ‘...striking that the options for care are identical for men and women, but the choices are weighed differently based on gender’ (p. 126). Also evident is the manner in which male teachers reinforce existing stereotypes, with hardness and toughness, rather than challenging them.

CONCLUSION

This paper aimed to provide the reader with an insight into the lives of the male teachers in this study. The overall theme running through all interviews is summed up succinctly in five words from Darren: ‘It’s a lonely profession overall.’ A study of gender, and especially male primary teachers, is essential if we are to tackle the question of teaching as a feminised profession. The construction of teaching as a gender-inscribed social performance generates both concern for male teachers and also encourages gender conformity as the nature of interactions within the school comes under scrutiny. Men who do not align themselves with dominant hegemonic masculinities are believed to have adopted traditionally ascribed feminine values, such as emotionality, intimacy and sentimentality. Such stereotypes, Kimmel (2013) suggests, coupled with low occupational prestige and low pay, not only discourage men from entering the teaching profession but also ensure that teaching becomes more densely populated by female teachers.

REFERENCE


EXAMINING STRUCTURAL RELATIONSHIPS AMONG TRUST IN GOVERNMENT, PERCEIVED IMPACTS AND COMMUNITY SUPPORT FOR SPECIAL ECONOMIC ZONES IN THAILAND: A CASE STUDY OF TAK SEZ

HATHAIPUN SOONTHORNPIPIT

ABSTRACT
This study develops a comprehensive model of residents’ trust in government actors and their support for the Tak Special Economic Zone (SEZ) based on social exchange theory (SET) and the institutional theory of political trust (ITPT). The model was tested on a sample of 400 residents of the Mae Sot district, Tak province, Thailand, using confirmatory factor analysis and a structural equation modelling procedure. The findings indicated a significant relationship between trust in government actors and residents’ support for the Tak SEZ. The results also revealed that residents’ perceptions of the benefits and costs of the Tak SEZ were significant determinants of their support for government. The study established that SET and the ITPT were appropriate for explaining residents’ trust in government actors and perceptions toward public support for SEZs project. The researcher suggested that if a public project is properly managed and developed, it can have beneficial political effects for government, such as increasing its legitimacy among the public.

Keywords: trust, trust in government, perceived impacts, SEZ, Tak Province

INTRODUCTION
Public trust in government is considered essential for political support. Political scientists state that a high level of public trust leads to reduced administrative costs and greater compliance by citizens with laws and regulations (Levi, 1998; Tyler, 1998). Trust in government also helps reconcile the need for political accountability and the demand for the discretionary power needed to create a flexible administration by encouraging citizens to accept expanded government authority (Kim, 2005). Indeed, trust is central to a modern society and is essential for social, political and community relations. Consequently, the notion of trust has attracted the attention of several social science researchers. To them, trust allows a government to maintain effective legitimacy and authority in decision-making and is important for good governance, the sustainability of the political system, and democratic consolidation (Christensen and Lægreid, 2005; Park and Blenkinsopp, 2011). Thus, maintaining citizens’ trust is an important political objective of any government in power.

Trust in government is stated to increase acceptance of government policies and a greater government role in certain policy areas. It continues to be recognised as a significant factor that influences public support for the expansion of government roles and policy implementation. For instance, trust will guide citizens to decide whether to support increased government spending in a particular policy area (Hetherington, 2004; Rudolph and Evans, 2005). An equally important impact of trust in governance is that it affects citizens’ support for the governance structure. When citizens have high trust in government, the government bureaucracy is considered to be the most reliable and consistent service delivery system. In contrast, if citizens do not have confidence in the government-bureaucracy system’s service delivery, market-driven structures, such as privatisation, get more support from citizens.
is, trust is inarguably important to shaping citizens’ attitude toward a government-oriented governance structure (Hetherington, 2004). In sum, trust in government has the prominent impact on the scope of government roles and service delivery structures. Most importantly, when a citizen accepts that the government is a reliable entity, that citizen’s attitudinal trust is transformed into the behavioural response called “political support” (Zand, 1982).

SEZs can be compared to their predecessors, Free Trade Zones and Export Processing Zones, in that they are aimed at stimulating foreign direct investment and rapid, export-led, industrial growth. The essential characteristic of such schemes is that they allow the bypassing of particular social legislation or tax provisions which are perceived to be an impediment to progress or the competitiveness of an export-oriented activity. For Thailand, the SEZ is a development method that has been studied for a long time. Developing an area into a SEZ aims to expand development into different areas through various economic activities as the core of the development. This brings about some investment and improvement of the quality of life of people in a specific area and other areas nearby. However, the method of developing and mobilizing the SEZ has received a clearer development direction after the National Council for Peace and Order has been managing the country. The National Council for Peace and Order issued order no. 72/2014 to appoint the Commission of Special Economic Development Zone Policy. In the meeting no. 1/2014 of this Commission on 15 July 2014, chaired by Gen. Prayuth Chan-Ocha – the head of National Council for Peace and Order – approval was given to the areas with suitable potential to be a SEZ. Among five areas that were approved, one of the most important areas is the SEZ of Mae Sot District, Tak Province.

Despite the huge approval rating for the establishment of SEZs, and their apparent success around the world, the development of SEZs has faced considerable opposition and is stalling in some cases. This resistance has arisen because of various controversial aspects regarding the establishment of SEZs. At the heart of the problem is the resistance from the communities that are directly affected. Researchers need to consider trust as an important ingredient for cooperation among stakeholders in SEZ development studies. One of the gaps in existing studies on government policies and community political support is that the majority of them have omitted trust as a key component in the structural relationship. Hence, to contribute to the existing literature, the study attempts to develop a comprehensive model and examine the underlying relationship among perceived impacts and support for SEZ development projects based on SET and the ITPT in Tak Province, Thailand.

LITERATURE REVIEW
Recent researches have shown that political trust has the potential to shape public preferences for policies and services. Many scholars have documented the relationships between trust and various attitudes and behaviour at the individual level. For example, research has demonstrated that political trust affects attitudes toward governmental policy (Hetherington and Globetti 2002; Rudolph, 2009) and can also impact individual behaviour related to governmental policy (Scholz and Lubell, 1998; Tyler and Huo, 2002). On the other hand, while many studies have focused on the uncertainty that comes with SEZ projects, there are a number of studies that explore the relationship between residents’ perceptions of the benefits and costs of development projects in other different contexts. A review of related literature indicates that two major theories are appropriate for explaining residents’ perceptions toward the impacts of transnational highway development: SET and the ITPT.
costs and benefits of relationships and their implications for relationship satisfaction. According to Cropanzano and Mitchell (2005), SET is one of the most influential conceptual paradigms in organisational behaviour.

This theory posits that ‘all human relationships are formed by the use of a subjective cost-benefit analysis and the comparison of alternatives’ (Hornspan, 1958; Kang et al., 2008). In other words, it suggests that people engage in interactions or reciprocate with other people because they expect to receive benefits or incentives from the other party (Blau, 1964) or that the interaction generates obligations between the parties (Emerson, 1976). In an infrastructure development context, it argues that residents evaluate infrastructure development in terms of its expected benefits and costs. Hence, human relationships are formed by the use of subjective cost-benefit analysis, creating mutual obligations, reciprocity or repayment over time (Cropanzano and Mitchell, 2005).

In a political context, the outcomes of a social exchange relationship between the government and citizens influence political trust. Government institutions create policies and, in return, receive trust from those individuals who are satisfied with these policies, and cynicism and mistrust from those who are dissatisfied with them. Trust is a relational construct (Markova and Gillespie, 2008) that is inherent to SET (Blau, 1964). Trust between actors (e.g. residents and government) is fundamental to the emergence and maintenance of the social exchanges between two parties (Cropanzano and Mitchell, 2005). In other words, political trust (i.e. residents’ trust in government) is the belief that the political system (or part of it) will produce preferred outcomes even in the absence of constant scrutiny. Studies on political trust are driven by the importance of linking citizens to institutions, the desire to achieve good governance, and the need to gain public support for development (Scheidegger and Staerkle, 2011). Political trust, as a result, is important because it conveys a message to the governing elite as to whether or not their policy decisions conform to the expectations of the governed.

To explain this in greater detail, trust is an important relationship and an interpersonal construct (Duck, 1997; Leonidou, Talias and Leonidou, 2008). It is a psychological state, a positive attitude toward the partner, confidence that the exchange partner will perform (Nguyen and Rose, 2009). A number of studies investigate citizens’ trust in government institutions in an attempt to build relationships that underlie economic development, ensure the legitimacy of institutions, and promote outcomes which are in the best interests of society (Gilson, 2003). Thus, for the purpose of this study, the residents’ exchange partner is the government, and we conceptualize “trust” as residents’ trust in government institutions involved in public project planning and development. Citizens’ trust in government institutions is commonly referred to as “institutional trust”, defined as confidence that political institutions will not abuse power (Lühiste, 2006).

The trust of the exchange partner (i.e. residents) in the other actor (i.e. government) is important for the emergence and maintenance of social exchanges between them (Blau, 1964). Trust stimulates cooperation, reduces risks in the transaction, enhances satisfaction, increases partners’ commitment to the exchange (Morgan and Hunt, 1994), and creates goodwill that preserves the relationship, and decreases fear and greed (Hwang and Willem, 1997). Trust between exchange partners can be generated through the regular discharging of obligations and through the gradual expansion of exchanges over time (Blau, 1964). The extent to which a partner has proven to be reliable in previous social interactions with another actor determines the level of trust between them. Trust is also determined by the expectations of one partner (e.g. residents) from another (e.g. government) in a social exchange and the extent to which the partner (e.g. government) appears benign (Yamagishi and Yamagishi, 1994). An exchange partner uses several cues, such as benevolence, and positive and negative outcomes, to assess the trustworthiness of another partner (Sheppard and Sherman, 1998).
Positive economic and social outcomes resulting from an exchange increase partners’ trust in each other and commitment to maintain the relationship (Blau, 1964). Farrell (2004) also asserts that the economic and non-material benefits resulting from an exchange relationship influence the level of trust between the actors. In a political context, Critin (1974) suggests that cumulative outcomes between political authorities and citizens determine the level of public trust in government institutions. Based on the theoretical postulates of SET and the arguments that positive and negative outcomes from an exchange influence trust, it is reasonable to extrapolate that residents’ trust in government actors may be predicted by the benefits and costs of project development. Higher perceptions of benefits will lead to higher levels of trust in government actors and, conversely, higher perceptions of costs will negatively influence trust. Based on these arguments, the following hypotheses are formulated:

**Hypothesis 1 (H1):** There is a direct positive relationship between the perceived benefits of an SEZ project and residents’ trust in government actors.

**Hypothesis 2 (H2):** There is a direct negative relationship between the perceived costs of SEZ project and residents’ trust in government actors.

### ITPT (Performance and Power)

The ITPT is based on the assumption that trust stems from the extent to which people perceive political institutions to work effectively (Hetherington, 1998, 2004). Here, trust is dependent on how people evaluate the performance of institutions with respect to their expectations (Lühiste, 2006). In development in general, citizens often hold the government responsible for policy decisions and call upon the state to improve projects or practices that affect their daily lives (Bramwell, 2011). Institutionalists who uphold this theory argue that the economic performance of government institutions is one of the strongest determinants of citizens’ trust (Mishler and Rose, 2001; 2005). Citizens trust government to the extent that its institutions produce desired economic outcomes and meet their expectations in the economic domain (Lühiste, 2006). A government’s inability to deal with economic challenges such as unemployment and poverty impinges on citizens’ trust. Moreover, the performance of government actors also covers issues such as the extent of corruption among public officials, fair treatment of citizens and the protection of their rights in development, and a democratic form of governance (Wong, Wan and Hsiao, 2011). Based on this discussion, the following hypothesis is developed:

**Hypothesis 3 (H3):** There is a direct positive relationship between residents’ perceptions of the performance of government actors and their trust in government actors.

Power is defined as the capacity of individuals to make decisions that affect their day-to-day lives (Johnson and Wilson, 2000). In general, the relationship between power and trust is considered to be complementary and opposing components of social behaviour. They function as alternative ways of controlling an exchange relationship, although with different effects. However, power is often a precondition rather than an alternative to trust (Bachmann, Knights and Sydow, 2001). Power influences trust because it influences the partners’ evaluation of the relative worth of the exchange relationship and the kinds of cooperation that take place on the basis of trust (Farrell, 2004). In other words, power inequalities create grounds for distrust and block the possibility of trust (Cook, Hardin and Levi, 2005). Farrell (2004) also argues that trust is difficult to achieve when a disparity of power exists. Hence, in the event of power inequalities resulting from the political arrangements of government institutions, political trust is hindered. A number of studies suggest that power positively influences the level of trust one actor places in the other actor in a social exchange relationship (Nunkoo and Smith, 2013). According to these arguments, it is reasonable to propose that powerful residents will have a higher trust in government actors compared to less powerful ones. Based on the above concept, the following hypothesis is developed:
Hypothesis 4 (H4): There is a direct positive relationship between residents’ perceptions of their level of political power and their trust in government actors.

Trust in Government and Political Support
According to the conventional wisdom, trust is a key component of the relationship between individuals and government institutions and is important for consensual decision-making and actions in development. Discussing the importance of public trust in government in a democratic society, Nye, Zelikow and King (1997) noted that if people believe that government is incompetent and cannot be trusted, they are less likely to provide resources. Without critical resources, government cannot perform well, and if the government cannot perform, people will become more dissatisfied and distrustful of it. Such a cumulative downward spiral could erode support for democracy as a form of governance.

In development, generally, once trust is established, people are willing to commit more time and resources to developing the relationship. Trust is not only about a set of positive expectations, but it also includes the willingness to act on those beliefs (Luhmann, 1979). These beliefs shape the attitudes and behaviour of the actors in social exchanges (Sheppard and Sherman, 1998). For example, residents rely on their trust in institutions before making judgments about the acceptability of development projects and policies (Bronfman, Vazquez, and Dorantes, 2009). Easton (1965) further notes that citizens’ trust in institutions affects their attitudes toward government policies. He further argues that if residents trust ministries, they tend to support governmental policies and keep their demands reasonable. Residents’ trust strengthens their feelings that institutions are acting fairly and are providing equitable benefits to all citizens. However, low trust in public institutions makes an activity unacceptable to the citizens (Bronfman et al., 2009). Citizens’ trust in institutions is important to achieving good governance, legitimacy and collaborative planning. A number of studies have generally reported a positive relationship between trust in institutions and political support for government policies (e.g. Hetherington, 2004). Taking into account the predictions of SET and the empirical findings from the literature, it is logical to extrapolate that residents’ trust in government actors is likely to be a determinant of their level of support for tourism development. Hence, the following hypothesis is developed:

Hypothesis 5 (H5): There is a direct positive relationship between residents’ trust in government and their political support for it.

From the above literature review, it is clear that in assessing impacts relating to transnational highway infrastructure projects on a host community, SET and the ITPT are appropriate. This is because these theories have been used predominately in several past studies and accepted as accurate predictors. In this respect, this study employs the SET and ITPT in exploring the underlying relationship among perceived benefits, costs, government performance and power by residents with trust in government and political support. Based on this assumption, the researcher developed a conceptual model for empirical testing. The illustrated model postulates that exogenous variables have direct effects on trust in government and political support by residents (endogenous variables). Specifically, the theoretical model to be tested, as shown in Fig. 1, involves six latent constructs: perceived government performance; perceived political power; perceived benefits; perceived costs; trust in government; and political support.
METHODOLOGY

Mae Sot district, Tak Province, is the research site for this study as it is the location of Tak SEZ. The study population is the household members of Mae Pa, Mae Ku and Mae Kasa sub-districts (Tambon). Specifically, this target population consists of residents who are over 18 years old in the community of these Kasa sub-districts.

The data for this study were collected by a stratified sampling method based on population size. A stratified random sample was used to reflect the diverse geographical distribution of the residential area of the community (Zikmund, 1997). First, the study areas were identified, and then the sample size of each district was determined by the proportional population of each city/town over the total population of the research area. The sample size was 400, with a sample error of 5% and a confidence level of 95% (Yamane, 1973).

The data were collected during March–April 2016 using a structured self-administered questionnaire that was hand-delivered by the authors and research teams. The interviewer gave a brief explanation of the study to the interviewee and invited them to participate in the study. To minimize possible bias due to interviewer–participant interaction, it was communicated to participants that their partaking was voluntary and anonymous and they were encouraged to state their own personal opinion as truthfully as possible. Only one person in each household was invited to participate, as people from the same household often hold similar views. As a result, 400 completed questionnaires were retained and used for subsequent data analysis.

A self-administered questionnaire was developed for the purpose of this study. The questionnaire comprised two main sections. The first concentrated on generating a demographic profile of the respondents, including district, gender, age, level of education, occupation and level of income. The second section contained statements assessing resident members’ perceptions of local government actor and the impacts that Tak SEZ may have on their community. Participants were asked to rate each statement on a nine-point Likert-type scale. A value of one denoted a negative response (strongly disagree) and a nine represented a favourable response (strongly agree). Some items were reverse coded during data entry for consistency.

To purify the scale items, the questionnaire was tested empirically using a pilot study with a series of on-site interviews (n = 30) to ensure clarity, reliability and comprehensiveness.
The pilot study allowed for the opportunity to gain feedback on the clarity of the directions, the chance to check the face validity of the statements, and to establish a baseline for the length of time needed to complete the questionnaire. Then, an exploratory factor analysis (EFA) using a principal component method with varimax rotation was performed on each construct. The purpose of the EFA was to group together correlated variables (Tabachnick and Fidell, 2001). In each EFA, attributes that had factor loadings of lower than 0.40 and attributes that loaded on more than one factor were eliminated from the analysis, as recommended by Chen and Hsu (2001). The items that remained after these steps and the results of the EFA are presented in Table 1. The measurement scales were revised based on these results and the survey was sent to the research team in Tak Province.

Respondents were requested to explain their perceptions of the benefits and costs of Tak SEZ on their community, plus their perceptions toward government performance and trust in government actors by using the nine-point Likert-type scale for each statement (1 = strongly disagree; 5 = neutral; and 9 = strongly agree). Factor analysis was conducted to assess the dimensionality of the 14 items (indicators). All exploratory factor analyses were initially performed using the principal axis factoring method and varimax rotation with Kaiser Normalization. The Bartlett test of sphericity was significant (Chi-square = 3359.318, p < 0.000) (Bartlett, 1954). The Kaiser-Meyer-Olkin measure of sampling adequacy was computed to quantify the degree of intercorrelations among the variables, and the results indicate an index of 0.839. Since the Kaiser-Meyer-Olkin measure of sampling adequacy was larger than 0.60, it showed that the use of factor analysis was appropriate (Kaiser, 1970; 1974).

Table 1 EFA (N = 400)

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Factor loadings</th>
<th>Eigenvalue</th>
<th>% of variance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived benefits of SEZ (PB)</td>
<td></td>
<td>7.64</td>
<td>39.23</td>
</tr>
<tr>
<td>1. Employment opportunities</td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Opportunities for local business</td>
<td>0.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. More investment</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived costs of SEZ (PC)</td>
<td></td>
<td>5.49</td>
<td>20.04</td>
</tr>
<tr>
<td>1. Environmental pollution</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Landloss</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Crime rate</td>
<td>0.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived government performance (GP)</td>
<td></td>
<td>3.26</td>
<td>7.67</td>
</tr>
<tr>
<td>1. Local government effectively uses</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEZ to improve the local economy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Local government is responsive to</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the needs of the residents in SEZ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>project</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived political power (PP)</td>
<td></td>
<td>2.80</td>
<td>6.77</td>
</tr>
<tr>
<td>1. Personal influence in planning and</td>
<td>0.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>development of SEZ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Opportunities to participate in</td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>planning and development of SEZ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust in government (TG)</td>
<td></td>
<td>1.69</td>
<td>5.74</td>
</tr>
</tbody>
</table>
1. Trust in decisions made by local government 0.94
2. Trust in local government officials 0.82

<table>
<thead>
<tr>
<th>SEZ Project Support (PS)</th>
<th>1.59</th>
<th>3.99</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I support Tak SEZ</td>
<td>0.98</td>
<td></td>
</tr>
<tr>
<td>2. I support the current local government in Tak SEZ management</td>
<td>0.96</td>
<td></td>
</tr>
</tbody>
</table>

For scale development, a cut-off factor loading of 0.30 and an eigenvalue greater than or equal to 1 were used (Pallant, 2007). The principal component analysis (with varimax rotation) of the 14 items resulted in a six-factor solution that explained 83.46% of the total variation (explaining 39.23%, 20.04%, 7.67%, 6.77%, 5.74% and 3.99% of the variance, respectively). Each of the items loaded strongly on one of the six factors. An inspection of the scree plot revealed a clear break after the sixth component. As a result, using Catell’s (1996) scree test, it was decided to retain six components for further investigation as the six-component solution explained a total of 83.46% of the variance.

