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CO-INTEGRATION OF THE SAUDI ARABIAN STOCK MARKET WITH OTHER MARKETS FROM EMERGING AND DEVELOPED ECONOMIES

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Abstract

The purpose of this paper is to explore cointegration between the leading Saudi Stock market index (TASI) with leading indices from China, India, UK, Malaysia, Japan Singapore, USA and Hong Kong. The theory of cointegration techniques are used to study the dependency between these indices. TASI shows a significant relationship with S & P, and no dependence with other stock indices, it becomes clear that the Saudi stock market and investor sentiments move with the American economic trends rather than with better performing markets.

JEL Classification: G120

I Introduction

The changing financial environment of Saudi Arabia requires a revisit to the topic of stock market efficiency. The economic boom resulting from favorable oil price movement has resulted in the gradual expansion of Saudi stock market as the steady flow of petrodollars initiated a much larger scale of economic activity, capital expenditure and strengthening supporting institutions.

However, various commentators have expressed doubts about the health of the local stock market. Many small time investors have lost millions due to free fall of market capitalization of Saudi stocks. It is a matter of concern and confusion for the average investor and raises questions of quality of investment. Any increase in capital investment must be balanced by incremental factor productivity increases.

Further, the combination of rapid introduction of IT and globalization has significantly encouraged capital flow across national boundaries contributing to integration of international stock markets. Saudi Arabia has ambitious plans to develop economic cities across the country in the future. The resulting infrastructure development will throw open enormous opportunity across the board. The support of the investing public is crucial. Saudi Arabia is a member of WTO, which enhances its integration with major trading countries. Integrated markets tend to share common economic fundamentals (Phengpis and Apilado, 2004) and it may be possible that the benefits and investment diversification are inversely related in those markets (Kearney and Lucey, 2004). On the other hand, lack of dependency across international stock markets minimizes portfolio risk by international diversification.

In brief, Saudi Arabia's stock market is no longer isolated and the repercussions of international events will have a cascading effect on the movement of share markets and other investments. Its economy is oil driven and dependent on its leading trading partners' economic fortunes. Stock markets are indicators of economic activity. Saudi stock market cannot be an exception. The market has undergone wide variations leading to huge wealth losses to many investors. A comprehensive study of the Saudi capital market has not been undertaken for quite sometime mainly due to the difficulties of data collection and the avoidance of this market by global investors. In spite of economic boom and rapid infrastructure development global investors have not shown much interest in the Saudi stock market.

However this is an important market of the future with plenty of opportunities. It is important to make the investors understand the significance of this market and how much it is integrated with the global market, to make meaningful comparisons and investment decision making. This study looks at the level of linkage of the Saudi Arabian capital market with markets of the world.

The study will capture the current level of dependency between the Saudi stock market, and markets in both developed and emerging markets. The importance of cointegration of capital markets for the operation of free market economy is well-known. However, the influence of emerging markets on the global markets is a new problem. The growing importance of emerging economic powerhouses like China and India poses a serious challenge to the global economy; even to the extent of challenging the US economic dominance. How does this affect Saudi Arabia? A very important question that needs to be answered is that whether the Saudi market is prepared to face the challenges these emerging markets bring and how can it benefit from them? This study will look at one aspect of the problem that is the

dependency of the emerging markets with the Saudi stock market. It can provide a good understanding of the current relationship between markets and provide a preliminary framework for future studies.

The All Shares Index of Saudi Arabia (TASI¹) computational methodology includes only securities that can be traded on Tadawul² as well as adopt conventions known internationally.

The shares owned by government, the foreign partner and the founding partner during restriction period are excluded from all Tadawul index calculations. Market capitalization weighted method is used in index calculation The Tick Size³ for all shares is measured based on the share price, at three bands. Band 1; share value below SR25 with tick size SR0.05, Band 2 share value of SR50 to SR25.10 with tick size SR0.10 and Band 3 for shares above SR50.25 with tick size SR0.25.

II Review of Empirical Evidence

Groenewold's (1997) first used cointegration technique to examine semi-strong form of market efficiency. Aggregate share price index data of Australia and New Zealand stock markets for the period of 1975-1992 are tested for efficiency using this approach. By relating past prices in New Zealand and Australian markets and vice versa, he found the two indices were not cointegrated and conclude that the finding is consistent with market efficiency.

¹ Tadawul All Share Index.