Cronbach’s internal consistency reliability is the reliability test method most widely used in designing a reliable instrument. Nunnally and Bernstein (1994) recommended that a score of 0.7 or higher is desired reliability, while 0.6 or higher is an acceptable reliability coefficient for research in the early stage of the scale development. Cronbach’s alpha coefficients for the six factors ranged from 0.58 (lowest) to 0.81 (highest), with a total scale reliability of 0.86. This indicates that the variables exhibited a strong correlation with their factor grouping and thus were internally consistent. Table 1 illustrates the items, factor loadings and percentage variance explained for each item in the model.

### FINDINGS AND DISCUSSION

Four hundred responses from residents of the Mae Pa, Mae Ku and Mae Kasa sub-districts in Mae Sot district, Tak Province were obtained from the survey team. The data were first analysed to present a description of the participants in the study and provide a description, computed as averages, for each statement in the survey instrument. The data obtained were then subjected to a confirmatory factor analysis and the model was tested using structural evaluation modelling (SEM).

The initial data analysis finds the majority of the participants were aged 40–60 years of age – this group comprised approximately half of the total respondents. There was a roughly even distribution of men and women, with 55% for men and 45% for women. Most of the respondents were married (66.8%), while 33.3% were still single. The average income of the household surveyed reported ranged from less than 5,000 Baht a month (46.5%) to 5,001–10,000 Baht a month (37.5%). With regard to educational background, 43% of the respondents were high school diploma holders, while 38% had attained elementary education level.

### Confirmatory Factor Analysis

SEM involves the testing of a confirmatory measurement model and a structural equation model. Before testing the overall measurement model, the unidimensionality of each construct was assessed by confirmatory factor analysis using the AMOS package (Version 23) with the maximum likelihood estimation method. The fit of the indicators to the construct, construct reliability and validity were tested. Generally, the item having a coefficient below 0.3 is unacceptable, and thus should be deleted from the further analysis (Joreskog, 1993). However, none of the exogenous variables or the endogenous variable were deleted. Thus, as shown in Table 1, 14 indicators of the latent constructs for Tak residents’ perceived benefits, costs, government performance, political power, trust in government, and SEZ project support were identified.
Table 2 Goodness-of-Fit Measures for the Measurement and Structural Model (\(N=400\))

<table>
<thead>
<tr>
<th>Absolute Fit Measures</th>
<th>Incremental Fit Measures</th>
<th>Parsimonious Fit Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>(\chi^2)</td>
<td>GFI</td>
<td>RMSEA</td>
</tr>
<tr>
<td>(103)</td>
<td>0.95</td>
<td>0.040</td>
</tr>
<tr>
<td>169.55</td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>

Measurement and Structural Equation Model

The resulting measurement model (Table 2), with three constructs and 14 indicators, was derived from the confirmatory factor analysis. Three types of overall model fit measures were utilised in this study: absolute fit measures, incremental fit measures, and parsimonious fit measures. An absolute fit index directly assesses how well an a priori model reproduces the sample data. On the other hand, an incremental fit index (IFI) measures the proportionate fit by comparing a target model with a more restricted, nested baseline model (Hu and Bentler, 1995). The values for goodness-of-fit (GFI), comparative fit index (CFI), normed fit index (NFI), Tucker Lewis index (TLI) and IFI range from 0 to 1, with values greater than 0.90 indicating a good model fit (Hair, Black, Babin, and Anderson, 2010). The value of root mean-square error of approximation (RMSEA) should be less than 0.06 for a model to have a good fit (Bagozzi and Yi, 2012); however, a value less than 0.08 is acceptable (Browne and Cudeck, 1993). As Table 3 shows, the overall measurement model exhibits a good level of fit on all three types of model fits: \(\chi^2(103) = 169.55, p = 0.000\), GFI = 0.95, RMSEA = 0.040, adjusted goodness-of-fit (AGFI) = 0.93, NFI = 0.94, non-normed fit index (NNFI) or TLI = 0.98, parsimonious normed fit index (PNFI) = 0.73, CFI = 0.98, IFI = 0.98, and relative fit index (RFI) = 0.95. In other words, the result indicated that the model was a good fit to the data.

Table 3 Confirmatory Factor Model (\(N=400\))

<table>
<thead>
<tr>
<th>Construct and Indicators</th>
<th>Standardized loadings</th>
<th>Composite reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived benefits of SEZ (PB)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Employment opportunities</td>
<td>0.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Opportunities for local business</td>
<td>0.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. More investment</td>
<td>0.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived costs of SEZ (PC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Environmental pollutions</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Traffic problems</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Crime rate</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived government performance (GP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Local government effectively uses SEZ to improve the local economy</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Local government is responsive to the needs of the residents in SEZ project</td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived political power (PP)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. Personal influence in planning and development of SEZ 0.71
2. Opportunities to participate in planning and development of SEZ 0.88

**Trust in government (TG)**
1. Trust in decisions made by local government 0.77
2. Trust in local government officials 0.77

**SEZ Project Support (PS)**
1. I support Tak SEZ 0.87
2. I support the current local government in Tak SEZ management 0.90

The measurement model was further evaluated for its reliability and validity. The reliability of measurement models should also be assessed by the composite reliability and average variance extracted (AVE) of each construct. Values of composite reliability and AVE should be 0.70 or greater and 0.50 or greater, respectively. In addition, an indicator is considered to be reliable if its loading score is at least 0.50 or above (Bagozzi and Yi, 2012). As indicated in Table 3, the composite reliability and AVE scores for each construct were above the recommended threshold of 0.70 and 0.50, respectively. Also, the loading scores of each indicator were well beyond the recommended value of 0.50. These results suggested that the measurement model was reliable.

After assessing the overall model, each of the constructs is evaluated separately by examining the completely standardized loading, error variance, the construct reliability and variance extracted, as shown in Table 3. The \( t \)-value associated with each of the completely standardized loading exceeds the critical value (2.58) at \( p<0.0 \) significance level and the construct reliability of all six constructs (0.85, 0.87, 0.81, 0.77, 0.74, and 0.87) exceeds the recommended level of 0.70. After assessing the structural model, the results showed that both the structural and the measurement models had been identified. Hence, the entire model is identified.

**Results of Hypotheses Testing**
This study tested a model that predicted residents’ perceived benefits, costs, government performance and political power for SEZ project development with trust in government and political support. H1, which proposed a direct positive relationship between the perceived benefits of Tak SEZ project and residents’ trust in government actors, and H2, which proposed a direct negative relationship between the perceived costs of SEZ project and residents’ trust in government actors, were both supported (\( \beta = .24, t = 2.53; \beta = -.34, t = -2.56 \)). H3, which postulated a direct positive relationship between residents’ perceptions of the performance of government actors and their trust in government actors, was also supported (\( \beta = .49, t = 3.79 \)). Moreover, H4, which proposed a direct positive relationship between residents’ perceptions of their level of political power and their trust in government actors, was supported (\( \beta = .56, t = 5.49 \)). These results are consistent with the ITPT, which suggested that residents who perceived that they had a strong influence in decision-making were more likely to trust the government.

Moreover, the results provided support for H5, which proposed a direct positive relationship between residents’ trust in government and their support for the SEZ project (\( \beta = .64, t = 10.87 \)). This finding is consistent with the study of Nunkoo and Smith (2013). The results also suggest that Tak residents who trust local government are convinced that officials will act in the interests of the community, prompting them to support and select the same candidate again when elections come. Therefore, from a theoretical perspective, these results
provide support for SET and ITPT, as it suggested that the model explained 66% of the variance in trust in government and 41% in political support in the specific context of transport infrastructure development.

The direct positive relationship between residents’ perceived benefits and trust in government indicates that local residents believe that SEZ project will create employment opportunities, generate economic benefits for local people and business, and attract more investment in their community. On the contrary, the direct negative relationship between residents’ perceived costs and trust in government indicates that local residents believe that SEZ project will create environmental pollution, landloss and higher crime rate. On the other hand, a direct positive relationship between residents’ perceptions of the performance of government actors suggests that local residents believe that government uses SEZ effectively to improve the local economy and is very responsive to the needs of the residents. Furthermore, the direct positive relationship between residents’ perceptions of their level of political power and their trust in government actors suggests that the local residents believe that they have personal influence and opportunities to participate in the planning and development of SEZ. Lastly, the direct positive relationship between residents’ trust in government and their support for SEZ project indicates that the local residents support the current government and are willing to support it in the future as long as the government has their trust.

Fit indices: $\chi^2(103) = 169.55, p = 0.000, GFI = 0.95, RMSEA = 0.040, AGFI = 0.93, NFI = 0.96, NNFI or TLI = 0.98, PNFI = 0.73, CFI = 0.98, IFI = 0.98, RFI = 0.95$

Notes:
$\chi^2 =$ Chi-square; *$p<.01$; **$p<.001$

Figure 2 The Tested Structural Equation Model with $\beta$ Coefficients and $R^2$ Values.

CONCLUSION AND RECOMMENDATIONS
This study tested residents’ perceived impacts and the support model based on two different theories: SET and ITPT. All of the study’s findings reinforce the results of previous research. The study also provides new theoretical perspectives on the determinants of residents’ perceived benefits, costs, government performance and political power in Tak SEZ, with trust in government actors and SEZ policy support. The study found SET and ITPT to be highly relevant because the level of perceived benefits and perceived costs were found to be significant predictors of trust in government actors. However, at the moment, Tak SEZ project is in its early stages. Hence, it is possible that the local residents have yet to realise the true benefits and costs of Tak SEZ. To sum up, this research demonstrates that the perception of benefits, costs, government performance and political power are important determinants of trust in government and political support within the development context.
The study clearly shows that residents’ trust in government actors and their level of political support are complex issues that are determined by several factors. A single theory is unlikely to provide a comprehensive understanding of residents’ trust and political support for the Tak SEZ project. Based on the results of this research, future researchers are urged to avoid using a single theoretical perspective when investigating public trust and support for local development and planning. Adopting more than one theoretical perspective in such studies is likely to provide a broader and deeper analysis of findings, prevent premature acceptance of plausible explanations, increase confidence in developing concepts or constructs in theory development, and reduce potential biases in and improve the credibility of research findings.

While the findings suggest trust is a key ingredient of a democratic and sustainable development, more rigorous testing of the model is required with different samples. In addition, researchers should further identify and examine other factors that may influence local residents trust in government and political support in the SEZ project context, such as government competency, openness and transparency, bureaucratic politics and political ideology. The integration of these constructs into the model might help researchers and practitioners further grasp the factors that influence local residents support for SEZ projects.

REFERENCES


FACTORS ASSOCIATED WITH DELINQUENCY: AN ANALYSIS OF WHAT CONTRIBUTES THE MOST TO DELINQUENT BEHAVIOR IN SCHOOL

DR. SARWAT SULTAN¹ AND FRASAT KANWAL

ABSTRACT
This study was designed to identify the greatest risk factors associated with delinquent behaviour among school children: 468 students aged 13–15 years completed measures of parental involvement, family conflict, involvement in school, classroom climate, victimization, and television violence. Regression analysis demonstrated that low parental involvement (B = -.17, p > .05), high family conflict (B = 21, p > .01), involvement in school (B = -.26, p > .001), classroom environment (B = -.31, p > .001), high victimisation (B = .28, p > .01) and TV violence (B = .20, p > .01) were significant predictors of delinquent behaviour. However, the classroom environment was identified as the leading predictor (R² =.33, p > .01) for delinquent behaviour at school. Considering the present findings, it appears essential that classroom environment should be examined extensively in respect of its effects to decrease delinquent behaviour.

Keywords: delinquent behaviour, parental involvement, family conflict, classroom climate, victimization

INTRODUCTION
The initial five years of a child’s life is a strong determinant of behaviour, attitude, personality traits, etc.; when these characteristics are merged with child’s environment then there is possibility that the child may become delinquent due to exposure to certain risk and protective factors. However, it is also difficult to identify these risk factors. Though there is no magical way to prevent or correct child delinquency, to prevent delinquent child from becoming criminal it is essential to identify risk and protective factors associated with delinquency (Wasserman et al., 2003).

*The Latin root from which* “delinquency” is derived means “to omit”. The term delinquency is not only related to illegal acts; it includes all the problematic behaviour of children that forces them to take pleasure or remove sources of irritation without controlling their natural impulses, ranging from disrespecting the teacher, hostile behaviour towards class fellows and peers, stealing, fighting, bullying or victimising others, and this attitude leads to criminal activities such as offensive acts and robbery, even murder (Gottfredson, 2001). Gottfredson and Hirschi (1990) stated that even though the behaviour is according to the law it ought to be considered as delinquency if disobedience, troublemaking, use of force or deception and causing harm to others or oneself, are involved in the behaviour.

Children consider their parents as their models. According to Simons, Whitbeck, Conger and Conger (1991), for children the major source of admiration and reinforcement is their parents. Thus, if parents display a negative attitude then there is a possibility that their child copy their parents’ negative behaviour too and will also make generalisation of this act in their behaviour towards the rest of the people. Parents have greater impact on their child attitude. Through childrearing parents’ behaviours are shaped and moulded according to society’s norm and values. Certain parenting practices have a greater influence on child

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behaviour, such as parental support (Barnes et al., 2006). In parental support, a child is praised, encouraged and given affection; the child is given value and love. Many researchers have suggested that parental support attaches the juvenile to its institutions and also helps it to develop self-control (Barnes et al., 2006). Thus, deviant behaviours will be hindered through self-control.

Peer association is greatly affected by parenting quality. Parents are also capable of influencing their child’s choice of peer relationship. Child association with a deviant peer is influenced through efficient monitoring and discipline (Simons et al., 1991). Parents can keep a record of their child’s location through effective supervision. Effective supervision and discipline also make parent–child bonding stronger. A child values a parent’s opinion regarding their friends if that child is close to its parents. Forceful parenting weakens the parent–child bond. Youth externalises a higher level of problem when their bond with parents is weakened through parental conflict (Buehler, 2006). Parents’ divorce may cause child externalisation of problems, e.g. a child fights with a peer might be a result of anger caused by the divorce of the parents. These externalisations of issues may lead a child towards deviant behaviour.

Usually child delinquency is a developmentally later influenced by peers as compared to family and individual influences. For example, even before joining school aggressive and disruptive attitude is shown in many children. However, an association with deviant peers and peer rejection are the main sources of peer influence in delinquency. In social science, socialisation is the main concept and after the family, school is the most important socialising agent. Thus, delinquency on the individual, family, peer-group, school, community and society is associated with negative factors related to school.

On an individual level, aggression, impulsivity, a lack of self-control and conduct problems are predicted by failure and successes in school. Low level of IQ in verbal tests, a weak performance in school and a lack of emotional intelligence (Lynam, Moffitt and Stouthamer-Loeber, 1993; Schutte et al., 1998) may cause delinquency in school. Educational and behavioural issues in school can also be caused by perinatal complexities, physical distress to infants, small physical defects and brain injuries (Hawkins, Farrington and Catalano, 1998).

Violence in adolescence can result from poor family organisation practices such as a lack of supervision and monitoring, unkind and unfair punishment, unclear expectations of parents towards children, hostility in the family, and insulting or careless parenting (Hawkins, Farrington and Catalano, 1998). On a peer level, the major factors leading towards delinquency are peer rejection or interaction with delinquent peers, disobedience and positive attitude for violence, for example, learning violent norms and values, or fighting for status in school group (Hawkins, Farrington and Catalano, 1998).

On school level delinquency can be caused by extremely departmentalised institutions where there is a lack of purposeful interaction between student and teachers, and where teachers are only concerned with the subject and there is a lack of responsibility towards non-subject elements (Gottfredson, 2001). There are also other risk factors that contribute to delinquency, such as huge schools, having no discipline, rule and regulation are not followed consistently, and illogical and unwanted disciplinary reinforcement of rules. In schools where there are high levels of completion, a lack of rewards and unjust allocation of rewards, students may then experience aggression if they fail to achieve rewards. Where educational syllabi and teaching are not associated with the needs and wants of the students, and when they also think that they cannot have control over the things which influence them, then higher levels of violence are observed in students (Gottfredson, 2001; Stewart, 2003).

Considering delinquency on a community level, the factors and characteristics of community determine the school climate. Withdrawal from school, problematic behaviour and an increase in delinquency is affected by concentrating on educationally and socially deprived
students (Maguin and Loeber, 1996). Delinquency is also increased when a school is in a disorganised community and there is lack of social values, bonds, normative atmosphere and teacher satisfaction (Gottfredson, 2001; Sampson, Raudenbush and Earls, 1997).

**METHOD**

**Participants**

This study was completed with a sample of 468 male school students aged 13–15 years (mean = 14.09, SD =1.02), who were randomly recruited from six public elementary schools in Multan.

**Measures**

All the study participants provided data on six measures (Dahlberg et al., 2005). Parental involvement was assessed using 18 items measuring three dimensions: Parent Involvement with Child’s Schoolwork (PICS) (items 1, 2, 3, 4, 5, 6 and 7); Parent Involvement with Teacher/School (PIT/S) (Items 8, 9, 10, 11, 12 and 13); and Teacher Involvement with Parent (TIP) (Items 14, 15, 16, 17 and 18) rated on 0–4 scale indicating “Never” to “Very often”. Prosocial involvement in school was measured with nine items evaluating the perception of students in terms of how many opportunities and rewards are accessible in their school. Items are rated on 1–4 options: very true to very false. Higher scores indicate greater opportunities and/or rewards for prosocial involvement in school. Classroom climate was assessed with 18 items rated on 1–4: “strongly disagree” to “strongly agree”. Classroom climate quantified three subscales measuring student–student relationship (SSR), student–teacher relationship (STR), and awareness/reporting (A/R). Victimisation and aggression factors were evaluated with 11 items rated on 0–6 items. These items assess the frequency of being victimised (six items) or displaying self-reported aggressive behaviours (five items). Family conflict and hostility was measured with three items rated on 1–4: “Often” to “Never”. A higher score indicates a higher degree of hostility and conflict within the family. TV attitudes were assessed with six items rated 1–5, indicating “very harmful” to “not at all harmful”. Higher scores explain the notion that violence presented on TV is realistic and harmless for children.

**Procedure**

After obtaining institutional permission, parents’ consents, and respondents’ willingness, the data were collected during the class time with the help of teachers. Students were provided comfortable testing environment and clear instructions about the response style on each questionnaire. Confidentiality of the responses was assured to both teachers and students. Results were analysed on SPSS-21.

**RESULTS**

The hypothesized model was analysed by computing zero-order correlation among independent and dependent variables (Table1); and a series of ordinary least squares regression analysis to measure the expected prediction from independent factors for dependent variable of delinquent behaviour.
TABLE 1: DESCRIPTIVE STATISTICS AND CORRELATIONS AMONG STUDY VARIABLES

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<td>12 TV Violence</td>
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<td>13 Delinquent</td>
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*p>.05, **p>.00

Analyses of correlation index (Table 1) depicted the means, SD, and inter-correlation coefficients among all variables of study. Descriptive analyses indicated the higher mean score on victimisation, aggression, family conflict and delinquent behaviour. Analysis from zero-order correlations shows the significant positive association between victimisation, family conflict, aggression, TV violence and delinquency; delinquent behaviour is found significantly negatively connected with dimensions of parental involvement, school involvement and classroom environment.

TABLE 2: REGRESSION ANALYSIS FOR PREDICTION FROM SIX CATEGORIES OF FACTORS FOR DELINQUENT BEHAVIOR

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<th>Predictors of Delinquent Behaviour at School</th>
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<td>Parent Involvement with Child’s School Work</td>
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<td>Parent Involvement with Teacher/School</td>
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<td>Teacher Involvement with Parents</td>
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<td>Opportunities</td>
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<td>Reward</td>
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Ordinary least squares regression analyses (Table 2) tested the prediction using six factors of delinquent behaviour. To test the hypothesised model, six models of predictors were analysed by entering one model at a time. Model 1 presented the prediction from first category of predictors: parental involvement. Model 1 indicated 17% variance in delinquent behaviour as whole. The second category of predictors of involvement in school was entered in Model 2. Model 2 explained 21% of the change in delinquent behaviour. Likewise, Models 3, 4, and 5 – classroom climate, victimization, family conflict, TV violence – were added one by one in the analysis and increases of .33, .27, .21, and .19 in R-square were found that explained the 33%, 27%, 21% and 19% of variance in delinquent behaviour at school, respectively.

**DISCUSSION**

Family and parenting both have been considered more significant in child development. Previous studies have identified various factors that contribute towards delinquency. The present research is also an extension of exploring the factors that contribute most to the delinquent behaviour at school. We included six different factors in this study: parenting involvement, involvement in school, classroom climate, victimisation, family conflict, and TV violence.

Findings from the regression analysis related to parental involvement which was entered first in the Model 1 suggested that inadequate parental involvement is a significant predictor of delinquent behaviour at school. These findings are in line with the previous work of Hawkins et al. (1998), who identified poor parenting practices as the most powerful indicator of a child’s antisocial behaviour. In particular, three parental behaviours are linked to early conduct problems that later result in delinquency: (1) poor parent-child relationship; (2) poor control; and (3) poor parental involvement (Wasserman et al., 1996). The findings of the present study affirmed the findings of the work by Hirschi (2002), who demonstrated that low control from parents and poor parental involvement increased the tendency towards developing delinquent behaviour in a child at school. Families where children engaged in conflicts of discipline develop more conduct problems than those children who brought up in families where they do not become part of conflicts (Wasserman et al., 1996). These findings also confirmed the present findings of Model 4.

According to Maguin and Loeber (1996), inadequate bonding to school during childhood is a leading factor in delinquency. The present research also presents consistent findings. A child’s poor performance in learning at school is a risk factor of developing delinquency. A meta-analysis of more than 100 studies examining the association of poor involvement in school activities and poor academic performance with delinquency has been found associated with the prevalence, onset, frequency and seriousness of delinquency (Maguin
Children who have poor involvement in school and have weak bonding and low commitment to school show poor academic motivation and become delinquent later in their school (e.g., Hawkins et al., 1998; Le Blanc, Coté, and Loeber, 1991). The findings of the present study also report similar findings from Model 2 that are consistent with work of Le Blanc et al. (1991), who found that male students engaged in delinquency are poorly committed to their school and have more tendency towards “shorter plans” for their schooling.

Models 3 and 4, depicting the findings related to classroom environment and victimisation, also present a significant role of poor student–student relationships, student–teacher relationships and awareness in delinquent behaviour. The study indicates that when students do not experience positive feelings toward their school, they become deviant (Dornbusch et al., 2001). Teachers and parents with poor relationship with the child/student cannot teach them pro-social values and students face problems in school learning. Their fellow group also show a rejection towards them and do not engage in healthy relationship with students (Simons et al., 1991). Our findings also have suggested that poor involvement in school leads to delinquent behaviour among school children.

Another important finding related to television violence from Model 6 demonstrate that viewing TV violence has an impact on the child’s behaviour. Some studies have also reported that antisocial behaviours, such as violence, is learned after viewing violence on TV (Anderson, Gentile, and Buckley, 2007; Loeber et al., 1998). For instance, Huesmann and Miller (1994) provided that a child who is more exposed to TV violence at age eight was found more involved in aggressive behaviours and was found to prefer the more violent programs on TV than the other children.

Though all the factors have been found significant factors in terms of delinquent behaviour at school, the main objective of exploring the one most significant contributing factor amongst the all factors revealed that classroom environment plays an important role in the prevalence and frequency of delinquent behaviour at school. The R² (.33**) and adjusted R² (28) show a greater variance in delinquent behaviour as compared to the other factors.

CONCLUSION
This study has added significant findings to the literature available on factors of delinquency. Nevertheless, the significant element of parental involvement, prosocial involvement in school, victimisation, aggression, family conflict and television violence has been affirmed by the findings of the present study, but the greatest contributing factor to delinquency is classroom environment. Poor student–student relationships, inadequate student–teacher relationships and less awareness/reporting lead to delinquent behaviour at school.

IMPLEMENTATION
Some aspects of children’s behaviours, such as temperament, are established during the first five years of life. This foundation, coupled with children’s exposure to certain risk and protective factors, influences the likelihood of children becoming delinquent at a young age. However, the identification of these multiple risk factors has proven to be a difficult task. Although no magic solutions exist for preventing or correcting child delinquency, identifying risk and protective factors remains essential to developing interventions to prevent child delinquency from escalating into chronic criminality.

REFERENCES


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ECONOMIC WELLBEING AND INCLUSIVE EDUCATION POLICIES IN FRANCE AND THE UK

CATHERINE CORON

ABSTRACT

The conclusions of an OECD report published in 2015 suggest that France has to be more effective in its educational inclusion policies to comply with the requirements of the Constitution of the World Health Organization, adopted as early as 1946.

This paper begins by scrutinising the diverse meanings of inclusive education and related policies implemented in the United Kingdom and France through a comparative analysis of the recent literature and the various definitions, laws and best practices of inclusive education. The central aim is to find the links between inclusion and economic wellbeing in the economic, social and cultural contexts of the two countries.

The second part analyses the various policies implemented recently to determine the main characteristics, the differences and the similarities, and the economic challenges in terms of wellbeing. The final goal is to discover how to improve inclusion and wellbeing in both countries.

Keywords: Inclusive education / economic wellbeing

INTRODUCTION

This paper is part of a broader research project that began in 2012, comparing economic wellbeing definition and measure in France and the UK. After having worked on measuring subjective wellbeing in the workplace and its impact on people’s health, a new question appeared regarding the extent to which disabled people’s wellbeing was measured and taken into consideration. The study of inclusive education thus appeared as the first necessary step in this comparative study. Even if inclusive education deals with other categories than disabled persons, the aim of this article is to focus on this specific group to study how disabled people can be included in society as a whole, and how they can gain access to our economic system and to economic wellbeing.

The central issue will therefore be to identify how inclusion and economic wellbeing are linked by adopting a comparative perspective between the French and British cultural contexts. To answer this question, a semantic approach was chosen, which led to the analysis of the different discourses about inclusion in the two countries. The meanings of the main terms used were compared, as well as the various contexts in which they were used. The different regulations under which they operated were then scrutinised. Finally, the need to assess the subjective wellbeing of children with special educational needs was examined in the perspective of the results of a recent broader survey carried out in the workplace.

FRENCH AND BRITISH MODELS OF INCLUSION

Inclusion: Perspectives and Cultural Contexts

Inclusion, Integration, Exclusion

It is interesting to notice note that the French term has been translated directly from the English: “inclusive education”. Plaisance et al. (2007, p. 159) make the following comment:

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“Inclusion is rarely used in French to refer to processes involving individuals. On the contrary, in English it is often matched with the expression “inclusive education”, which is more and more used by the international organisations.”

It seems that the meaning of the term and the way it is used varies in the two countries. Inclusion tends to be associated with education referring to educational organisations in the UK; in France, in contrast, inclusion is more linked to the individual’s rights and his social status.

In the UK, for Ainscow (2005, p. 14) “there is still considerable confusion about what inclusion actually means”, and the source of this confusion may be the fact that central government policy statements refer to different notions. For instance, “Social inclusion has been associated mainly with improving attendance and reducing exclusion from schools”. On the other hand, “inclusive education” is mentioned in national guidance literature and refers to the rights of children with special educational needs to be educated in mainstream schools. Finally, Ofsted, the British inspection agency, has coined the expression “educational inclusion”, “noting that ‘effective schools are inclusive schools’” (Ainscow, 2005, p. 14). A 2001 report for Local Education Authorities (LEAs) on inclusive schooling also mentioned the development of “effective inclusion” as one of its “key principles” (LEA, 2001, p. 2).

To clarify the notion of inclusion, therefore, Ainscow decided to refer to the LEA definition. This may differ from one local context to another, but there are some common features: inclusion is a never-ending “process” to find better solutions to respond to diversity; inclusion is “concerned with the identification and removal of barriers”; and inclusion is “about the presence, participation and achievement” of all children.

Social and Educational Inclusion vs. Integration

According to Plaisance et al. (2007), the terms “inclusion” and “inclusive education” in France are often understood as welcoming structures and practices which would simply put disabled pupils within ordinary school backgrounds without any reflection on the necessary conditions required to achieve this. They usually refer to “a school for all”. In the United Kingdom, the term “integration” is usually used to speak about this mere physical attendance, whereas the term “inclusion” implies a full and total sense of belonging to the school community. Furthermore, in the countries which have adopted the “inclusion” terminology, such as the United Kingdom, some practices seem closer to integration (Plaisance et al., 2007, p. 159–160).

The meaning of “inclusion” differs depending on the angle of approach: whether you are a parent, a teacher, a disabled child, the government, or an organisation. And the goals of each of these parties may sometimes be contradictory. Some parents want their child to go to a mainstream school, while others prefer to send them to special institutions.

The development of inclusive education which appeared in the 1980s became an opportunity to put aside the “essentialist perspectives which defined [before the 1960s and 1970s] social inclusion difficulties caused by disability as a problem or a deficit rooted in the individuals: disabled children then found themselves in a situation where they were excluded from any kind of social life” (Bélanger, 2010). With inclusive education, “the difficulties do not come from the individual anymore, but they must be understood according to the situation, in the interaction located in a very precise context”. For Plaisance et al. (2007, p. 160), the notion of an inclusive school is first and foremost based on an ethical principle: that of the right for any child, whoever he is, to go to an ordinary school. Inclusion thus has to be understood as the opposite of exclusion, or the act of setting apart some categories of children depending on their characteristics.

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2 In French, « Le vocabulaire de l’inclusion n’est guère utilisé en français pour désigner des processus concernant des personnes. Il est au contraire courant en langue anglaise, souvent couplé à l’expression éducation inclusive, de plus en plus adoptée dans les organismes internationaux. »

3 « L’école pour tous ». 
In the UK, “disabled children” are now referred to as “children with Special Educational Needs”, a much wider group that also includes such categories as migrant children. Here, what Michael Oliver calls “the role of language” plays a major role (Oliver, 1996, p. 31). It was the 1978 Warnock Committee that chose to adopt the term “Special Educational Needs, or SEN for short” as a generic description of all forms of learning disability. In 2005, Lady Warnock herself criticised this change:

The idea of transforming talk of disability into talk of what children need has turned out to be a baneful one. If children’s needs are to be assessed by public discussion and met by public expenditure, it is absolutely necessary to have ways of identifying not only what is needed but also why (by virtue of what condition or disability) it is needed … the failure to distinguish various kinds of need has been disastrous for many children (Warnock, 2005, p. 20).

We may also take the example extracted from a questionnaire issued by the Office for National Statistics (ONS) in the United Kingdom in the 1980s. Instead of the question “Do you have any scars, abnormalities or deformities which restrict your daily activities?”, the authors decided to rephrase it as “To what extent does other people’s reactions to your scars, abnormalities or deformities restrict your daily activities?” (Oliver, 1990 quoted in French by Bélanger, 2010). Inclusion is an invitation to change our perspective, our vision and the way we look at other people as well as ourselves.

The school’s institutional context with its norms and expectations sometimes prevents us from changing our perspectives and angles of approach. For instance, when a classroom for autistic pupils was opened in a private Parisian school, the new pupils were only accepted for a “renewable one-year trial period”. The reason given for this was the will of the school management team not to disappoint parents and also to be sure to get full support from the teachers by leaving the choice with the educating team and not to decide for them, as is often the case in French public schools (Bélanger et al., 2010, p. 73). In the United Kingdom, the highly competitive context at school may also be an obstacle to inclusion. For Nathalie Belanger, a Canadian researcher, integration is more common in France and is defined as follows:

Integration aims at finding the best place for a pupil with special needs and takes for granted the fact that he is responsible for the problem, whereas inclusion’s goal, at least theoretically, is to question and redesign all the school facilities so that all the pupils may have the optimal learning and recognition conditions (Bélanger et al., 2010, p. 73).

Different visions of inclusion exist in France and in the United Kingdom. In France, the main idea is to include so as not to exclude, and integration is more referred to in the official discourse as well as the child’s individual rights. In the United Kingdom, in contrast, we find many different references to inclusion which sometimes do not correspond to the same notion. The vision of inclusion is blurred by a variety of names and interpretations. In both countries, however, inclusion implies a necessary reflection on the way school is organised. With the intention of getting a clearer picture of inclusion in each country, we will begin a comparative survey of its definitions.

A Comparative Study of the Definitions of Inclusion

Here are two French definitions for the notion of inclusion. The first comes from a dictionary of education and training:

The term “inclusion” refers to the assertion of the rights of any person to gain access to the different common institutions intended for all, whatever their potential peculiarities may be. The expression “educational inclusion” also applies to all children, and more particularly to those who are handicapped or who have “special educational needs”, and who are considered
as having the right to go to the school of the place they live in, and even to mainstream school, and to take part, in the same way as others in educational activities (Champy et al., 2005).

It is interesting to note a reference to inclusion as a right in this definition, and also to “special educational needs” which imply the possibility of attending a special school as “a right to an education which answers the specific needs of handicapped children and youngsters” (Zay, 2012a). This definition summarises the French view on the meaning of this notion and is consistent with the previous one.

The first British definition was taken from the Office for Standards in Education (OFSTED), whose role is to assess schools:

OFSTED defines an educationally inclusive school as ‘one in which the teaching and learning, achievements, attitudes and well-being of every young person matter.’ In order for a school to be satisfactory or better, it must be, “inclusive in its policies, outlook and practices”. OFSTED inspections also assess how well a school reaches out to all its learners and the practical steps schools are taking in and out of the classroom in order to take account of pupils’ varied life experiences and needs (DfES, 2001, p. 5).

The second definition is part of an index:

Inclusion involves change. It is an unending process of increasing learning and participation for all students. It is an ideal to which schools can aspire but which is never fully reached. But inclusion happens as soon as the process of increasing participation is started. An inclusive school is one that is on the move (Booth et al., 2002, p. 3).

The last definition is also part of a paper:

Inclusion is right for most children but not all. Some children’s needs are so specific that catering for them in a mainstream setting would be difficult. Inclusion is ideal when both parents and practitioners are fully aware of the disabled child’s needs and are able to provide the support and resources to meet these needs. The needs of the child are paramount – whatever the policy (Nutbrown et al., 2005).

All these definitions come from researchers in France and in the United Kingdom, except for the OFSTED definition, which comes from an institution. They portray different interpretations. The French ones focus more on children’s rights and the need to answer their “specific” educational needs, whereas the British definitions highlight the need for special educational “practices” and the fact that inclusion is a “process of change” that impacts the whole educational system, and totally denies the fact that it is a right for all. Only one of the British definitions mentions the necessity of taking the child’s wellbeing into consideration when measuring inclusion. Inclusion is considered as a model, an ideal to be reached. The UK schools’ mission is to implement educational practices and use all their resources to answer children’s special educational needs and improve their wellbeing. In France, mainstream education for all is the main objective of inclusion; conversely, in the United Kingdom, inclusion is considered as a choice will consider the choice between a mainstream and a special school, depending on the specific needs and wellbeing of each child.

A Question of Principles

The study of the founding principles of inclusive education will enable us to better understand the differences in the way inclusion is understood in the United Kingdom. They can be found in the documents of the Department for Education published for the implementation of the 2001 Act:

**Principles of an inclusive education service**

Inclusion is a process by which schools, local education authorities and others develop their cultures, policies and practices to include pupils.

With the right training, strategies and support nearly all children with special educational needs can be successfully included in mainstream education.
An inclusive education service offers excellence and choice and incorporates the views of parents and children. The interests of all pupils must be safeguarded.

Schools, local education authorities and others should actively seek to remove barriers to learning and participation.

All children should have access to an appropriate education that affords them the opportunity to achieve their personal potential.

Mainstream education will not always be right for every child all of the time. Equally just because mainstream education may not be right at a particular stage it does not prevent the child from being included successfully at a later stage (DfES, 2001, p. 2).

These principles underline the fact that the goal of an inclusive educational policy is to enable all children to “have access” to education and training. They focus on the strategy of the educational policy and specify that mainstream education will be suitable for “nearly” all children with SEN. On the other hand, in France, inclusive education is seen as the universal right to go to mainstream school. The process is more likely to be grounded in legislation and it is the whole educational system which has to be changed (Zay, 2012, p. 3). Children are considered as being “all able” according to the “principle of everyone being educable” (Zay, 2012, p. 4).

In the United Kingdom, probably under the influence of the neo-liberal model of capitalism, the individual and specific dimension is more significant than the legal one. This model is ruled by the search for added value, short-term profit, and individual success, and favours competition.

What About Wellbeing?
The link between inclusive education and wellbeing also has to be explained. As we saw in its definition, the goal of inclusion is to secure and guarantee the wellbeing of children with SEN, and at the same time meet their educational needs. This was clearly mentioned in OFSTED’s definition mentioned previously.

An accurate definition of economic wellbeing was put forward by Alfred Marshall:

Political Economy or Economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of wellbeing…Thus it is on the one side a study of wealth; and on the other, and more important side, a part of the study of man (Marshall, 1890, p. 1.1.1).

There is a clear reference to humanism in “the study of man”, and economics has to take into account “the material requisites of wellbeing” as one of its main objectives. Inclusion is part and parcel of the study of man, and its goal is to increase the wellbeing of handicapped children.

Economic wellbeing is still in the process of being defined (Coron, 2017, p. 69). However, a report from the WHO provides interesting elements for analysing wellbeing, in a comparative perspective, in France and Great Britain. It does not mention any precise social, cultural or economic definition, but rather suggests the following framework: “Well-being exists in two dimensions, subjective and objective. It comprises an individual’s experience of their life as well as a comparison of life circumstances with social norms and values” (WHO, 2013, p. 3). One of inclusive education’s goals should thus be to enhance both children’s objective and subjective wellbeing.
Inclusive Educational Policies

Regulation

In France
In 2002, Jacques Chirac decided to make the social inclusion of handicapped persons one of the three priorities of his term as French president. This action showed a desire to reinforce national cohesion and bring more justice to care more for the most vulnerable ones. Three years later, an Act was passed on 11 February 2005 aiming at promoting the equality of rights, opportunities, participation and citizenship of handicapped persons. It focused on the right of all to participate in mainstream education to experience continuous and appropriate learning. This inclusive policy was articulated around the development of the following actions: improving accessibility in all fields of social life (education, employment, transport, etc.), the right to receive a compensation for all the expenses resulting from the consequences of their handicapped situation, and the development of participation and proximity thanks to the creation of the “Maisons Départementales des Personnes Handicapées” (M.D.P.H).

In the United Kingdom
In 1993, section 160 of the Education Act (and later section 316 of the 1996 Education Act) ratified the fact that children with special educational needs must attend mainstream education if their parents wish it. The difference between this and the French regulation is that the decision is left to the parents. Furthermore, official documents in the UK often denounce the ability of mainstream educational institutions to satisfy these special needs.

In 1995, the Disability Discrimination Act tried to prevent discrimination at work with an attempt to define this notion.

In 1997, the British government published a report entitled Excellence for All: Meeting Special Educational Needs, which started developing educational inclusion via special schools. Then, in 1999, came the publication of the report From Exclusion to Inclusion, recalling the “strengthened right for parents of children with statements of special educational needs to a place at a mainstream school” (see section 324 of the 1996 Education Act).