² The Saudi Stock Exchange (146 listed companies across 15 sectors)

³ The quantum of change in share prices (included in the basket), to make a unit change in the index. Shanghai and the Shenzhen market and found that the two stock markets were collectively inefficient.

Chan et.al (1992) used cointegration techniques to examine the relationship between major Asian markets and US markets and found no cointegration between these markets. Their findings suggest that the stock prices in these countries are efficient collectively in the long run. Chelley-Steeley and Pentecost (1994) examined the issue of stock market efficiency using share prices of both large and small UK firms by applying cointegration test and found that small firms have a greater tendency for their share prices to be cointegrated indicating, market inefficiency in the absence of thin trading. Liu et.al. (1997) used cointegration and causality test to examine the relationship between the

Arshanapalli, Doukas and Lang (1995) examined the linkage of Asian markets with developed markets of the US and Japan. Using cointegration and error-correction model, they conclude that Asian markets are more integrated with the US than the Japanese stock market and that the cointegration was greater during post 1987 period. Leo and Kendall (1996) studied the cointegration of Malaysian, Singapore and Indonesian markets using data collected from 1975 to 1994. For Singapore and Malaysia, the cointegration yields mixed results after the year 1987. Singapore and Indonesia are cointegrated in the period 1988 to 1991. Collectively the three countries provided mixed results for cointegration after the year 1987. Before that, they were cointegrated. Overall, they suggest that these markets are on the path to greater efficiency even though efficiency is lower for Indonesia and Singapore. Masih and Masih (1999) studied stock markets of eight countries for the period February to June 1997 and found evidence of linkage. Their study confirms the short term and long term leadership of the US stock market. Further, they found a significant relationship, both short and long term, between OECD and emerging Asian stock markets. As far as Southeast Asia markets are concerned, they emphasized Hong Kong market's leading role. Another co relationship study

of US and Southeast Asian stock markets was undertaken by Manning (2002) for the period 1998 to 1999. He identifies two common trends among these markets. Azman-Sani et al. (2002) found presence of causality among ASEAN-5 equity market in the long run except for the Singapore market. They further conclude that the Singapore market was only affected by Philippines in the long run. A similar study by Click and Plummer (2005) on ASEAN-5 using time series technique of cointegration further suggests the integration of ASEAN markets. However, they found only one significant cointegrating vector and concluded that the markets are economically integrated but integration is far from complete. This view is consistent with Royfaizal, Lee and Azali (2009) who found the Asian, stock markets are more interrelated before and during Asian Financial Crisis rather than after the crisis. Their weekly data series runs from January 1990 to February 2009. It also identifies close linkage between Asian and US stock markets in the post-crisis period.

Recent studies in the Gulf region have pointed to some level of market integration.

Studies by Ibrahim (2009) showed strong evidence of bivariate and multivariate cointegration between five GCC stock market returns in the long run. However, his non parametric test showed that Bahrain stock market is segmented from the rest of the GCC markets. The study further showed a bivariate non-linear cointegrating relationship linking the Kuwait stock market with each of the Saudi and the Dubai markets and the Saudi stock market to that of Dubai and Abu-Dhabi markets, as well as between the Muscat and the Kuwait stock markets. An earlier study by Naeem (2008) evidenced a similar relationship between GCC (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates) markets but their linkage with developed economies (United States, United Kingdom and Japan) brought some mixed results for the period January 2003 to November 30, 2007 with

weekly stock price data. His other finding indicates that the Saudi stock market, the largest GCC stock market in terms of market capitalization, is not the leader in the GCC region as was expected.

Integration of GCC markets is further supported by other studies. Assaf (2003) using VAR modeling as well as using the Granger causality tests found relationship between these markets. Using weekly data from January 1997 to April 2000, he further found that Bahrain plays a dominant role in influencing the GCC stock markets. Hassan (2003) found a long-term relationship between the stock markets of Kuwait and Bahrain in his studies on three GCC countries Oman, Bahrain and Kuwait using Johansen cointegration method on the weekly data from October 1994 to August 2001. However his study using error correction modeling approach, for the short run, found no association between these markets.

Simon and Evans' (2004) research supports the view that GCC markets are linked in both the short and the long term. Johansen, cointegration method was applied to examine the long run associations and Granger causality test and VAR approaches were employed to examine the short-term associations for data indices developed by Gulf Investment Corporation for the GCC countries.

III. Research Methodology

The TASI share index data is obtained from Tadawul along with other major stock indices from China, India, UK, Malaysia, Japan Singapore, USA and Hong Kong from their respective Web sites. These indices are quoted and published on a daily basis at the end of each trading day.

The period of study is from the first quarter of 2003 to the last quarter of 2009. The daily index values are used for the

analysis. No adjustments are made for non trading days and when the stock exchange is closed for holidays.

The theory of cointegration techniques are used to study the dependency between the Saudi stock market and the markets of its business partners from emerging and developed countries. The Engle-Granger approach (1983, 1987) is used to test for cointegration among leading indices of stock markets from these countries.

Two variables are said to be cointegrated when a linear combination of the two variables is stationary implying that there is a long term relationship existing between them. The lack of cointegration suggests that no such relationship exists.

Testing for cointegration involves testing the residuals from an Ordinary Least Square regression for the time series and residuals.

$$Y_t = \beta_0 + \beta_1 x_t + \beta_2 z_t + \hat{a} \quad (1)$$

Regress y on x and z. The residuals are obtained from the Ordinary least square and a Dicky-Fuller unit root test is carried out to check for unit root. If a unit root is not present the residuals are stationary and the variables are cointegrated. The first difference of the residuals “ Y_t is regressed against the first lag of the residual Y_{t-1} and sufficient lags of Y_t ”

$$\Delta Y_t = (Y_t - Y_{t-1}) = u_t \quad (2)$$

The results of the unit root test, t-statistics have to be compared with specially calculated critical values. If the estimated |t| exceeds any of these critical values the null hypothesis (no dependency among the variables) can be rejected. Otherwise the null hypothesis is accepted.

The following hypotheses are formulated:

(i) Emerging Market:

1. There is no linear dependence between the Saudi stock market (TASI) index and the Indian stock exchange (BSE SENSEX) index.
2. There is no linear dependence between Saudi Stock Market (TASI) index and the Chinese Stock Exchange (SSEC) index.
3. There is no linear dependence between Saudi Stock Market (TASI) index and Kuala Lumpur Stock Exchange (KLCI) index.

(ii) Developed Economies:

1. There is no linear dependence between Saudi Stock Market (TASI) index and the Singapore Stock Exchange (STI) index.
2. There is no linear dependence between Saudi Stock Market (TASI) index and the Japanese Stock Exchange (NIKKEI) index.
3. There is no linear dependence between Saudi Stock Market (TASI) index and the US Stock Exchange (NASDAQ, DOW JONES, S&P 500, New York SE) indices.

4. There is no linear dependence between Saudi Stock Market (TASI) index and the UK Stock Exchange (FTSE) index.

IV. Results and Discussions

The daily closing prices of TASI (Saudi Arabia Stock Market Index) and Stock market indices of developed and emerging markets are taken to see whether there is any relationship between these indices. The Engle-Granger test is applied at 1 percent, 5 percent and 10 percent significance level.

Table 1 Result of Engle Granger Test of Cointegration

Symbol	X	variable	std error	t statistic	CR	1% EG Critical Value	5% EG Critical Value	10% EG Critical Value
TASI -BSE SENSEX	-0.00116		0.001338	-0.86498		Not sig	Not sig	Not sig
TASI - DOWJONES INDEX	-0.00399		0.002126	-1.87464		Not sig	Not sig	Sig
TASI-FTSE INDEX	-3.8E-07		0.003958	-9.7E-05		Not sig	Not sig	Not sig
TASI-HANGSENG	-0.00145		0.001327	-1.08958		Not sig	Not sig	Not sig
TASI -KLCI	-0.00122		0.001257	-0.97435		Not sig	Not sig	Not sig
TASI- NASDAQ	-0.00208		0.001695	-1.22434		Not sig	Not sig	Not sig
TSI-NEWYORK SE	-0.00351		0.002028	-1.73		Not sig	Not sig	Sig
TASI -NIKKEI 225	-0.00386		0.002119	-1.82207		Not sig	Not sig	Sig
TASI-S&P 500	-0.01607		0.004025	-3.9925		Sig	Sig	Sig
TASI-SHANGHAI	-0.00111		0.001072	-1.0345		Not sig	Not sig	Not sig
TASI-SINGAPORE STI	-0.00168		0.001449	-1.1616		Not sig	Not sig	Not sig

Test Results for Emerging Market:

There is no linear dependence among the indices of Saudi Stock Market (TASI) and the Indian Stock Exchange (BSE SENSEX) at all the three levels.