The 2001, the Special Educational Needs and Disability Act set up inclusion both in mainstream education and special schools depending on the parents’ wishes. Finally, on 1 October 2010, the Equality Act 2010 replaced all existing equality legislation, including the Race Relations Act, the Disability Discrimination Act and the Sex Discrimination Act. It consolidated this legislation and also provided some changes that schools needed to be aware of, although it dealt more with discrimination than with educational inclusion.

The study of all these regulations in the two countries confirms the previous conclusions regarding the prominence of the legal dimension of inclusion in France, and the insistence on the freedom to choose between mainstream and special schools in the United Kingdom.

The Various Educational Practices
The United Kingdom implemented differentiated learning and educational practices, such as setting targets to be reached by pupils that were adapted to pupils’ abilities, which made it possible to reduce the very competitive context of the British educational system (Coron, 2016, p. 9). As in France, a tracking of educational blockage and difficulties was also set up that requires attentive listening to identify the needs and communicate efficiently (DfES, 2001, p. 6).

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4 “Regional Houses for Handicapped Persons”.
The Impact of the Policies

The Evolution of the Number of Children with SEN Educated at School

The following graph, taken from the 2007–2016 school census, provides a quantitative assessment of British inclusive educational policies by measuring the evolution of the percentage of students with special educational needs over the period:

Graph 1. Number of pupils with SEN (2007–2016)

Source: DfE, 2016, p. 5

The number of pupils with SEN has considerably decreased in the United Kingdom. It went down from 18.3% in 2010 to 11.6% in 2016. Interestingly, there is no explanation for this decrease in the official comments on governmental statistics. This decrease could show the failure of inclusive education policies in the United Kingdom, even if the percentage of the number of children detected and accompanied remained stable at 2.8%.

On the contrary, in France there was a 25% increase in the number of children with SEN educated in mainstream schools from 2002 and 2016, and a 50% increase in the number of accompanying staff during the same period (Ministère de l’Éducation nationale, 2016).

Percentage of pupils by school type

These remarks are confirmed by the following table, which presents the percentages of pupils by school type, introducing a difference between state-funded and special schools.

Table 1. Percentage of pupils with a statement or EHC plan by type of provision (England 2010–2016)

<table>
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</thead>
<tbody>
<tr>
<td>Maintained nursery</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
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<tr>
<td>State-funded primary</td>
<td>25.8</td>
<td>25.8</td>
<td>25.9</td>
<td>26.0</td>
<td>26.2</td>
<td>26.2</td>
<td>25.5</td>
</tr>
<tr>
<td>State-funded secondary</td>
<td>28.8</td>
<td>28.4</td>
<td>27.7</td>
<td>26.9</td>
<td>25.7</td>
<td>24.6</td>
<td>23.5</td>
</tr>
<tr>
<td>Maintained special</td>
<td>38.2</td>
<td>38.7</td>
<td>39.0</td>
<td>39.6</td>
<td>40.5</td>
<td>41.4</td>
<td>42.9</td>
</tr>
<tr>
<td>Pupil Referral Units</td>
<td>0.9</td>
<td>0.8</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Independent</td>
<td>4.2</td>
<td>4.3</td>
<td>4.7</td>
<td>4.9</td>
<td>5.1</td>
<td>5.3</td>
<td>5.7</td>
</tr>
<tr>
<td>Non-maintained special</td>
<td>2.0</td>
<td>1.9</td>
<td>1.9</td>
<td>1.8</td>
<td>1.7</td>
<td>1.6</td>
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</tr>
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</table>

Source: DfE, 2016: 6

The figures show an increase in the number of pupils attending maintained special schools from 38.2% in 2010 to 42.9% in 2016. The percentage remained stable for state-funded
primary schools, but decreased for state-funded secondary schools. The overall trend seems to be more favourable to special schools, which again may be a sign of a failure of the United Kingdom’s inclusive educational policies.

**The different types of needs**

This last chart presents the percentage of pupils with each primary type of need, who are either on SEN support or have a statement or EHC plan in a state-funded primary, secondary or special schools in England in 2016.

**Chart 1. Percentage of pupils with each primary type of need**

Pupils who receive SEN support (in blue on the chart) usually have moderate learning difficulties. 26.8% belong to the “moderate learning category”, and 20.9% have speech, language and communication needs. Those benefitting from a statement or EHC plan have more severe learning difficulties than those with SEN support: 25.9% have autistic spectrum disorder and 13% have a severe learning difficulty. On the whole, this chart shows that most pupils with severe learning difficulties (including nearly three quarters of pupils with autistic spectrum disorders) do not attend primary or secondary mainstream schools. In France, the majority of pupils with SEN attending mainstream school have cognitive function troubles (45%), and only 2% of pupils with visual troubles are included in the educational system (Blanc, 2011, p. 14). The two situations are difficult to compare, because the British have a learning classification while the French class by pathology.

According to the Centre for Studies on Inclusive Education (CSIE), inclusion policies for children with SEN began in the 1980s, and different successive governments have been criticised for “inadequately resourcing this policy, for lack of political will to enforce it and for maintaining a legal framework which renders inclusive education inaccessible to some learners” (CSIE, 2015).

In both countries, the development of inclusive education is slowed down by the fact that most schools do not have the trained teachers, structure and equipment to take care of children with SEN. The subjective wellbeing of children with SEN is very often forgotten: they have to manage with the stress caused by mainstream or specialised schools, which can decrease their level of wellbeing. A very interesting empirical survey would be to measure and compare the level of subjective wellbeing in each type of school.
Perspectives for Further Research: Measuring the Impact of Health on Wellbeing

The need for this empirical approach is confirmed by the findings of another empirical study trying to measure wellbeing at work, and more particularly the impact of health and stress levels on work satisfaction. What is true for workers with no handicap will be even more accurate for handicapped workers. In the 2014 survey, the chi2 statistical tests we conducted have revealed that wellbeing at work highly depends upon a worker’s health or stress levels. And so, the results of a survey measuring subjective wellbeing could give an indication of its level for children with SEN at school.

Table 1. Health and Wellbeing at Work in France

![Bar chart showing health and wellbeing at work in France](image)

Source: Survey carried out in 2014 by Catherine Coron and Louise Dalingwater Statistical exploitation by Jean-Luc Coron

Table 2. Health and Wellbeing at Work in the United Kingdom

![Bar chart showing health and wellbeing at work in the UK](image)

Source: Survey carried out in 2014 by Catherine Coron and Louise Dalingwater Statistical exploitation by Jean-Luc Coron

CONCLUSION

Theoretically, the notion of educational inclusion may differ depending on its social, political, economic and cultural context and the angle from which it is studied.
This paper has highlighted the existence of two different understandings of inclusive education in France and in the United Kingdom, as well as an apparent policy failure in Britain, where the number of children with SEN has decreased from 2007 to 2016, while it has increased in France.

However, the level of wellbeing of pupils with SEN’s is only considered as an essential element of inclusive education in the United Kingdom. As inclusive education may be perceived as constraining by the pupils, this paper has shown the need for an empirical study to measure the subjective wellbeing of pupils at school and improve its development. This could help the expansion of inclusive education in the United Kingdom.

REFERENCE


EMPOWERMENT OF RURAL WOMEN THROUGH MICRO-FINANCE ASSISTED INCOME GENERATING ACTIVITIES: THE EXPERIENCE OF BRAC MICROFINANCE INSTITUTION, SYLHET DISTRICT OF BANGLADESH

AYSHA AKTER,¹ NOBAYA AHMAD² AND MD. MONIRUL ISLAM³

ABSTRACT

In the present study, an attempt has been made to understand the role of microcredit in income-generating activities of women, its impact on their socio-economic empowerment, to assess the constraints on rural women in having access to loan service from micro-finance institutions and loan repayment process by taking the BRAC micro-finance institution in Sylhet District of Bangladesh. The target population of the study was those women who had used microcredit facilities from some microcredit-providing institutions or organisations in the study area. The survey method was used as a technique of data collection. The results of the analysis indicate that the participation of rural women in micro-finance-assisted income-generating activities contributes to the political, economic, social, technological, psychological and legal empowerment of rural women in the study area. It also showed that most of the rural women who used the microcredit facility finally got socioeconomic empowerment through acquiring confidence level, business skills, decision-making power, self-esteem etc. The findings also showed that microcredit has a significant impact on uplifting the socio-economic empowerment of the women’s in Sylhet district. However, constraints on rural women in accessing loan and loan repayment process should be properly addressed by the stakeholders to improve the contribution of micro-finance institutions to achieve sustainable development goal.

Keywords: Rural women, micro-credit, empowerment, income generating activities, micro-finance institution

INTRODUCTION

The empowerment of women is an essential precondition for the alleviation of poverty and the upholding of human rights, in particular at the individual level, as it helps to build a base for social change (DFID, 2000). Women’s empowerment is the process and the outcome of the process, by which women gain greater control over material and intellectual resources and challenge the ideology of patriarchy and gender-based discrimination against women in all the institutions and structures of society (Batliwala, 1994). Empowerment can be defined as an expansion in people’s ability to make strategic life choices in a context where this ability was previously denied to them (Kabeer, 2002). Empowerment is also related to the process of internal change and to the capacity and right to make decisions (Mayoux, 1998). It consists of change, choice and power. Despite the involvement of various micro-finance institutions in empowering women through micro-finance-assisted, income-generating activities in Bangladesh, the status of majority of the rural women is still not acceptable in Bangladesh.

Micro-finance institutions are claimed to directly affect household income by encouraging productivity, increasing the diversity of production and productivity, and

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maximising the utilisation of the available resources (Binswanger, 2007; Dejene, 2007; Sudan, 2007; Akintoye, 2008; Belwal et al., 2012; Fletschner and Kenney, 2014). Women’s economic empowerment is usually about increased access to financial resources, income-generating activities, increased financial decision-making power, savings and more economic independence (Mayoux, 2000; Ogato et al., 2009a). In other words, it is claimed to encourage the socio-economic development of the concerned families as well as societies (Mayoux, 1998; Mayoux, 2000; De Klerk, 2008; Ifelunini and Wosowei, 2012).

The Bangladesh Rural Advancement Committee (BRAC) is one of the world’s largest NGOs operating nationally since 1972; it gears its activities towards alleviating poverty and empowering rural women. BRAC provides credit, training and other support to rural women so that they may become involved in different types of IGAs and bring about meaningful changes in their lives. Information was collected to determine whether women were involved in IGAs or not and if their IGA involvement had been positively affected by BRAC interventions.

Micro-finance-assisted income-generating activities are activities that produce opportunities to generate incomes to family. Such activities may include livestock rearing, agriculture, fishing, and post-harvest processing. They are have an economic focus aiming at increasing the cash income to participating families and improving their livelihoods (Hall, 1992; Mayoux, 1998; Mayoux, 2000; Omar et al., 2012; Jafree and Ahmad, 2013; Chowdhury and Mukhopadhaya, 2014; Wekwete, 2014).

Micro-credit is a small loan to a client involved in some kinds of entrepreneurial activities for a living, which is managed by a bank or other institution. Micro-credit has been claimed to be a solution to integrate marginalised women into socio-economic activities, decision-making and poverty alleviation. Micro-credit can be offered, often without collateral, to an individual or a group through lending. It has proven an effective and popular measure in the ongoing struggle against poverty, enabling those without access to lending institutions to borrow at bank interest rates and start small businesses. Women’s participation in credit programmes leads to them contributing to family income, taking a greater role in household decision-making, having greater social networks and freedom of mobility, and exercising more control over their fertility (Banu et al., 2002; Bashir, 2007; Webb et al., 2002; Pitt et al., 2003 and Sukontamarn, 2007). Group savings and credit programmes act as the driving force to help illiterate rural women start small-scale economic activities (Acharya et al., 2007). This strengthens coping mechanisms during crises, diversifies income generation, builds assets and improves the status of women (Hashemi et al., 1996; Montgomery et al., 1996; Husain et al., 1998; and Morduch 1998).

Access to micro-credit from BRAC is one of the very important components in empowering income for poor women. There are limited studies on the impacts of micro-credit and constraints on rural women in accessing loan services from micro-finance institutions and the loan repayment process in the study area. Hence, exploring these constraints and proposing strategic measures of empowerment are believed to make an immense contribution to enable micro-finance institutions to play a prominent role in achieving sustainable development goals related to rural women’s empowerment. The impacts of micro-credit also need to be examined through research which measures how the services of a microfinance institution like BRAC contribute to the lives of its clients in such areas as employment, nutrition, education, health income and gender equity.

**OBJECTIVES**

The objectives of the study were:

- to understand the role of microcredit in income generating activities of rural women;
- to measure the impact of micro-credit on rural women’s economic empowerment;
• to assess constraints on rural women in accessing loan service from micro-finance institution and loan repayment process; and
• to forward strategic measures for empowering rural women through microfinance-assisted income generating activities in the study area.

METHODOLOGY

Location, Population and Sample
In all, 420 rural women from two villages, namely Osmanpur and Islampur of Muglabajar union of South Surma Upazila in the Sylhet district of Bangladesh, constituted the population for the study. A representative sample of 100 housewives (around 23% of the population) was the sample for the present study. South Surma upazila is not very far from Sylhet headquarters but the upazila has all the features of rural Bangladesh. The selection of the study area was purposive as there were many micro-finance institutions working on the provision of loan services for rural women to assist their income-generating activities.

Preparation of questionnaire
A questionnaire was prepared in order to collect the necessary information from the selected women. The questionnaire was carefully designed and prepared with open and closed forms of the questions, keeping the objectives of the study in mind. The questionnaire was pre-tested with 20 women. Based on the pre-test results, necessary corrections, modifications, alterations and adjustments were made and then the questionnaire was finalised accordingly.

Period of data collection
A rapport was established with the respondents through informal discussions regarding the objectives of the interview. Data were collected from 10 June–15 July 2016.

Variables of the study
Independent variables of the study were age, education, family size, homestead area, annual income, communication exposure, credit availability, aspirations, fatalism, problems confronted in participating in income-generating activities and problems confronted during loan taking. The dependent variables were the empowerment of rural women.

Measurement of dependent variable (empowerment indicators)
The income of the respondents was measured in terms of money (taka) generated annually. Both farm (vegetables, livestock and fisheries) and non-farm income sources were considered in measuring the annual income of the respondents. The income of the respondents was categorised into five (e.g. very low income, low income, medium income, high income and very high income) in order to measure empowerment index.

The savings of the respondents was measured in terms of money (taka) saved annually. Different forms of savings, such as cash savings at home, savings in NGOs, savings as crops, savings in bank or rural co-operatives, were considered in measuring the savings of the respondents. In order to measure empowerment index, the savings of the respondents were categorised into five (very low savings, low savings, medium savings, high savings and very high savings).

The assets of the respondents were measured in terms of the money (taka) value of the assets at the time of interview. Both non-productive (TV, radio, furniture and jewellery) and productive (poultry, cattle and goat) assets were taken into consideration in measuring the assets of the respondents. In order to measure empowerment index assets of the respondents was categorised into five (very low assets, low assets, medium assets, high assets and very high assets).
Cumulative Economic Empowerment Index was measured by summing savings, asset and income categories of the respondents. The Index score varied from 1 to 17, where 1 indicated a very low level of empowerment and 17 indicated a very high level of empowerment.

Statistical analysis
The collected data were coded numerically, compiled, tabulated and analysed, keeping the objectives of the study in mind. In order to categorise and explain the data, various statistical measures, such as range, mean, percentage, standard deviation and rank, were used in describing the selected variables, wherever applicable. To find out the relationships, the Pearson’s Product moment correlation co-efficient was used in order to explore the relationship between the variables concerned. Tables were also used in presenting data and to clarify the understanding of it.

RESULTS AND DISCUSSION

Selected characteristics of the rural women
Data obtained regarding the characteristics of the rural women show that (52%) of the respondents were young rural women, as compared to 14% old and 34% of the respondents were middle-aged (Table 1). Among the respondent rural women, 32% can sign only compared to 28% secondary, 24% primary, 9% illiterate and only 7% above secondary level. The highest proportion (47%) of the respondents had a medium family size, while 33% of the respondents had a small and 20% had a large family size. The highest proportion (38%) had medium, 30% had small, 18% had large farm size and rest of the 14% had a marginal farm size. A majority (75%) of the respondent’s rural women family had a low to medium annual income compared to 25%, with high income. Most of the respondents had medium (75%) communication exposure followed by low (15%) and high (10%) communication, respectively. In the study area, most of the respondents (70%) had low access to credit due to repayment risk for unfavourable terms and conditions of the credit-providing organisations. The respondent women show medium (80%), compared to 13% of high and 7% low aspiration. However, the respondent women showed medium fatalism (88%), compared to 8% high and 4% low fatalism. The problem confrontation in participating income-generating activities scores of all respondents ranged from 9 to 41. Most of the respondents had medium (59%) problem confrontation followed by low (23%) and high (18%) problem. The problem confrontation during loan taking scores of all respondents ranged from 8 to 42. Most of the respondents had medium (62%) problem confrontation followed by low (20%) and high (18%) problem faced by the women during the loan taking.

Table 1. Description of women characteristics treated as independent variables of the study

<table>
<thead>
<tr>
<th>Variables</th>
<th>Method of measurement</th>
<th>Observed range</th>
<th>Categories according to their selected characteristics</th>
<th>Rural women (Number or percentage) N=100</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Assigning a score of 1 for each year</td>
<td>18–60</td>
<td>Young (18–35) Middle (36–50) Old (Above 50)</td>
<td>52 34 14</td>
<td>35.14</td>
<td>8.51</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Illiterate (0) Can sign only (0.5)</td>
<td>9 32</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Score</td>
<td>Education Level</td>
<td>0–14</td>
<td>24</td>
<td>28</td>
<td>7</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-------</td>
<td>------------------------------------------</td>
<td>------</td>
<td>----</td>
<td>----</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Primary level (1–5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Secondary level (6–10)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Above Secondary level (Above 10)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family size</td>
<td>2–10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Assigning a score of 1 for each member of the family</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small (up to 4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (5–6)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Large (7 and above)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homestead area</td>
<td>0.17–3.21</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marginal (&lt; 0.02)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small (&gt; 0.02-0.99)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (1-2.99)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Large (3.0 and above)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual income</td>
<td>19–69</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (up to 30)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (30–40)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High (41–80)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Communication exposure</td>
<td>0–75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (up to 25)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (26–50)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High (above 50)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Credit availability</td>
<td>0–60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>No credit receiver (0)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low credit receiver (up to 15)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium credit receiver (16–20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High credit receiver (above 20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Aspiration</td>
<td>6–24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (up to 10)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (11–20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High (above 20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fatalism</td>
<td>6–26</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (up to 12)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (13–25)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High (above 25)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Problem confrontation in participating in income-generating activities</td>
<td>9–41</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (up to 15 score)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium (16–30 score)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>High (above 30 score)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FINANCIAL RESOURCES OF THE RESPONDENTS

Information in Table 2 indicate that the respondents earned an amount of 12,881.45 taka on average annually from both farm and non-farm sources. Among farm sources, poultry birds were the major income earning source and earned an amount of 1,762.44 taka, followed by fish culture (765.67 taka), goat (557.78 taka), homestead gardening (460.58tk) and livestock (110.23 taka). Among non-farm sources, services were the major income source (6,800.00) followed by handicraft production (1,316.67 taka) and small business (435.37 taka). Such economic activities enabled women to have a better access to basic needs and make an important contribution to household decision-making, and ultimately have a positive impact on female empowerment (Parvin et al., 2004).