There is no linear dependence among the indices of Saudi Stock Market (TASI) and the Chinese Stock Exchange (SSEC) at all the three levels.

There is no linear dependence among the indices of Saudi Stock Market (TASI) and Kuala Lumpur Stock Exchange (KLCI) at all the three levels.

Tests Results for Developed Economies:

There is no linear dependence among the indices of Saudi Stock Market (TASI) and the Singapore Stock Exchange (STI) at all the three levels.

There is no linear dependence among the indices of Saudi Stock Market (TASI) and the Japanese Stock Exchange (NIKKEI) at the 1 and 5 percent levels; however there is evidence of dependency at 10 percent level.

There is no linear dependence between the indices of Saudi Stock Market (TASI) and NASDAG across all three levels.

There is no linear dependence between the indices of Saudi Stock Market (TASI) and DOW JONES at the 1 and 5 percent levels; however there is evidence of dependency at 10 percent level.

There is no linear dependence between the indices of Saudi Stock Market (TASI) and NEW YORK; however there is evidence of dependency at 10 percent level.

There is significant dependence between the indices of Saudi Stock Market (TASI) and S&P 500 across all three levels.

There is no linear dependence between the indices of Saudi Stock Market (TASI) and FTSE across all three levels.

There is no linear dependence between the indices of Saudi Stock Market (TASI) and HANG SENG across all three levels.

The results support the hypotheses that the Saudi Arabian Stock Market and the stock markets of emerging markets are not interrelated over the long run. The leading indices of India, China and Malaysia do not show any evidence of dependency at all levels throughout the test period.

The outlook is also generally true for stock markets of the developed nations. However, some developed markets have shown evidence of dependency at 10 percent level. The US based stock market indices of DOW JONES and NEW YORK SE do show evidence of dependency at 10percent. Further, the Japanese index NIKKEI 225 also shows evidence of linkage at 10 percent level.

The only index that has shown strong linkage with TASI is the US based index S&P 500. There is significant dependency of TASI and S&P indices across all three test levels. The two indices are cointegrated, implying that there is a long term relationship between these two indices.

Conclusion

The study examined the extent of interdependency between the Saudi Stock Index and indices of emerging and developed economies which has significant trading relationship with the Kingdom. The Engle-Granger test of cointegration is applied at three levels of significance; namely one, five and ten percentage levels from first quarter of 1993 to last quarter of 2009. The result of the tests showed absence of cointegration between Saudi Stock Market (TASI) and emerging markets. TASI operates independently of the SHANGAI, BSE SENSEX and KLCI stock indices. There is some amount of integration between TASI with developed economies' stock indices of DOW JONES and NEW YORK at the 10 percent level only. The only index that has shown significant integration with TASI is S&P index.

S & P 500 is widely regarded as the best measure of large cap U.S. equities; which includes 500 leading companies in leading industries of United States. S & P is estimated to represent 25% of U.S. equities. Viewing from this angle at the results of cointegration between S & P 500 and Saudi stock market index, it can be inferred that the Saudi stock market moves in tandem with the U.S. markets rather than with any of the emerging market indices or developed economy indices.

The U.S. economy is in the midst of recession. The S & P index is mirroring it by showing a negative return. When TASI shows a significant relationship with S & P, and no dependence with other stock indices, it becomes clear that the Saudi stock market and investor sentiments move with the American economic trends rather than with better performing markets.

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PREDICTING FACTORS THAT AFFECT STUDENTS' ACADEMIC PERFORMANCE BY USING DATA MINING TECHNIQUES

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Abstract

The study attempts to investigate the influence of factors on students' academic performance by comparing the accuracy of different classifiers. The result will be useful in identifying good as well as weak students who may perform poorly and will be potential dropouts. Students are categorized in five groups according to their performance: "Very Good", who have a high probability of succeeding; "Good" students, who are above average and with little efforts, may succeed with good grades; "Satisfactory" students, who may succeed; "Below satisfactory" students, who require more efforts to succeed; and "Fail", who have a high probability of dropping out. The data set comprised of 231 students out of 637 from a leading degree institute of Karachi: registered in the graduate programs of year 2009. Weka, an open source data mining software is used to explore the influence of factors on predicting students' academic performance. Dataset is applied to different classifiers of Weka : J48, RandomForest, RepTree and BFTree of Decision Tree, Bayes and NaiveBayes of BayesNetworks, Logistic and RBFNetwork functions and JRip rule. The study also shows that re-sampling of data was a critical step which is the reason of the success of the study.