Table 2. Income of the respondents from farm and non-farm sources

<table>
<thead>
<tr>
<th>Income sources</th>
<th>Mean value in taka (CV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livestock</td>
<td>110.23 (567%)</td>
</tr>
<tr>
<td>Poultry</td>
<td>1762.44 (262%)</td>
</tr>
<tr>
<td>Goat</td>
<td>557.78 (182%)</td>
</tr>
<tr>
<td>Homestead gardening</td>
<td>460.58 (152%)</td>
</tr>
<tr>
<td>Field crop production</td>
<td>672.78 (222%)</td>
</tr>
<tr>
<td>Fish Culture</td>
<td>765.67 (192%)</td>
</tr>
<tr>
<td>Small business</td>
<td>435.37 (433%)</td>
</tr>
<tr>
<td>Handicrafts</td>
<td>1316.67 (212%)</td>
</tr>
<tr>
<td>Service</td>
<td>6800.00 (289%)</td>
</tr>
<tr>
<td>Total income</td>
<td>12881.45</td>
</tr>
</tbody>
</table>

It is shown in Table 3 that the respondents deposited money in bank (2,850.56 taka), followed by NGOs or co-operatives (1,020.00 taka), as crops (498.57 taka) and on hand (463.67 taka). The respondents used the savings during household risks, children’s education and purchasing assets.

Table 3. Savings of the respondents in different sources

<table>
<thead>
<tr>
<th>Savings sources</th>
<th>Mean value in taka (CV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash savings on hand</td>
<td>463.67 (137%)</td>
</tr>
<tr>
<td>Savings as crops</td>
<td>498.57 (212%)</td>
</tr>
<tr>
<td>Savings in bank</td>
<td>2850.56 (126%)</td>
</tr>
<tr>
<td>Savings in NGOs or rural co-operatives</td>
<td>1020.00 (135%)</td>
</tr>
<tr>
<td>Total savings</td>
<td>4832.80</td>
</tr>
</tbody>
</table>

Table 4. Assets owned by the respondents

<table>
<thead>
<tr>
<th>Types of assets</th>
<th>Mean value in taka (CV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poultry</td>
<td>1373.32 (112%)</td>
</tr>
<tr>
<td>Goat</td>
<td>722.20 (219%)</td>
</tr>
<tr>
<td>Cattle</td>
<td>1563.89 (104%)</td>
</tr>
<tr>
<td>Television/radio</td>
<td>1733.33 (161%)</td>
</tr>
</tbody>
</table>
From Table 4, it is clear that the respondents owned both productive and non-productive assets. The mean value of productive assets was cattle 1563.89 taka, poultry 1373.32 taka, goat 722.20 taka and, regarding non-productive assets, the respondents owned jewellery (2066.67 taka), a television or radio (1733.33 taka) and furniture (993.37 taka).

**MOTIVATING FACTORS FOR JOINING THE MICRO-FINANCE INSTITUTION**

Respondents were asked to identify their main motivating factor for joining a microfinance institution in their area. Peer influence was reported by the largest proportion of the respondents (38.2%); 36.6%, 13.1%, and 12.1% of the respondents mentioned self-motivation, family influence and social capital, respectively, as the main motivating factor for joining microfinance institution (see Table 5).

<table>
<thead>
<tr>
<th>Motivating factors for joining</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-motivation</td>
<td>30</td>
<td>36.6</td>
</tr>
<tr>
<td>Family influence</td>
<td>20</td>
<td>13.1</td>
</tr>
<tr>
<td>Peer influence</td>
<td>35</td>
<td>38.2</td>
</tr>
<tr>
<td>Social capital</td>
<td>15</td>
<td>12.1</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.00</td>
</tr>
</tbody>
</table>

**CONSTRAINTS ON ACCESSING LOAN SERVICES AND LOAN REPAYMENT PROCESS**

Limited amount of loan was mentioned by more proportion of the respondents (30.7%); 17.6%, 17.1%, 15.6%, 10.3% and 8.7% of the respondents mentioned no constraints, insufficient collateral, unnecessary bureaucracy, distance from microfinance institutions, and a lack of awareness when asked to mention major constraints on accessing loan service from microfinance institutions (see Table 6).

<table>
<thead>
<tr>
<th>Constraints of access</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insufficient collateral</td>
<td>10</td>
<td>17.1</td>
</tr>
<tr>
<td>Unnecessary bureaucracy</td>
<td>18</td>
<td>15.6</td>
</tr>
<tr>
<td>Limited amount of loan</td>
<td>35</td>
<td>30.7</td>
</tr>
<tr>
<td>Distance to microfinance institution</td>
<td>15</td>
<td>10.3</td>
</tr>
<tr>
<td>Lack of awareness</td>
<td>12</td>
<td>8.7</td>
</tr>
<tr>
<td>No constraint</td>
<td>10</td>
<td>17.6</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.00</td>
</tr>
</tbody>
</table>


A larger proportion of the respondents (38.6%) mentioned mistrust between the group members as the major constraint on the loan repayment process in their area: 18.9%, 12.6%, 9.00%, 8.9%, 7.0%, and 5.0% of respondents mentioned using loans for other purposes, a lack of training, no constraints, a lack of follow-up, the failure of the business and an unwillingness to pay back the loan, respectively, when asked to mention the main constraints on loan repayment in the study area (see Table 7).
Table 7: Respondents’ Perception on Constraints on the Loan Repayment Process

<table>
<thead>
<tr>
<th>Constraints on loan repayment</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of training</td>
<td>20</td>
<td>12.6</td>
</tr>
<tr>
<td>Lack of follow-up</td>
<td>14</td>
<td>8.9</td>
</tr>
<tr>
<td>Failure of the business</td>
<td>8</td>
<td>7.0</td>
</tr>
<tr>
<td>Unwillingness to pay back the loan</td>
<td>12</td>
<td>5.0</td>
</tr>
<tr>
<td>Using the loan for other purpose</td>
<td>16</td>
<td>18.9</td>
</tr>
<tr>
<td>Mistrust between the group members</td>
<td>18</td>
<td>38.6</td>
</tr>
<tr>
<td>No constraint</td>
<td>12</td>
<td>9.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
</tr>
</tbody>
</table>

OVERALL EMPOWERMENT OF WOMEN

The overall empowerment score of a respondent was obtained by summing up her obtained scores for the entire three dimensions of empowerment. On the basis of their empowerment score the respondent women were classified into four categories, as shown in Table 8. Data presented in the table shows that the majority (50%) of the respondents had a medium level of empowerment, while 43% had low empowerment, only 5% had very low empowerment and 2% had a high level of empowerment.

Table 8. Categorisation of women according to their overall empowerment

<table>
<thead>
<tr>
<th>Category of empowerment</th>
<th>Number of women</th>
<th>Percentage of women</th>
<th>Range</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very low</td>
<td>5</td>
<td>5.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>43</td>
<td>43.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>50</td>
<td>50.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>2</td>
<td>2.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the past, most of the rural women in the country had a low level of empowerment. Their condition was very miserable; they had little freedom to express their own opinions, to perform their own choices, to go outside the home, to participate in social activities, social functions and to access to asset and resources. But the situation is being changed. With the efforts of various governmental organisations and NGOs, the women are being conscious day-by-day. They are being educated; they are becoming involved in IGAs and achieving emotional freedom and are more and more empowered day by day. Sarker (2005), in her study found that 41.3% women were very low empowered, 48.10% were low empowered and only 10.6% were medium empowered. The distribution of women according to their overall empowerment score has been visually presented in Figure 1.
It might be because microcredit programme could not reach a large section of women properly. The women might have minimal training for income-generating activities. They might not have enough power within households to use their loans as well as to control their income. They mostly depend on their husbands or male members for various purposes because micro-credit programmes are unable to eliminate socio-cultural constraints on women’s physical access to markets (Parvin et al., 2004). In another study, Parveen and Leonhaeuser (2008) found that the economic empowerment of farm women was limited to the low to medium level. Thus, women who are less empowered feel insecure and vulnerable. So there is a need to enhance rural women’s empowerment to a satisfactory level through undertaking an integrated approach.

**RELATIONSHIPS BETWEEN THE SELECTED CHARACTERISTICS OF THE WOMEN AND THEIR EMPowerMENT**

Pearson’s product Moment Co-efficient of Correlation (r) was computed in order to explore the relationship between the selected characteristics of the women and the extent of their empowerment through income-generating activities. The relationship between the dependent and independent variables has been presented in Table 9.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Independent variable</th>
<th>r-values with 98 df</th>
<th>Tabulated value of ‘r’</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.05 level</td>
</tr>
<tr>
<td>Empowerment of women</td>
<td>Age</td>
<td>0.396**</td>
<td>0.197</td>
</tr>
<tr>
<td></td>
<td>Education</td>
<td>0.288**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Family size</td>
<td>0.120</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Homestead area</td>
<td>0.195</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annual income</td>
<td>0.166</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Communication exposure</td>
<td>0.302**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Credit availability</td>
<td>0.636**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Aspiration</td>
<td>-0.072</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fatalism</td>
<td>-0.052</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Problem confrontation in participating IGAs</td>
<td>0.165</td>
<td></td>
</tr>
</tbody>
</table>
The relationship between age and empowerment through IGAs was significant and followed a positive trend. In the society, the young women live with her in-laws and with others. She has to stay under various pressures. She cannot go to many places, cannot do many things as she wishes. A middle-aged woman is freer in the society. Thus, it could be said that, at least for the present study, the age of the women plays a significant role in their empowerment.

The relationship between the education of the women and their empowerment was significant and followed a positive trend. The findings indicate that the more highly family-educated women were more empowered than the lower and illiterate one. Education enhances empowerment by increasing access to new knowledge and information which help women to realise their ownership, to challenge injustice and discrimination, and to change their outlook. Education enables an individual to become more socialised, to have a wider outlook, to fight against injustice and also to gain better knowledge about every sphere of life, both from cultural and economic point of view of a society. Malhotra and Schuler (2002) found that there was a positive relationship between family education and the empowerment of women.

A positive significant relationship was found to exist between communication media exposure and empowerment. Through communication media exposure of women receive necessary knowledge about agriculture, health, sanitation and rural areas that strengthened their earning ability, position in family and society, decision-making ability etc. Through communication media exposure she can come to understand how to solve her problems, which enhances the empowerment of women.

The finding indicates that the empowerment of the women increased with the increase of credit availability. This seems to be logical, because a high amount of credit leads to a high amount of investment and subsequently a high profit. Loan or credit reception empowers women by giving greater economic power to their families. So it could be concluded that the more loans, the more a women is empowered. This finding was also supported by Sarker (2005); Hashemi, Schuler and Riley (1996) and Kabeer (1999) also found that loan reception is empowering women in Bangladesh.

**CONCLUSION**

In conclusion, it can be said that micro-finance-assisted, income-generating activities are seen to be quite helpful for opening economic opportunities of rural women who may not be able to afford to be employed outside their home for socio-cultural reasons. An involvement with BRAC also appears to act as a change agent in reducing women’s economic dependence on their husbands and other male kin. Women reported that they now have an independent source of income, they no longer need to rely solely on their husbands for the purchase of personal and household items. Women have also reported an improvement in their relationships with their husbands, primarily because they provide them with capital for investment purposes. As for women’s mobility, BRAC involvement has had positive impacts to some extent. Many women never even ventured outside their own locality prior to BRAC involvement, let alone travel to a local market. Travelling to the BRAC local offices has given these women opportunities to communicate with the outside world and at the same time has helped them overcome their fear and timidity in dealing with strangers.

In other words, putting financial capital in the hands of rural women may enable them to invest in income-generating activities and improve the food security of their families. Hence, the participation of rural women in micro-finance-assisted income-generating activities was
observed to contribute to the economical, psychological, social, political, legal, and technological empowerment of rural women. However, constraints on accessing loan and loan repayment process should be properly addressed by stakeholders to improve the contribution of micro-finance institutions to achieving sustainable development goals related to rural women in the study area, Sylhet district of Bangladesh, as well as in other developing countries. The major constraints that most of the rural women in the study area faced in participating in micro-finance-assisted, income-generating activities were: lack of awareness, lack of training, lack of collateral, insufficient loan, failure of the business, lack of marketing channels, poor transport facilities, and low cooperation from the family.

In enhancing women’s empowerment in a significant way, the agencies concerned, especially the BRAC, should facilitate a large enough loan for the borrowers with an affordable interest rate; a long-time loan repayment period is of paramount importance as rural investments require time to generate income or profit along with provision of education and training. This could undoubtedly act as a catalyst to promote socio-economic uplift of rural women in the study villages and rectify long-standing gender inequality in Bangladesh.

RECOMMENDATIONS

Microfinance is recommended as a part of economic growth which may lead to women empowerment and reduce the level of poverty. The following strategic recommendations are proposed by the researchers to address the aforementioned major constraints and for further improvement of rural women’s empowerment through micro-finance assisted income generating activities:

- Government should frame a policy which may motivate Grameen Bank, non-local donor agencies and NGOs, i.e. BRAC, ASA, PROSIKHA, KARITHAS, to conduct micro-finance activities freely and fairly and new NGOs may be invited to launch micro-finance programmes in Bangladesh;
- Gender discrimination should be removed through the legislation and equal opportunities in employment and microfinance should be given to women;
- Effective initiatives should be taken to eradicate all types of internal and external violence against females;
- Raising awareness of stakeholders on gender issues in micro-finance and women’s empowerment and the importance of empowering rural women through income generating activities;
- Promoting women’s knowledge and position by providing regular skill-acquisition training;
- Micro-finance institutions should enable and strengthen rural women’s participation in design, planning, implementation, monitoring, and evaluation of their institutions; and
- Micro-finance institutions should expand their branches at local levels with full services and expertise in order to monitor closely the income-generating activities carried out by rural women.

REFERENCES


THE INFLUENCE OF THE CROSS-CULTURAL COMPETENCE ON EMPLOYEES PERSONAL EFFECTIVENESS IN THE GLOBAL ECONOMY
ALEXEY CHERNOV1 AND VICTORIA CHERNOVA

ABSTRACT
Nowadays the global economy and the fast development of new technologies makes our business life more dynamic, progressive and international. Intercultural communication has become an essential feature of the modern world in which we face a number of cross-cultural problems because of differences in the behaviour, thinking and values of individuals from different cultures. In terms of international business, cultural differences often lead to misunderstandings and confusion and as a result decreases the company efficiency. That is why the cross-cultural competence of employees in international business environment becomes just as important as cultural and professional competence.

The aim of this paper is to analyse how the cross-cultural competence is related to the personal efficiency of international companies’ employees.

The hypothesis of our research is that cross-cultural competence positively affects the personal efficiency of the employees of international companies. The research consists of two main parts:
1. Cross-cultural competence evaluation of 318 master’s graduates of the Faculty of Economics of RUDN University.
2. Personal efficiency analysis of the 132 graduates who work in international companies.

Our research is based on the following methods: qualitative study, mathematical analysis, interview and statistical analysis.

The results of the research are considered to be useful to the management of the companies which act in the international business environment by establishing an effective system of cross-cultural competence evaluation which will bring competitive advantage to the company.

Keywords: global economy, cross-cultural competence, intercultural communication, international business, personal efficiency

INTRODUCTION
The pace of globalisation has significantly increased since the beginning of the 21st century – nowadays we live and act in a global economy. From day to day more and more companies are interested in acting worldwide in order to find new markets for their products, to get new raw materials at competitive price, and to use qualified and competitive human resources. Some of those companies succeed, but many of them do not. One of main factors of this failure we can identify as the lack of cross-cultural competence – the ability of individuals to function effectively in another culture (Gertsen, 1990). Employees who are successfully while acting within the local markets can face a number of difficulties performing in the international business environment because of the low level of cross-cultural competence (Trompenaars, 1994). Managers and employees can fail because of an inability to understand the culture of their business partners and colleagues and an inability to interact effectively with their counterparts overseas (Ricks, 1999). Managers have to take into consideration the contextual influences that can impede effective cross-cultural communication (Von Clinow et al., 2004).

From the other side, cross-cultural competence could be considered a competitive advantage

1 Mr. Alexey Chernov, Associate Professor, RUDN University
of an employee in building a career in the international company or the company which is trading overseas.

In order to get the best results in international business the formation of cross-cultural competence becomes an urgent task in modern management. However, most of the companies who are interacting in the international business environment do not pay enough attention to the evaluation and development of the cross-cultural competence of their managers and employees. The main reason is a lack of agreement on what constitutes cross-cultural competence, which leads to difficulties in developing an effective system for its evaluation.

The aim of our research is to develop a cross-cultural assessment system and to analyse how the cross-cultural competence is related to the personal efficiency of international companies’ employees. The results of the research are considered to be useful to the management of the companies which act in the international business environment by establishing an effective system of cross-cultural competence evaluation which will bring competitive advantages to the company.

LITERATURE REVIEW

One of the first definitions of cross-cultural competence was given by Gertsen (1990, p. 346) in his study related to expatriates; there is it described as “the ability to function effectively in another culture”. However, this definition looks too wide and is not concrete enough. Black and Mendenhall, who performed their study during the same period also did not make a clear definition of cross-cultural competence but could explain that it is related with learning some content and skills: “Cross-cultural training enables the individual to learn both content and skills that will facilitate effective cross-cultural interaction by reducing misunderstandings and inappropriate behaviors” (1990, p.120).

Hofstede (2001) proposes his definition of intercultural communication competence which consists of awareness, knowledge and skills. The knowledge component includes the basic and specific knowledge, knowledge about culture, language knowledge and knowledge of interaction rules. Skills are considered to be the behavioural component of cross-cultural competence and include abilities and aptitudes. Hofstede also pointed out that intercultural competence can be taught because of different personality factors (p. 428). Earley (2002) also identified that intercultural knowledge and awareness are important but not enough to interact effectively in cross-cultural environment because the individual should have motivation to use the knowledge and skills acquired.

Apud et al. (2006) extend previous definitions of cross-cultural competence to an individual’s effectiveness in drawing upon a set of knowledge, skills and personal attributes in order to work successfully with people from different national cultural backgrounds at home or abroad. The main point of their study is that the most important things in cross-cultural competence are not knowledge, skills and personal attributes itself but how individuals use them in an international business environment. They proposed a model of cross-cultural competence (see Figure 1) in which the usage of personal attributes, knowledge and skills depends on institutional ethnocentrism and cultural distance.

Institutional ethnocentrism is defined as imposing on the other cultural representative the ways of working of a home culture (Hofstede, 2001). It promotes the home culture’s way of doing business even when it is not appropriate to do so. Cultural differences are defined as overall differences in the national culture between the home country and a country in which the affiliates or business partners are located. This difference includes not only the difference in values but some other environment variables such as economy, political and legal systems, language etc. Combined, those environmental differences may build a significant barrier for the managers who are working in a cross-cultural environment.
In summary, we can define cross-cultural competence as an individual’s effectiveness in drawing upon several knowledge, skills and attributes to work successfully with different cultural representatives at home or overseas.

**METHODS**

Our research approach consists of two main parts. In the first stage over three years 318 master’s graduates of the Faculty of Economics of RUDN University from 11 countries, on average 25 years old, were evaluated in terms of their cross-cultural competence. We chose expert assessment as the evaluation method. The list of key cross-cultural competencies which reflect an individual’s personal attributes, skills and knowledge together with evaluation criteria are listed in the Table 1. In case if the individual does not match the competence, s/he gets 0 points for this competence evaluation. In order to maximise the accuracy of the evaluation and to minimise the factor of subjectivity each one of the assessed persons was evaluated by three experts. The evaluation of each competence was made using the following formula:

\[ C_i = \frac{\sum_{j=1}^{n} C_{ij}}{n} \]

where \( C \) is the evaluation of the competence, \( i \) – the number of the competence, \( n \) – the quantity of experts.

Cross-cultural competence of each master programme graduate was calculated as a sum of all competencies evaluation:

\[ C = \sum_{i=1}^{m} C_i \]

By using this method of cross-cultural competence evaluation we could obtain the numeric expression of such a qualitative parameter as cross-cultural competence. The evaluated master’s graduates were divided into three groups depending on the total evaluation score. Group A “Cross-cultural competence is fully formed” – from 20 to 30 points. Group B “Cross-cultural competence is partially formed” – from 10 to 20 points. Group C “Cross-cultural competence is unformed” – from 0 to 10 points.
<table>
<thead>
<tr>
<th>Competence Nr</th>
<th>Competence description</th>
<th>Competence evaluation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>CC-1</td>
<td>Awareness of intercultural differences as necessary elements of coexistence</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-2</td>
<td>The ability to social adaptation and changing position in terms of the socio-cultural context</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-3</td>
<td>Ability to self-evaluate and reflect in the context of intercultural interaction</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-4</td>
<td>Ability to empathy and tolerance</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-5</td>
<td>Possession of business and foreign language</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-6</td>
<td>Possession of ways to create a non-conflict, comfortable psychological environment in the context of intercultural interaction</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-7</td>
<td>Ability to communicate and cooperate</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-8</td>
<td>Knowledge of cultural differences in intercultural interaction, awareness of cultural identity</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-9</td>
<td>Ability to apply knowledge of the main types of national business cultures and their characteristics in professional life</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
<tr>
<td>CC-10</td>
<td>Ability to make decisions in terms of intercultural interaction</td>
<td>Fully match</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mainly match</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially match</td>
<td>1</td>
</tr>
</tbody>
</table>

This method of cross-cultural competence evaluations allows us to create an individual’s cross-cultural competence map (Figure 2), which is useful in terms of visualization – with the help of such kind of a map it is easy to analyse each competence, to compare the evaluation result with the reference, if needed, and to identify areas which should be improved upon as soon as possible.
The second stage included a survey conducted among 132 companies interacting in two or more countries which employed master’s graduates who were evaluated in terms of cross-cultural competence during the first stage. The aim of the survey was to analyse the graduate’s performance and personal effectiveness in the international business environment and how it is correlated with their cross-cultural competence. The managers evaluated the involvement of the employees who graduated the Faculty of Economics of RUDN University in the international interaction, the level of their personal efficiency and their future career opportunities.

FINDINGS

The results obtained during the research of cross-cultural competence of the graduates of faculty of Economics of RUDN University demonstrate all three above mentioned levels of cross-cultural competence. Group A was the most numerous – 48%. Only 20% of graduates’ match the Group B cross-cultural competence level. The Group C level was assessed among 32% of graduates (see Table 2).

Table 2. Studied group cross-cultural competence assessment results

<table>
<thead>
<tr>
<th>Cross-cultural competence level</th>
<th>Number of graduates</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>153</td>
<td>48</td>
</tr>
<tr>
<td>Group B</td>
<td>64</td>
<td>20</td>
</tr>
<tr>
<td>Group C</td>
<td>101</td>
<td>32</td>
</tr>
<tr>
<td>TOTAL</td>
<td>318</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 2 shows the correlation of the identified and unidentified elements of cross-cultural competence such as personal attributes, skills and knowledge; 80% of the evaluated demonstrated a sufficient level of cultural knowledge. In terms of personals skills – 74% of the studied group could demonstrate the sufficient level; 62 % of the evaluated master’s program graduates have assessed the sufficient level of personal attributes that could allow them to interact in a cross-cultural environment effectively.
The correlation between cross-cultural competence and the native culture is shown on the Figure 3. For the Russian Federation, cross-cultural competence was evaluated among 61% of the assessed individuals. For Europe, this indicator is 89%; 77% of the studied group from China were evaluated as individuals with formed cross-cultural competence; 49% of graduates from Central Asia have cross-cultural competence. For the Middle East, this indicator is 33%, for Africa 92% and 84% for other regions.

During the master’s program for graduates of Faculty of Economics of RUDN University the following results were obtained (see Table 3): 81 (65%) graduates with the fully formed cross-cultural cross-competence level (Group A), who could get a job in international organizations – companies which are interacting in the international business environment; 28 individuals of the selected group who could reach partially formed cross-cultural competence level (Group B) are working in international companies, which is 44% of the group. From
Group C (cross-cultural competence is unformed) 23 graduates are working in the international companies, which is 23%; 50 % of both groups A and B could get a job in the companies which work in the international business environment.

Table 3. Correlation between cross-cultural competence and employment in international companies

<table>
<thead>
<tr>
<th>Cross-cultural competence level</th>
<th>Number of graduates</th>
<th>Number of graduates working in international organisations</th>
<th>Percentage of working in international companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>153</td>
<td>81</td>
<td>65</td>
</tr>
<tr>
<td>Group B</td>
<td>64</td>
<td>28</td>
<td>44</td>
</tr>
<tr>
<td>Group C</td>
<td>101</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>TOTAL</td>
<td>318</td>
<td>132</td>
<td></td>
</tr>
</tbody>
</table>

However, not all graduates who are working in international companies are involved in international interaction; some of them have no contacts with other cultures representatives. The results of the survey according the level of intercultural interaction of each employee from the studied group are presented in Table 4. Out of 81 graduates from Group A working in international companies, 73 individuals are involved in international interaction and seven are partially involved. From Group B 23 out of 28 representatives of the studied group are involved in intercultural interaction and three are partially involved. In Group C, which consists of 23 individuals, six are involved and nine are partially involved.

Table 4. The number of representatives of the studied group involved in intercultural interaction

<table>
<thead>
<tr>
<th>Cross-cultural competence level</th>
<th>Number of graduates working in international organisations</th>
<th>The level of the involvement in international interaction</th>
<th>Number of representatives of the studied group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>81</td>
<td>Involved</td>
<td>73</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially involved</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not involved</td>
<td>1</td>
</tr>
<tr>
<td>Group B</td>
<td>28</td>
<td>Involved</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially involved</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not involved</td>
<td>2</td>
</tr>
<tr>
<td>Group C</td>
<td>23</td>
<td>Involved</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partially involved</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not involved</td>
<td>8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>132</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results of the correlation between personal efficiency evaluation of the representatives of the studied group and the level of their cross-cultural competence are presented in Table 5. Among the 80 representatives of Group A, the high level of personal efficiency was evaluated for 52 representatives of the studied group, the medium level for 22, and the low level for 6. For Group B, which consists of 26 individuals, the high level of personal efficiency was identified for 12 graduates, medium level for 9, and the low level for 5. In Group C, the indicators are the following: total number – 15 individuals, high level of personal efficiency – 4 individuals, medium level – 5, low level – 6.
Table 5. Correlation between the level of cross-cultural competence and the level of personal efficiency

<table>
<thead>
<tr>
<th>Cross-cultural competence level</th>
<th>Number of graduates involved in international interaction</th>
<th>The level of personal efficiency</th>
<th>Number of representatives of the studied group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group A</td>
<td>80</td>
<td>High</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low</td>
<td>6</td>
</tr>
<tr>
<td>Group B</td>
<td>26</td>
<td>High</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low</td>
<td>5</td>
</tr>
<tr>
<td>Group C</td>
<td>15</td>
<td>High</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medium</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low</td>
<td>6</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>121</td>
</tr>
</tbody>
</table>

**DISCUSSION AND CONCLUSIONS**

The data obtained during the research demonstrates that such constituents of cross-cultural competence as personal attributes were identified within 62% of the assessed group. This corresponds with the research undertaken by Apud et al. (2006) in which it is said that personal attributes are the most difficult to develop in terms of cross-cultural competence. They strongly depend on the individual’s home culture and could not be trained with the help of cross-cultural training, while specific cross-cultural skills and knowledge could be trained to a certain level. This was also confirmed by the indicators of certain level of knowledge and skills in the studied group – 80 and 74% respectively. Also, it has to be mentioned that according to Leiba-O’Sullivan (1999) personal attributes usually affect the development of knowledge and skills.

Also during the study a strong correlation between the native culture of the representatives of the evaluated group and their level of cross-cultural competence was identified. There was a quite high result (61%) in terms of cross-cultural competence of graduates from the Russian Federation, which could be explained by the fact that Russia is a multinational and multicultural country with 194 nationalities living on its territory. The highest level of cross-cultural competence was identified among the representatives from Africa. It cannot be said that the representatives of the African in general have a high level of cross-cultural competence – in our case the sample group was unrepresentative. The graduates who were evaluated were from the upper middle class and upper class, well-educated and strongly motivated by further education. We can say that all representatives of this region have strongly developed cross-cultural personal attributes which facilitate the acquisition of cross-cultural knowledge and skills. For the graduates from Europe, 89% of the studied group showed the highest level of cross-cultural competence. This result can be explained by the current values and traditions of the European society, which is open to the interaction of different cultures and has a high potential in terms of acquiring of a sufficient set of specific knowledge and skills. During the evaluation of cross-cultural competence of the graduates from Central Asia, 49% of the studied group demonstrated a certain level of cross-cultural competence. This result can be explained by the high level of cultural ethnocentrism and the low level of foreign language possession. The same reasons explain the results of the study among representatives of the Middle East. Only 33% of the master’s programme graduates from this region could show a certain level of formed cross-cultural competence. Unexpected results of the cross-cultural competence study were received during the evaluation of the representative group from China. The certain level of formed cross-cultural competence was identified among 77% graduates from China in spite of the high level of cultural ethnocentrism. The representatives
of all regions studied the same program interacted in the same cross-cultural environment but showed a different level of cross-cultural competence. This supports the research of Earley (2002, p. 277), who claimed that many cultural training programmes fail because they mainly focus on culture-specific knowledge and pay less attention to the behavioural part of cross-cultural competence.

Analysing the data obtained during the study of the further employment of master’s graduates we can discover a strong correlation between the level of cross-cultural competence of the individual and the ability to undertake a job in a company which is acting in the international business environment: 65% of the graduates with the fully formed cross-cultural competence and 44% of the graduates with the cross-cultural competence partially formed could find a job in the international companies, while only 23% of the graduates with the unformed cross-cultural competence could do it. Surprisingly this ratio is more or less the same for all studied regions – the difference is only 1–3% depending on the country. This result of the research supports the hypothesis that cross-cultural competence could be a competitive advantage for those graduates who are seeking a career in the companies acting in the international environment.

However, not all representatives of the studied group who was employed to the international companies were involved in international interactions. So, in order to study the correlation between the cross-cultural competence and personal efficiency of the employees of the international organisations who are acting in the international environment, we investigated how many graduates and how deeply they were involved in international interplay. The data obtained during the research demonstrates that 80 out of 81 graduates of master’s program whose cross-cultural competence is fully formed are involved in international interactions, the same ratio for the graduates with the cross-cultural competence partially formed is 26 out of 28; 15 representatives of the studied group out of 23 are involved in the international interaction from the Group C (cross-cultural competence is not formed). These data confirm the assumption that the level of cross-cultural competence of the individual correlates with the depth of the involvement in the international interactions and give us the exact figures to use during the survey of the personal efficiency of the studied group.

The results of the personal efficiency evaluation clearly demonstrate a strong correlation between the cross-cultural competence of the individual and his/her personal efficiency in job performance; 65% of the evaluated graduates from Group A who are involved in international interactions showed a high level of personal efficiency and 27% reached the medium level. The same indicators for Group B are 46% and 35% and for the Group C are 27% and 33%, respectively. Of course, this is not to say that cross-cultural competence is a panacea for international business success (Apud et al., 2006, p. 526), but the trend is clear – with the decrease in the cross-cultural competence level of the individual, the level of personal efficiency is also decreasing.

Summarising the results of the study we can make the following conclusions:

1. Personal attributes in terms of cross-cultural competence are the most difficult to form; meanwhile, those attributes affect the cross-cultural knowledge and skills acquisition.
2. The level of cross-cultural competence correlates with the native culture of the individual because the home culture affects his/her personal attributes.
3. The individual with the formed cross-cultural competence has a competitive advantage in the case of employment to the company which is acting in the international business environment.
4. The cross-cultural competence of the employee affects his personal efficiency in his job performance in terms of interacting in the international business environment. Due to the fact that personal efficiency of the employee affects the company’s efficiency it
is possible to say that cross-cultural competence could be considered one of the key success factors of the company acting in the international business environment.

REFERENCES


THE JAKARTA–BANDUNG HIGH-SPEED RAILWAY AS AN ECONOMIC BELT INITIATIVE: ANALYSIS OF CHINA’S FOREIGN POLICY IN INDONESIA

FADLAN MUZAKKI

ABSTRACT
Sino-Indonesian relations have always had ups and downs. However, relations are now getting much better. It can be seen that China succeeded in winning a bid for a high-speed railway line linking Jakarta to Bandung. There are several key factors as to why China was successful, such as budget consideration, length of the construction, the total number of workers, the marketing strategy, and the business model offered. This paper analyses the factors using SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. In addition, this paper uncovers the potency of choosing China in handling the project of the high-speed railway. This research brings a new and broad perspective on the borderless community between two countries. Moreover, also gives a new perspective for students, researchers and observers who want to conduct a research on China-Indonesia relations in today’s world. Suggestions are also included to increase closer bilateral relations between Indonesia and China.

Keywords: China, Indonesia, foreign policy, OBOR, high-speed railway

BACKGROUND
China–Indonesia relations have fluctuated for several decades. Nevertheless, a positive signal of bilateral relation had been occurring in 1990 after being frozen for just under a quarter of century. In 1990, Chinese Foreign Minister Qian Qichen met President Soeharto to normalise diplomatic ties that had been frozen for 22 years (Suryadinata, 1990). Meanwhile, in early 1997, President Soeharto warned that should these communist groups spread their activities, the country’s economic development would be jeopardised (Storey, 2000). Indonesia approves of the “One China Policy”; China reciprocated the gesture at the United Nations on the East Timor issue.2

China is now becoming Indonesia’s second largest trading partner, with bilateral trade standing at US$ 66.2 billion; this is four time that of 2005. Both countries continue to make relations closer by agreeing on investments. China continues to encourage Chinese direct investment in Indonesia. Trade and Economic Corporations have been established to empower both domestic economies and also impact on international economy, especially in the region (China Daily, 2013). Furthermore, the relation is becoming much closer. It can be seen that China’s Minsheng Investment Corp, Ltd has invested in Indonesia. This investment shows the corporation’s commitment to support China and Indonesia’s existing international relations (China Daily, 2015).

Turning to the current relations between Indonesia and China, both countries seem to establish bilateral relations to collaborate more on economic development. It was clear that China won the bid to build a high-speed railway from Jakarta to Bandung. Therefore, the question is how China won the bid to construct the project. The next question to arise is whether

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2 Megawati Sukarnoputri, the then Indonesian President after Abdulrahmam Wahid (Gusdur), and her government refused Taiwan President’s request to visit Indonesia in 2002, on the grounds that Indonesia believed in the “One China Policy”. The Susilo Bambang Yudhoyono government also concurs with the views of the previous government.
Chinese foreign policy in this sector can be seen as a success or a failure. Hence, this essay will analyse One Belt One Road, especially the economic belt initiative, to answer these questions.

THEORETICAL APPROACH
China’s High Speed Railway Diplomacy can be examined by several theoretical approaches, especially when it comes to the high-speed Jakarta–Bandung railway project in Indonesia. It can be approached by international finance, international organisation and international system, peace and government.

From the international finance perspective, China has played a fundamental role in the establishment of a funding mechanism, and in multilateral, bilateral and commercial institutions. There are also several financial institutions such as the Asian Development Bank, the European Bank and many others.3

According to international organisation and international system, China has played a major role in setting up the Shanghai Corporation Organization, the Ba’ao Forum and several others. This organisation is seen as a calm institution compared with traditional international organisations (Xinhuanet, 2015), but the point is Chinese people play an important role in these organisations, thus meaning power can be maintained in them. Furthermore, in order to strengthen its foreign policy, especially in Indonesia, China has shown that the country has enough power to control and handle international organisations. Thus, it creates trust between the governments of two countries.

In terms of peace and governance, China’s participation in organisations and financial institution has made the country be regarded as an inclusive country in economic development. China’s approach to global governance is completely comprehensive and shows a mutual benefit to countries which seem to cooperate with China. This soft power diplomacy is to avoid military intervention (Chan, 2016). Hence, China’s approach can achieve what can be called a “structural peace”.

When a Chinese-led consortium sought a contract to build a high-speed railway between Jakarta and Bandung, Indonesia leveraged the consortium’s eagerness to beat a Japanese-led rival to win a major concession: the consortium would drop its requirement for the Indonesian government to backstop China’s loans. In the end, the consortium won the contract. But Indonesia offloaded the project’s financial risk onto China (Chang, 2017). China welcomed Indonesia’s choice, which meshes well both with Beijing’s call for Chinese companies to “go global” and to increased infrastructure investments from China along the planned “Belt and Road routes”.

JAKARTA–BANDUNG HIGH-SPEED RAILWAY
The Jakarta–Bandung high-speed railway is a complicated project which actually shows the competition between Chinese and Japanese companies. In early September 2015, Indonesia announced the plan to build a high-speed railway connecting Jakarta with Bandung. The purposes for constructing this rail line are to reducing transport time and improve economic development between the two cities. The Indonesian government even has a long-term goal to achieve by 2030 to extend the railway network up to 12,100 km to the major islands, including 3,800 km of urban rail network (Salim and Negara, 2016).

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3 Such as the China Development Bank, the Export-Import Bank of China, and the Industrial and Commercial Bank of China.
Figure 1: Roadmap of high-speed railway project Jakarta Bandung

Source: Indonesian Investment Website, 2017

It can be seen that the high-railway project Jakarta Bandung will have four stops along the route: Halim, Karawang, Walini and Tegalluar. This fast train project from Jakarta to Bandung is a project connecting the capital city of Jakarta to the textile hub of Bandung. There was a long story behind the project before it was decided that China was to handle the project. China has been selected by Indonesian government over Japan to build the countries’ first fast train rail link. The commencement year was 2016, the construction on the $5.5 billion project will last for three years, with the completion schedule for 2019. The project will be developed by PT. Kereta Cepat Indonesia China, a joint venture formed in October 2015 between a consortium of Indonesian state-owned companies, and China Railway International. Moreover, the project will be carried out on a business-to-business basis with Indonesia having an interest in the joint venture, while China has 40% (Railway Technology, 2017).

The high-speed line between Jakarta and Bandung is generally regarded as an odd choice as existing infrastructure between both cities is relatively well-developed. Three-quarters of the investment required for the construction of the Jakarta–Bandung line will originate from the China Development Bank. The remaining 25% will come from Indonesian state-owned companies. Wijaya Karya said it may issue a global bond (Indonesia Investment, 2017).

Chinese State Councillor Wang Yong, who attended the ground-breaking ceremony for the project, read a congratulatory message from Chinese President Xi Jinping to Indonesian President Joko Widodo at the ceremony. Xi said in the message that the successful launch of the project not only set a new record in pragmatic cooperation between China and Indonesia, but it will also become a new model for bilateral cooperation in various fields, particularly in infrastructure and production capacity (Huwaxia, 2016).

How Did China Win the Project?
The Jakarta–Bandung high-speed railway project was actually introduced in 2015. At the time, Japan had already proposed for the project for several years ago. Then, China participated in the project bidding process when Indonesian government officially announced opening the project. The result was that China won the bid. Several factors can be analysed to uncover the reasons why China won the project instead of Japan, which had already invested some resources (money) to conduct viability and feasibility studies on the project. First, these can be seen from economic and trade corporation between Indonesia and China. The corporation has a board prospect.
Table 1: Trade between Indonesia – China in thousand US$

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total trade</td>
<td>36,478,290.1</td>
<td>37,399,875.8</td>
<td>2.53</td>
</tr>
<tr>
<td>Export</td>
<td>12,446,116.3</td>
<td>12,827,738.8</td>
<td>3.07</td>
</tr>
<tr>
<td>Import</td>
<td>24,032,173.7</td>
<td>24,572,137.1</td>
<td>2.25</td>
</tr>
</tbody>
</table>

Source: BPS, Processed by Trade Data and Information Centre, Ministry of Trade of the Republic of Indonesia.

It can be seen from the table that trade between China and Indonesia experienced a gradual increase from around US$ 36.4 billion in 2015 to approximately US$ 37.4 billion in 2016, an increase of 2.53% in total trade. This condition has impacted on the relations between Indonesia and China in other sectors, not only in trade but also in industry. Thus, this can be counted as one of the factors enabled China to handle the high-speed railway from Jakarta Bandung. Other than that, the main relation has also strengthened to other sectors, such as education, oil, infrastructure, security, counter-terrorism, and other economic sectors. This close relation leads to the building of mutual trust, especially in the railway project.