Keywords: Academic performance, data mining, Decision Tree, Bayesian Networks.

JEL Classification: Z000

I. Introduction

To identify potential drop outs of the institute's graduate program is a complex process mostly due to the fact that students coming from different backgrounds have certain characteristics as well as perceptions and apprehensions of the world of the university and their actions embody them.

Students' failure to integrate and acquire good grades are considered to be one of the main factors but many researchers have also suggested that there are various other factors that may affect students progress at the university level.

Predicting successful and unsuccessful students at an early stage of the degree program help academia not only to concentrate more on the bright students but also to apply more efforts in developing programs for the weaker ones in order to improve their progress while attempting to avoid student dropouts.

II. Literature Review:

Abdul Mannan(2007) explores the relation between academic and social integration and also the impact of student's integration in academics and social activities on their academic performance. A sample of 2400 full time undergraduate students enrolled in 3rd term of 2002 at the University of Papua New Guinea was considered. Social integration was studied on the basis of i) informal social contact with academic staff ii) extracurricular activities and iii) peer group interaction. Academic integration consisted of two criteria: i) academic staff concern for students'

development and learning and ii) students informal contact with academic staff on academic matters. Data analysis was done by using the SPSS package. A strong negative relationship was found between academic and social integration which indicates that less integration in the social domain of the university was compensated by higher academic integration leading to students' persistence in continuing their studies. It was found that students' persistence differs according to their subject area of studies.

Ali (2010) conducted a study based on 324 students in different cities of Pakistan and concluded that student motivation is an element that determines students' attitude towards the learning process. Data was collected with the help of a questionnaire. Intrinsic motivation and extrinsic motivation i.e. motivation derived from external rewards were selected as independent variables and academic performance was selected as the dependent variable. Ali (2010) found that academic performance is positively influenced by intrinsic motivation and negatively influenced by extrinsic motivation. The aspiration within and various external factors help in motivating students to work hard. Highly motivated students' success in academics is stronger as compared to others.

Nattavudh, A.Vignoles(2009) showed that there is a significant gap in the dropout rate between students who have a strong family background and those who have a weak background. Various factors like income, occupation, education, social status can determine a background. It was found in the study that Students from higher socio-economic and more educated backgrounds have lower rates of dropouts.

Similarly, Ishitani (2003) has shown that first generation students (whose parents did not graduate from college) tend to dropout more as compared to others. He investigated the impact of independent variables such as race, gender, family income

and high school GPA on the behavior of a dropout student. He also explored whether their influence vary at different points of a student's academic career. Five types of outcomes were considered; continue stopout, dropout, transfer, and graduate. Exogenous (race, gender, high school GPA, family income etc) and time dependent variables (college GPA, financial aid, and athletic status) are assumed to affect an individual student's outcome in each time period. A sample of college students in fall of 1995 with enrollment status for 5 academic years was collected. Information of student characteristics used is based on a freshman survey conducted during the 1995 freshman orientation. An event history model (survival analysis) was used which is a powerful statistical tool used to study events and their causes (Blossfeld, 2002). Survival function is estimated by product-limit-estimation and exponential models. Product line estimation model considered three groups of students with different parental educational backgrounds. The result showed that students whose parents both of whom were college graduate achieved the highest survival rates. Group of students who had one college-educated parent had a slightly lower rate as compared to those whose both of whose parents are college graduate in 1st and 2nd semester but this gap widened through 3rd to 6th semesters. The exponential model assumes that the effects of explanatory variables are constant and change proportionally over time (Ishitani, 2003). The exponential model's result showed that the coefficient estimate for first-generation student was 0.253 indicating that first-generation students had attrition rates higher than those who had two college-educated parents. Thus, first generation students had 29% higher rate of departure than the reference group.

Another survival analysis modeled was the piecewise exponential model. Piecewise exponential model with period-specific effects model assumes that the effects of explanatory variables are constant within each period but vary across different periods (Ishitani, 2003). The risk of departure for first generation

students were 71% higher. Minority students have lower attrition rate rather than their counterparts in first and second years. Students belonging to lower income had 49% higher risk of leaving in the first year but decrease to 26% higher as compared to high income group students in the second year. Overall outcomes in the study were consistent with the previous studies. First-generation students were more likely to depart than were their peers and risk of departure among first generation students varied over time.