Secondly, China’s high-speed rail is considered to enjoy a competitive edge. China’s high-speed rail has developed fast. It has developed with the longest operating mileage and the most comprehensive technology that the country has. This comprehensive and advanced technology are increasing the quality and reducing cost. Moreover, about 30 countries had discussed cooperating with China in the area of transport sector, such as Malaysia, South Africa, Argentina, Thailand, Cambodia and so forth (Kun, 2016).

The high-speed railway service in China was first introduced in 2007. Then, it became massively popular with an annual ridership of over US$1.44 billion in 2016. That is why the Chinese high-speed railway system is trusted in numerous countries throughout the world (Smith, 2017). In other words, China’s high-speed railway system has progressively and massively increased over the last few years since its establishment. It was recorded that 9,676km of tracks are in operation and a lot more will be followed in the years ahead. Meanwhile, the planning and construction is still on-going in various parts of China. The government plans envision of 16,000km high-speed railway lines at the cost of US$293 billion to connect major cities by 2020 (Railway Technology, 2017). The graph below simplifies and shows the pace of China’s high-speed railway construction.

Figure 2: China’s planned high-speed rail network in 2011

Source: Businessweek “The Year of the Metal Rabbit: China’s High-Speed Rail Network” Feb. 2, 2011 China-Mike.com

It can be seen clearly that China’s high-speed railway has quickly developed; it only took a few years to connect several major cities in China. It can be clearly seen from the thick
lines on the graph that showed that the construction had already finished in 2011, only few years after the establishment. Therefore, the competitive edge in this way has made an impact on the Indonesian government decision when it comes to deciding China as a country to handle the high-speed railway project.

Thirdly, China has prestigious “salesman” who always promote their local companies. Chinese president Xi Jinping introduced the idea of high-speed train to Indonesia in 2013 when he introduced the One Belt One Road Initiative. Moreover, Premier Li Keqiang also promoted China’s high-speed railway technology when he visited other countries, including Indonesia. The effort of the leaders to always promote its high-speed railway is to build trust in other countries. Furthermore, Xu Shaoshi, President Xi Jinping’s special envoy and head of the National Development and Reform Commission, met Indonesian President Joko Widodo in Djakarta on 20 August 2015 and submitted a feasibility study for the Jakarta–Bandung high-speed rail project which was completely different from proposal submitted by Japan. During his visit, Xu also met other Indonesian cabinet ministers for further communications and lobbying.

In addition, Indonesia has seen that the local economic development will be boosted by choosing China in the project as China will undertake a technology transfer as part of the project. Hence, Indonesia took advantage of this by choosing China. The project is expected to greatly benefit local economic development as the project in Indonesia is also being implemented in several countries in South-East Asia (China Embassy, 2017). Furthermore, to be analysed more deeply, I use SWOT analysis to delve into how China won the bid.

**Strengths**

China is ready to provide guarantee-free loans, while Japan requested Indonesian Government Funding. The high-profile railway contract was cancelled mid-way through due to high costs and funding issues. Initial plans were changed to a medium-speed rail link that would be 40% cheaper. Indonesian authorities upgraded the proposal to a high-speed rail link, and awarded the contract to China.

In 2015, after months of speculation, the Indonesian government decided to choose China to build the high-speed railway from Jakarta to Bandung. This was as a response to dissatisfaction with the slow progress in Japan’s infrastructure in recent years (Asian Insight, 2017). Additionally, in the proposal and planning provided by Japan was greatly different from China proposals. This resulted in a long-time gap from the planning and implementation of the Japan’s project (Masahiro, 2015). Therefore, to make it clear, the table shown below explains the comparison between China and Japan’s proposals and plans. This also analyses the strength that China has in the project.

**Table 2: The comparison of China and Japan proposal in the high-speed railway project between Jakarta and Bandung in Indonesia**

<table>
<thead>
<tr>
<th></th>
<th>China</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cost</strong></td>
<td>US$5.5 billion (IDR 74.3 trillion)</td>
<td>US$6.2 billion (IDR 83.7 trillion)</td>
</tr>
<tr>
<td><strong>Government Commitment</strong></td>
<td>No guarantee from government or state budget Business to business deal</td>
<td>Government guarantee (50% of project value) and financing from the state budget</td>
</tr>
<tr>
<td><strong>Business Concept</strong></td>
<td>25% equity, 75% loans from CBD Loan terms: 40-year, 10-year grace period</td>
<td>75% loans from JICA, 25% state budget Loan terms:40-year, 10-year grace period</td>
</tr>
<tr>
<td><strong>Financing</strong></td>
<td>60% US$, 2% interest per year 40% RMB, 3.46% interest per year</td>
<td>100% yen, 0.1% interest per year (government loan)</td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td>Excavation 16.6km Landfill 40.5 km Raised 70.5 km Tunnels 22.9 km</td>
<td>Excavation 24.22 km Landfill 34.58 km Raised 39.2 km Tunnels 42.14 km</td>
</tr>
<tr>
<td><strong>Railway track</strong></td>
<td>150.5 km of track Route: Gambir-gedebage eight stations</td>
<td>140.14 km of track</td>
</tr>
</tbody>
</table>
The revised version:
142.3 km of track
Route: Halim-Karawang-Walini-Tegalluar (4 stations)
Route: Dukuh Atas – Gedebage 5 stations

| Speed      | 350–380 km per hour | 320 km per hour |
| Ticket Price | IDR 200,000 (US$ 14.8) | IDR 200,000 (US$ 14.8) |
| Begin construction in 2016 | Completed 2018 | Begin construction in 2016 | Completed 2019 |
| Operational 2019 | Operational 2021 |

Source: Content and data from Indonesian Railway Company.

The table above reveals China’s strength in comparison with Japan proposal. This leads China to handle the project of the high-speed railway project. It can be clearly seen that the total cost offered by China was comparatively cheaper than Japan’s. China’s proposal cost only US$5.5 billion while Japan was more expensive, costing around US$6.2 billion.

Interestingly, China offers full responsibility in covering all budgets in the project while Japan asks the Indonesian government to fund 50% of total budgeted project cost. This is a significant advantage for the Indonesian government as the government also wants to build other infrastructure in other areas based on Nawa Cita.4 Japan’s business model and regulations have made it impossible [for Indonesia] to give a concession credit to Japanese companies. Besides, the construction and planning is also very important; the total excavations that China plan is only 16.6km, and it is 8km shorter than Japan’s plan. On the proposal, China offers eight route stops while Japan offers only four. Actually, what China planned was what Indonesian government wanted. Nonetheless, Indonesian government has revised the stops from eight to four after the acceptance of the bid.

The speed of the high-speed railway between Jakarta and Bandung that China offers on the planning and the proposal was considered to be faster in comparison with Japan. The speed of China’s railway is 380km/hour while Japan’s was only 320km/hour. The last strength that became Indonesian government consideration on choosing China to undertake the project was about the time of the construction. It stated that China will take three years from construction to operation while Japan had a timeline of more than five years.

This analysis is also supported by the statement from the Indonesian government. It is stated that Indonesian government did not want to use any state funds for the project. This was completely in contrast with Japan proposal (Tiezzi, 2015). In the end, it appears it was the financing question that decided the issue in China’s favour. Indonesia’s National Development Planning Minister at the time, Sofyan Djalil, told Japan’s chief cabinet secretary, Yoshihide Suga, that Indonesia’s wish to see the project completed under a business-to-business model (without any guarantee of funding from the state) precluded Japanese involvement: Japanese companies would not be able to meet that requirement (Salim, 2015).

**Weaknesses**

Even though China’s bid was stronger than Japan, that does not mean that China’s bid was without any form of weakness in the proposal or in the process of construction. There are several factors which can be considered as weakness. These can become a threat for China and Indonesia if China cannot handle them properly.

Firstly, about 90% of that project was conducted by Chinese contractors, and the Indonesians had complained about the low quality of Chinese equipment, unqualified Chinese contractors, poor service maintenance and delayed completion (Salim, 2015). At the same time, there were also complaints from the Chinese contractors that the bidding price set by the

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4 Nawa Cita is the main goal of Indonesian government under the leadership of President Joko Widodo. It aims to accelerate economic development in undeveloped area such as Papua and several provinces in the eastern Indonesia.
Indonesian government was too low by international standards. This had to be resolved by an extension in quality reduction (Salim, 2015). With regards to the delay, they drew attention to Indonesia’s notoriously lengthy land acquisition process, and argued that the Indonesian government had failed to ensure land provision on time and this was what caused the construction delays.

There is also a misperception about China in Indonesia. This is because there are numerous poor quality Chinese goods sold Indonesia. This has affected the Jakarta–Bandung high-speed railway project. This is a complete challenge to China as a country should prove that the quality is a priority for the Indonesian project. Secondly, PT. KCIK asked the Indonesian government to play an important role if the project failed. The Indonesian government is firmly responding to the request and declining it due to Indonesian regulation. From the beginning, the Indonesian government has committed to avoid using national budget to construct this project. But then China’s company does that.

These two requests made Indonesian government rethink the fast train project. Meanwhile, there are a great number of requirements that should be fulfilled by the Chinese company – for example, AMDAL, engineering design, special landscape planning, and basic requirement constructions. Nevertheless, not all Chinese investments have been criticised. Some infrastructure projects built by China have been successful, for example the Suramadu bridge linking East Java and Madura (Amin, 2016).

Opportunities
For Indonesia, it considered the high-speed railway project as opening up more opportunities to accelerate infrastructure development agenda and with the hope of boosting the slowing economy.

For China, the railway project opens opportunities to increase its infrastructure exports, strengthen its economic influence in Indonesia and the region, and secure long-term returns. It will also serve as a test for China to convince potential buyers that they can build an integrated and high-quality railway system at a competitive price. Further opportunities for China and Indonesia in terms of the high-speed railway project can be clearly seen from the table given bellow.
Table 3: Comparison parameters between Indonesia and Japan to establish opportunities for Indonesia

<table>
<thead>
<tr>
<th>No.</th>
<th>Parameter</th>
<th>China and Indonesia Consortium</th>
<th>Jepang</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Business Concept</td>
<td>Joint Venture Company (JVC) Indonesia (60%) and China (40%). Risk Project: Joint Venture Company (JVC)</td>
<td>Engineering, Procurement, and Construction (EPC), Financing (ordinary contractor), risk: government</td>
</tr>
<tr>
<td>2</td>
<td>Procurement of Land</td>
<td>Indonesian Government does not have responsibility to procurement of land</td>
<td>Indonesian Government needs to take part in procurement of land</td>
</tr>
<tr>
<td>3</td>
<td>Local Content</td>
<td>58.6%</td>
<td>40%</td>
</tr>
<tr>
<td>4</td>
<td>New Job Creation</td>
<td>During the period of construction: 39,000 people a year. Chinese workers who will engage in the project are only expert staff and supervisors</td>
<td>During the period of construction: 35,000 people a year. Some of them are Japanese workers</td>
</tr>
<tr>
<td>5</td>
<td>Technology</td>
<td>Siemens Technology which is developed in China since 2003. Speed: 350km/hour and max 380km/hour. This technology is suitable for tropic weather. High-speed railway technology system is opened</td>
<td>Japan, since 1964. High-speed railway technology system is closed</td>
</tr>
<tr>
<td>6</td>
<td>Transfer of Technology</td>
<td>Through fabric construction of Rolling Stock in Indonesia</td>
<td>No programme mentioned in transferring technology</td>
</tr>
</tbody>
</table>

Source: PT. Kereta Api Indonesia

According to the table shown above, it can be seen that more opportunities can be obtained by Indonesia when it was decided to award China the project. This is also because China offers Joint Venture Company (JVC) which is almost 60% ownership by Indonesia and the rest for China. The Risk Project will be a responsibility of the JVC. This means that the government does not bear any risk of the project in case the project fails. On the other hand, Japanese mechanism asked government to bear part of the cost if the project failed. Meanwhile the project will be financed through a Chinese loan, without aid from the Indonesian State Budget. China Development Bank will provide approximately 75% of the funding, and the rest will be arranged by the joint venture partners. The loan will be for a 40-year period, with a 10-year grace period.

Further, the Indonesian government does not need to be involved in procurement of land when China handles the project. Nonetheless, Japan asked Indonesian government to take part in procurement of the land for the project. The high-speed railway project under Chinese construction will create 4,000 jobs in comparison with Japan. The technology China offered was apparently open, not like Japanese technology, which was closed. Indonesia can take this technology for further and other development in other area after completion of the project. Moreover, the Indonesian government will take more opportunities as China is guaranteeing the Indonesia transfer of technology in the project. It means that Indonesia will take advantage by choosing China without taking money from the government purse.

Threats
After the ground-breaking ceremony in January 2016, construction of the Jakarta–Bandung high-speed railway had to be suspended due to issues related to paperwork as well as revisions that had to be made to the project’s development plan. There also surfaced reports that land procurement and a shortage of funds exacerbated the situation. Critics consider the project an odd choice as existing infrastructure between both cities is relatively adequate (railway and roads) while the route is not that critically important for business. Indonesia is plagued by inadequate infrastructure (both in quality and quantity), causing high logistics costs while making the country’s investment climate less attractive. This also causes social issues as it limits people’s access to healthcare (Indonesia Investment, 2015).
This situation has become a threat for Indonesia because if the project fails or does not continue, it will make Japan see the Indonesian government as an inconsistent country for deciding the development project. It is because Japan has offered the proposal earlier with more realistic implementation and covering risk with governmental fund.

CONCLUSION
China’s foreign policy with Indonesia can be clearly seen from how China tries to lobby Indonesia in several projects or programmes. It has actually been happening several years before the leadership of Joko Widodo. For example, the Suramadu Bridge was constructed when Susilo Bambang Yudhoyono took the Indonesian presidential seat from 2004 to 2014. Moreover, when Joko Widodo took power in 2014, the relation between Indonesia and China became closer. With the focus of infrastructure development, transport construction and building ports in numerous parts in Indonesia, China’s government is carrying out an “expansion” easily large enough to handle several projects in Indonesia.

With the same perception in maritime policy, it makes it easy for China to have a high-speed railway project. There are several factors why China succeeded in convincing Indonesia that it should undertake the high-speed railway project. Xi Jinping was active in promoting its railway company to Indonesia. As it stated on the economic and business theory, the success of business depends on the marketing, and marketing depends on a good and persuasive salesman. That is why Indonesia chose China to handle the project. Moreover, the fast-growing domestic railway in China has built trust in a number of countries. This seemingly proves that China is expert in handling the project.

RECOMMENDATION
According to the result using SWOT analysis, the author has concluded that threats and weakness should be taken care of so as not to affect the smooth running of the project. Therefore, several recommendations have been offered to strengthen China in order to succeed in the railway project.

- China and Indonesia should build a much closer relationship, not only in the scope of Government to Government, people to people relationship. This aims to get mutual understanding between two countries as people’s perspective in Indonesia can influence its public policy.
- Sino-Indonesian relations should be strengthened through the Eminent Person Group Project. This scheme has already been implemented in relations with India and Malaysia. The result was satisfied as it will alter the negative tone in bilateral relations and strengthen relations.
- Soft diplomacy should be improved between two countries. The public diplomacy or soft diplomacy between two countries should be improved. For example, cooperation in the areas of research and education should be improved between the two countries. Furthermore, cultural exchange should also be improved.
- China should also have a good strategy in understanding current conditions in Indonesia. Recently, the sense of nationalism is apparently increasing due to political conditions. Many protests on social media and several places have happened due to China’s company. Therefore, China should establish more strategies to give a deep understanding for the Indonesian citizen. This will be beneficial to both countries, not only to China.

REFERENCES


ROLES OF URBAN PERIODIC MARKETS IN DRIVING THE LOCAL ECONOMY: A CASE STUDY FROM THE MERCHANTS’ PERSPECTIVE IN BANGKOK METROPOLIS

PAKORN MEKSAANGSOUY

ABSTRACT
This research aims to reveal how periodic markets in the Bangkok Metropolis promote the local economy as well as local entrepreneurs. The periodic market at Srinakharinwirot University (SWU) on Asokomtri Road, located in a Central Business District in Bangkok, was chosen as a case study. Questionnaire administration was the main technique in this research project. The questionnaire was conducted via a face-to-face interview with 250 respondents, who were running their business in the SWU periodic market. Results from this research can be discussed in three aspects. First, the operational pattern in the SWU periodic market brings about economic benefits not only for the merchants, but also for those working as store assistants or labourers in the market. Second, the key success for an urban periodic market is location. The good location of a market place draws a great number of consumers. As a result, many entrepreneurs want to run their businesses in the market as well. Third, the impact of the periodic market is discussed in this research in order to seek a plan to solve problems that stemmed from the market.

Keywords: Periodic market, local economy, local entrepreneurs, Bangkok metropolis

INTRODUCTION
Retailing is an economic activity that has emerged in human society since the post-industrial revolution era. This tertiary activity has gradually become one of the most important activities that drive economy and society. In terms of space, this activity is normally seen in markets in an urban area. The market is the place where goods and services are bought and sold; this includes any convenient arrangement whereby people can buy and sell goods, services and factors of production, and is therefore not a particular site (Mayhew, 2004). However, retailing can be classified in many ways, such as traditional retailing and modern retailing, or the informal retail sector and the formal retail sector.

Based on the International Labor Organization, three types of informal retailing can be identified: (i) “owner-employers of micro-enterprises”; (ii) “own-account workers”; and (iii) “paid or unpaid family workers” (Warunsiri, 2011). Chalamwong and Meepien (2013, p. 9) address the role of informal retailing in Thailand, saying that “the informal sector in Thailand is very dynamic; many new jobs are created and the distribution of this sector is also very high compared with other sectors. The view of many studies is that this sector plays a very important role in Thai society.” In addition, Bangkok is the capital city as well as the major economic venue of Thailand. Due to its large number of population, Bangkok is a major venue for retail businesses in both the formal and informal sectors. Thus, this study aims to reveal how periodic markets in the Bangkok Metropolis promote the local economy as well as local entrepreneurs.

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LITERATURE REVIEW
Retail geography is a major field that studies the interaction of retail activities in a particular area. Wrigley (2009) explains that retail geography focuses on two aspects. First, the “orthodox” study approach focuses on the interrelations between the spatial patterns of retail location and organisation, on the one hand, and the geography of consumer behaviour on the other. Second, the new retail geography, which is characterised by theoretical engagement and by the appreciation that the transformation of retail capital and of its production and consumption spaces, offers some of the most fascinating and challenging areas of study in contemporary human geography. The two study approaches have different orientations. The former approach is interested in the dynamics of retail activity in each area, which might represent an interaction between retail activities and consumers. The dynamics of an urban growth phenomenon (particularly in the Bangkok metropolis) brings about changes in retail activities within the capital city.

The periodic market is one of the informal trading patterns usually seen in developing countries. Wheeler et al. (1998) describe the periodic market as very commonly found in many traditional societies. The term “periodic market” comes from the periodical movement from one place to another, to serve low-mobility and low-density consumers. In Thailand, Chaiboon (2006) explains the development of periodic markets, saying that the markets have existed in Thai communities for decades. A periodic market can be set up on a certain date and time by individual communities. Thus, the consumers in each area will know the operational date and time of their local periodic market. The government officially initiated the first periodic market at Sanam Luang (the Royal Field) in 1948 in order to promote the local economy. However, the location has been moved to the “Chatuchak Periodic Market” since 1982. For seven decades, the periodic market has become part of the market patterns for Thai society. In addition, Chavanavesskul (1997) explains that periodic markets in urban and suburban Bangkok are generally located in highly populated areas. Population density is inversely proportional to the distance from the market centre. In addition, the role of periodic markets in Bangkok is to fulfil the gap of market service areas. Periodic markets might develop into permanent markets in time.

It can be seen that the periodic markets in Bangkok have been evolved over time. Since the Economic Crisis in 1997, periodic markets have been more often considered as a shopping destination for low-order goods categories such as food, household products and basic goods (e.g. clothes). Chaiboon (2006) notes that periodic markets have been increasing in Bangkok’s CBD in order to serve “white collar” consumers.

RESEARCH METHODOLOGY
The periodic market at SWU on Asokomontri Road, located in Bangkok’s CBD, was chosen as a case study. This research applied a questionnaire as the main research tool. The main aim of the questionnaire design was to understand merchants’ behaviours and attitudes towards doing business in the urban periodic market. The questionnaire consists of three sections. The first involves demographic data. This section was designed to understand the demographic characteristics of local entrepreneurs in an urban periodic market. The second relates to the operational characteristics in an urban periodic market. This section explains the operational patterns of merchants in the urban periodic market such as distribution of merchants’ journey from their place of residence to the periodic market, mode of transport, average journey time, type of selling products and operational costs in the periodic market. The third deals with merchants’ attitudes towards an urban periodic market. It consists of three major factors: location and physical characters, the urban periodic market management, and roles of the urban periodic market towards urban lifestyles.
This research selected the SWU periodic market as a case study. The SWU periodic market can represent an urban periodic market in three aspects. First, the market is located in one of Bangkok’s CBDs, where inhabitants of the area are office workers, university students and staff, as well as expats. Second, the market operates at a certain time of the week: every Tuesday and Thursday in the morning until afternoon. Third, the market is well-known for consumers in terms of the variety of the products and the large service area.

The questionnaire was administered to 250 respondents who were operating their businesses in the SWU periodic market. A face-to-face interview was applied to all merchants in the SWU periodic market on the survey date. Then, the questionnaire was decoded by using the SPSS programme. The statistical data from the programme were interpreted in three sections according to the questionnaire. The first section and second section were interpreted by using a prominent percentage of each variable. The third section, which relates to merchants’ attitudes, was categorised by level of attitude. Then, conclusions were drawn.

RESULTS

1. Characteristics of the SWU periodic market and its merchants

1.1 Process of merchant selection

Meksangsouy (2016) explains the process of merchant selection at the SWU periodic market as having six steps (as seen in Fig. 1). It shows that the urban periodic market has a systematic procedure for merchant selection in order to be fair to all applicants wanting to operate business in the market place. All selected merchants have the right to do business on certain days for one year. At the end of contract, the process will repeat.

The number of shops and types of selling products in the SWU periodic market are determined by the SWU regulation for periodic markets, which is operated by the SWU properties management division. The SWU periodic market operates every Tuesday and Thursday from 6am to 3pm. The market consists of 250 shops (Table 1).

Figure 1: Process of merchant selection in the SWU periodic market

*Source: Meksangsouy (2016)*
Table 1: Types of goods and products in a periodic market at SWU

<table>
<thead>
<tr>
<th>Categories</th>
<th>Number of shops</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous</td>
<td>81</td>
<td>32.40</td>
</tr>
<tr>
<td>Cloths</td>
<td>76</td>
<td>30.40</td>
</tr>
<tr>
<td>Food</td>
<td>76</td>
<td>30.40</td>
</tr>
<tr>
<td>Fruits</td>
<td>15</td>
<td>6.00</td>
</tr>
<tr>
<td>Tree plant</td>
<td>2</td>
<td>0.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>250</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Meksangsouy (2016) discusses that the periodic market sells products in a wide range from low-order goods (e.g. food, fruits) to medium-order goods (e.g. clothes, body care products, household products).

1.2 Merchants’ characteristics at the SWU Periodic Market

As can be seen from the survey (Table 2), the majority of merchants at the SWU periodic market are women (68%). About one third of all merchants are between 41 and 50 years old; 63.90% of all respondents are married. Almost 30% of all merchants hold a Bachelor’s degree. About 70% of all merchants have a single family and 37.90% of all merchants have family members of between four and five people. In addition, the survey shows that 78.70% of all respondents live in house/townhouse, while almost three-quarters of all respondents (73.40%) live in their own house.

Table 2: Prominent demographic characteristics of respondents in the periodic market at SWU (N=250)

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
</tr>
<tr>
<td>Age</td>
<td>41–50</td>
</tr>
<tr>
<td>Marital status</td>
<td>Married</td>
</tr>
<tr>
<td>Educational level</td>
<td>Bachelor’s Degree</td>
</tr>
<tr>
<td>Family type</td>
<td>Single family</td>
</tr>
<tr>
<td>Family members</td>
<td>4–5 people</td>
</tr>
<tr>
<td>Type of accommodation</td>
<td>House/Townhouse</td>
</tr>
<tr>
<td>House ownership</td>
<td>Own house</td>
</tr>
<tr>
<td>Average monthly income</td>
<td>More than THB 45,001</td>
</tr>
<tr>
<td>Proportion of income derived from the SWU Periodic market</td>
<td>30–50%</td>
</tr>
<tr>
<td></td>
<td>More than 50%</td>
</tr>
</tbody>
</table>

The economic aspect shows that about one-third of all merchants have an average monthly income greater than Russian Ruble 45,001 (about GBP 1,000). In addition, it is found that almost 30% of all the respondents acquire half of their average monthly income or above from doing business in the SWU periodic market, while another one third of respondents receive between 30 and 50% of their average monthly income from the market. It can be then said that the SWU periodic market supports local entrepreneurs.

2. Merchants’ Operational Patterns at the SWU Periodic Market

2.1 Operational patterns at the SWU periodic market

Figure 2A represents staff who are involved in the businesses in the SWU periodic market. It shows that the SWU periodic market involves many people. About two thirds of all merchants have assistants to help them to operate their businesses. Half of the merchants need one person to assist, and 41% need two staff to run the business (Figure 2B). However, it is found that
about half of the store assistants in the SWU periodic are the merchants’ family members – about a quarter of all merchants (23 percent) are relatives, while the rest are employees (Figure 2C). These figures show that the periodic market brings about economic benefits not only to the merchants, but to the other important people in the business.

Figure 2: Merchants’ operational patterns

In terms of the merchants’ experience in operating business in urban periodic markets, it is found that the periodic market is open to both new and experienced entrepreneurs. Figure 3 shows that more than half of the merchants in the SWU periodic market (58.60%) are new entrepreneurs, who have less than five years of experience, whereas about a quarter of them have been operating business in the market between for between five and 10 years. The experienced merchants at the SWU market are at 13.50%. It can be inferred that the SWU periodic market applies an “open door” policy for all merchants.

Figure 3: Merchants’ experience in operation in the SWU periodic market and other periodic markets

Furthermore, the landlord has set an operation time for the periodic market from 6am to 3pm. However, from the survey it is found selling products at the SWU market consists of two periods of primetime. The first primetime is indicated by the merchants at 8–9am (about 50%), while the second primetime is at 12am–1pm (57.40%). These two primetime periods should represent the meal times of consumers, who are office employees, university staff and students, and dwellers from neighbouring areas.
2.2 Merchants’ journey patterns

As can be seen from Table 3 and Figure 5, it has been found that most of the respondents (93%) travel from somewhere in Bangkok Metropolis and the vicinity (Samut Prakan, Nonthaburi, and Prathum Thani) to the SWU periodic market. The maximum distance travelled to the market is 99.22 kilometres and the minimum distance is 2.48 kilometres. The average distance of merchants travelling to the SWU periodic market is 20.43 kilometres. These journey patterns show the urban periodic market’s attraction to the merchants. Even though some of the merchants have to travel almost 100 kilometres for only a nine-hour business operation at the market, they are still willing to do so.

Table 3: Merchants’ travel distance between original and the SWU market

<table>
<thead>
<tr>
<th>Distance</th>
<th>Euclidean distance (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum distance (Khao Yoi District, Phetchaburi Province)</td>
<td>99.22</td>
</tr>
<tr>
<td>Minimum distance (Wattana district, Bangkok Metropolis)</td>
<td>2.48</td>
</tr>
<tr>
<td>Average distance</td>
<td>20.43</td>
</tr>
</tbody>
</table>

Figure 4: Primetime for selling goods at the SWU periodic market
Figure 5: Breakdown of the distribution of merchants’ journey between origins and the SWU periodic market

For the transport mode and journey time to the SWU periodic market, it is found that almost 90% of merchants at the market rely on a private car for travelling to the market (Figure 6A). 61.20% of merchants spent between 31 and 60 minutes travelling to the market, while a quarter of them spent less than 30 minutes doing so (Figure 6B). From the fieldwork, it was found that most of the merchants choose to travel to the market by car because they need to carry all of their goods for sale to the market. The market also provides rented parking space on the day they operate their business. In addition, about three-quarters of all the merchants spent less than an hour travelling to the market because they have to set up shops in the early morning (before 6am) in order to get ready to operate shops around 6–7am. The journey time to the market is not yet in rush hour in Bangkok.
Figure 6: (A) Mode of transport, and (B) Journey time between origin and the SWU periodic market

2.3 Merchants’ income

According to the survey, it is found that almost one-third of all the respondents received a revenue of more than 45,000 Thai Baht per month from business operation in periodic markets. About a quarter of them have got a monthly income between 30,000 and 45,000 Thai Baht (Figure 7A). In addition, the survey also shows that 21.30% of merchants from the SWU periodic market have got more than 51% of their revenues from the SWU periodic market, while 45.60% of them have got between 26 and 50% of their income from the SWU periodic market. The remainder have obtained less than 25% of their income from the SWU periodic market (Figure 7B).

Figure 7: (A) Merchants’ monthly income from selling products in periodic markets; (B) income proportion derived from the SWU periodic market

From these figures it is clear that periodic markets are the place to drive local economy in terms of support merchants to have a place for doing business. However, from the fieldwork also found that the periodic market supports local economy not only for the merchants in the market, but also for the labourers and related staff. For instance, a merchant will pay about THB 800–900 every business day. This economic distribution will go to the landlord, labourers and related staff (Table 4). As seen from Figure 8, labourers who work to set up and clear out the market place, courier merchants’ products from the market to the loading area, and the cleaning staff, have got paid from the merchants every operation day.
3. Merchants’ Attitude towards Store Operations at the SWU Periodic Market

This research discusses the merchants’ attitude towards store operation at the SWU periodic market in three topics: location and physical characteristics; market administration; and attitude of the urban periodic market towards urban lifestyle.

3.1 The Attitude towards the Market’s Location and its Physical Characteristics

Table 5 presents the merchants’ attitudes towards the market’s location and its physical characteristic factors. Overall, it is found that this aspect is ranked the highest ($\bar{x} = 4.05$). According to the survey, it can be inferred that the location is a key success factor for operating business at the periodic market. Results from the survey show that good location for customers to do shopping is placed highest ($\bar{x} = 4.30$) of all kinds, followed by good location as place of high purchasing power consumers ($\bar{x} = 4.24$), easy to access for customers to buy products in the market ($\bar{x} = 4.20$), and easy to access for business operation ($\bar{x} = 4.08$).

Table 5: Merchants’ attitude towards the location of the SWU periodic market and its physical characteristics

<table>
<thead>
<tr>
<th>Variables</th>
<th>$\bar{x}$</th>
<th>S.D.</th>
<th>Level of Attitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location and Physical Characteristic Factors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Easy to access for business operation</td>
<td>4.08</td>
<td>0.76</td>
<td>high</td>
</tr>
<tr>
<td>▪ Easy to access for customers to buy products in the market</td>
<td>4.20</td>
<td>0.71</td>
<td>high</td>
</tr>
<tr>
<td>▪ Good location for customers to do shopping</td>
<td>4.30</td>
<td>0.65</td>
<td>highest</td>
</tr>
<tr>
<td>▪ Good location as place of high purchasing power consumers</td>
<td>4.24</td>
<td>0.74</td>
<td>highest</td>
</tr>
</tbody>
</table>
3.2 The Attitude towards the Market Administration

Table 6 shows merchants’ attitude towards an administration of the SWU periodic market. It is found that this variable is taken into account by respondents at a high level \( \bar{x} = 3.83 \). This aspect shows that administration and management within the market are taken into account by merchants to select the market place for their business. From the survey, it is found that suitable business time operation factor is placed on the highest level \( \bar{x} = 4.07 \) from this category. The second is suitable of store’s size and its construction \( \bar{x} = 4.06 \), and well-organised shops according to product category \( \bar{x} = 4.01 \) is at the third place. Because of the prime location of the SWU periodic market as well as the long experience of market’s administration of the landlord, the SWU market is quite successful in its space management, particularly in the physical aspect.

Table 6: Merchants’ attitudes towards the administration of the SWU periodic market

<table>
<thead>
<tr>
<th>Variables</th>
<th>( \bar{x} )</th>
<th>S.D.</th>
<th>Level of Attitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Administration Factor</td>
<td>3.83</td>
<td>0.75</td>
<td>high</td>
</tr>
<tr>
<td>▪ Fair regulations from the tenant for all merchants</td>
<td>3.83</td>
<td>0.74</td>
<td>high</td>
</tr>
<tr>
<td>▪ Suitable of business time operation</td>
<td>4.07</td>
<td>0.71</td>
<td>high</td>
</tr>
<tr>
<td>▪ Fair system for store’s selection</td>
<td>3.92</td>
<td>0.95</td>
<td>high</td>
</tr>
<tr>
<td>▪ Suitable of rent fee</td>
<td>3.79</td>
<td>0.82</td>
<td>high</td>
</tr>
<tr>
<td>▪ Well-organised shops according to product category</td>
<td>4.01</td>
<td>0.74</td>
<td>high</td>
</tr>
<tr>
<td>▪ Suitable of store’s size and its construction</td>
<td>4.06</td>
<td>0.67</td>
<td>high</td>
</tr>
<tr>
<td>▪ Suitable of loading area</td>
<td>3.76</td>
<td>0.94</td>
<td>high</td>
</tr>
<tr>
<td>▪ Good management of properties security scheme</td>
<td>3.82</td>
<td>0.90</td>
<td>high</td>
</tr>
</tbody>
</table>

However, from the survey it is also found the bottom three attitudes towards this category are: suitable loading area \( \bar{x} = 3.76 \), suitable rent fee \( \bar{x} = 3.79 \), and good management of properties security scheme \( \bar{x} = 3.82 \). These factors show that the SWU periodic market is located in a prime location, one surrounded by office buildings and residential buildings. Thus, the SWU periodic market has a higher rent fee than the other periodic markets in the same area. In addition, it is found that all merchants in the SWU periodic market start and finish at the same time. Thus, the parking spaces for off-loading and loading areas cannot accommodate all the merchants. Last, the SWU market serves a lot of customers in the area, particularly in the morning and lunchtime (as discussed in topic 2.1 above). Therefore, a lot of consumers in the market sometime bring about security problems (particularly pickpocketing).

3.3 Attitudes towards the Periodic Market in Relation to Urban Lifestyle

Table 7 presents the merchants’ attitudes towards the periodic market in relation to urban lifestyle. It shows that this aspect is considered at a high level \( \bar{x} = 3.49 \). Taking the role of the periodic market in relation to urban lifestyle into account, the result shows that the respondents from the SWU periodic market strongly agree with this aspect. Two variables from this aspect have been addressed from respondents at the highest level. They are “the periodic market supports lively community in the area” \( \bar{x} = 4.24 \) and “the periodic market become a major market place for local” \( \bar{x} = 4.22 \). In addition, the respondents also state advantages of the periodic market as high level in many aspects as follows: the periodic markets help consumers to have more alternative shopping places \( \bar{x} = 4.18 \), periodic markets lift the
quality of life as well as support the local economy ($\bar{x} = 4.09$), periodic markets bring about an increase in job positions ($\bar{x} = 4.04$). Therefore, these variables support the important role of the urban periodic market in relation to urban lifestyle as well as driving local economy.

**Table 7: Merchants’ attitude towards the SWU periodic market in relation to urban lifestyle**

<table>
<thead>
<tr>
<th>Variables</th>
<th>$\bar{x}$</th>
<th>S.D.</th>
<th>Level of Attitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude of the Urban Periodic Market towards Urban Lifestyle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Periodic markets lift the quality of life as well as support local economy</td>
<td>4.09</td>
<td>0.71</td>
<td>high</td>
</tr>
<tr>
<td>▪ Periodic markets bring about an increase in job positions (e.g. laborers)</td>
<td>4.04</td>
<td>0.70</td>
<td>high</td>
</tr>
<tr>
<td>▪ Periodic markets help consumers to have more alternative shopping places</td>
<td>4.18</td>
<td>0.59</td>
<td>high</td>
</tr>
<tr>
<td>▪ Periodic markets become a major market place for local</td>
<td>4.22</td>
<td>0.67</td>
<td>highest</td>
</tr>
<tr>
<td>▪ Periodic markets support lively community in the area</td>
<td>4.24</td>
<td>0.73</td>
<td>highest</td>
</tr>
<tr>
<td>▪ Periodic market cause chaos to the surrounding area</td>
<td>3.11</td>
<td>1.16</td>
<td>moderate</td>
</tr>
<tr>
<td>▪ Periodic markets result in traffic problem to the area</td>
<td>3.05</td>
<td>1.15</td>
<td>moderate</td>
</tr>
<tr>
<td>▪ Periodic markets cause waste problem in the area</td>
<td>2.82</td>
<td>1.21</td>
<td>moderate</td>
</tr>
<tr>
<td>▪ Periodic markets result in an increasing of road accidents</td>
<td>2.62</td>
<td>1.21</td>
<td>moderate</td>
</tr>
<tr>
<td>▪ Periodic markets deliver criminal problems (e.g. pickpockets, snatch thieves) to the area</td>
<td>2.71</td>
<td>1.21</td>
<td>moderate</td>
</tr>
</tbody>
</table>

**CONCLUSION AND DISCUSSION**

This research shows the important role of a periodic market in an urban area in relation to local economy in three aspects as follows:

The first is benefits of periodic markets in urban areas. Periodic markets in Bangkok bring about advantages not only to local entrepreneurs, but also to staff and labourers who are related to the market operation. The results show that the merchants are willing to pay a higher rate of administration fee in order to sell products in the SWU periodic market in view of the high purchasing power of consumers in the area. The administration fees are circulated to the other sectors such as labourers and related staff. In addition, urban periodic markets bring about vibrant dynamics in the market centre as well as the surrounding areas. People from surrounding areas come to the market not only for shopping, but also to relax from their routine work or daily life (Soontharotoke, 2006; Marasu and Badenoch, 2013; Meksangsouy, 2016).

Second, location is also a success key. Section 3.1 shows that merchants in the SWU periodic market have a strong agreement with the location variable. It is found that this market is located in a prime location, which gathers together a lot of consumers from various groups such as students and university staff, students’ parents, housemaids and white-collar workers from the surrounding areas. According to the survey, some merchants point out that even though the SWU periodic market has a higher fixed payment rate (as seen from Table 4) than the other periodic markets in Bangkok, merchants are still willing to operate their businesses in this market due to the prime location, attraction to consumers, and the variety of consumer classes. At the same time, Meksangsouy (2016) reports that consumers go shopping in the periodic market because of the good location and easy access. Therefore, this research shows that good location is the key success factor for a periodic market.

The third is the impact of periodic markets on the area and society. The impact can be discussed in two aspects; positive and negative. The former involves driving local economy and changing spatial functions. Merchants’ attitudes from the survey show that the periodic
market lifts their quality of life and supports the local economy. Thus, the periodic market has a role in driving the local economy. According to Warunsiri (2011) and Chalamwong and Meepien (2013), the informal sector has played a significant role in supporting the Thai labour market. In addition, it is found that the spatial function benefits the periodic market in order to maximise profits from the area. Moreover, periodic markets also have a function as relaxing and consuming space for the public (Soontharotoke, 2006; Meksangsouy, 2016). On the other hand, the periodic markets may cause some problems to the area (e.g. traffic congestion, pickpocketing, an increase in solid waste). From the fieldwork, some of merchants in the market pointed out that they had heard about the pickpocket problem in the market, particularly at the midday period, when the market is crowded with consumers. After the market operation, solid waste (e.g. plastic bags, food containers) can be found throughout the area. Thus, the market administrators have to take these problems into account and work out solutions to reduce the problems. For example, they may increase more security staff to patrol throughout the market at a peak time or promote a “green shopper scheme” in order to reduce solid waste.

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