Data mining techniques relate to the field of database and can be useful in predicting or forecasting various hidden trends in the data. It is an emerging field originally applied to the commercial transactions. It is being used in addition to traditional statistical methods in higher education for finding causes for students' behavior, their decision of transferring or quitting and identifying students at risk of dropping out. Data mining techniques can be very helpful in determining students' performance.

Data mining is comprehensively defined by the Gartner group(2000) as" "the process of discovering meaningful new correlations, patterns, and trends by sifting through large amounts of data stored in repositories and by using pattern recognition technologies as well as statistical and mathematical techniques"

Rubenking (2001) view data mining as "the process of automatically extracting useful information and relationships from immense quantities of data. In its purest form, data mining doesn't involve looking for specific information. Rather than starting from a question or a hypothesis, data mining simply finds patterns that are already present in the data."

Data mining techniques like decision tree, neural network, Bayesian network were used in the studies in predicting performance to come up with results that can more accurately predict students' performance as compared to traditional statistical methods.

Decision trees are a collection of nodes, branches, and leaves. Each node represents an attribute; this node then splits into branches and leaves until the data are classified to meet a stopping condition.

Bayesian network is based on decision theory. It is a branch of probability and statistics which investigates how to minimize risk and loss when making decisions based on uncertain information. It is a graphical model that encodes relationships among variables that it models. (Rahel Bekele et al (2005).

Neural network is a set of interconnected nodes. Nodes at one layer are connected to all nodes at the next layer. The layer which receives input is called input layer and the final layer is called output layer. In between these two layers are hidden layers. The variables of the problem are acted upon and weighted by the entry layer, which then transmits this information to the hidden layers; these combine all the information into hidden layers; these combine all the information into a single value which is passed to the exit node and which acts as a kind of estimated value for the decision variable. (Vandamme et al ,2007)

Logistic regression is a type of predictive model based on linear regression technique that associates a conditional probability score with each data instance. (Richard J. Roiger)

Gerben W. Dekker (2009) used data sets of students' past education as well as university grades and related data collected from the electrical engineering department of Eindhoven

University of Technology to test their impact on students' performance and determine whether they can help in predicting performance. The study was aimed to differentiate successful and unsuccessful students as well as those who are at risk of dropping out as early as possible in the bachelors program. Various simple and sophisticated data techniques were used and their results were compared. The overall result shows that simple classifier gives result with accuracy between 75 to 80%.

Thai Nghe et al (2007) explored the use of data mining techniques in predicting students' performance. He used the decision tree approach and Bayesian network and also compared the accuracy of two data mining techniques algorithms applied on the students of two different academic institutes. The Asian Institute of Technology (AIT) data sets included students' records and GPA at the end of the second year to predict the students' rate of performance in the third year. The other set of Can Tho University (CTU) in Vietnam included students admission data to predict GPA at the end of the first year. Using the data mining tool i.e Weka, it was found that predictions for the CTU data set were more accurate as compared to AIT due to larger number of records for CTU. Decision tree algorithm consistently performed better than the Bayesian network algorithm. Other findings were that accuracy in smaller classes was much lower than in larger classes. This was overcome by using resample function in Weka. It significantly improved the accuracy of prediction where the original data had a much smaller sample size.

Some students take more years than usual to complete their degree program. Universities have to anticipate this type of behavior in students and have to come up with policies and rules to discourage this type of behavior but before this they have to know the reasons or factors influencing students conduct.

To estimate student retention and degree-completion time, Herzog (2006) used data mining techniques which included decision tree, neural networks and logistic regression. He compared the prediction accuracy of these methods by generating data from three different sources. i) institutional student information for student demographics, academic, residential and financial aid information, ii) American college test's students profile section for parent income data, National student clearing house for identifying transfer-year enrollment of new full time freshmen who started in fall semester of 2000 to 2003. Multitopolgy neural network; creates several networks in parallel based on a specified number of hidden layers and nodes in each layer. It performed significantly better in identifying dropout but perform poorly in estimating who is likely to transfer.

Neural network with hidden layers achieved 25% improvement in predicting when analysis included only new students. This is also true for the decision tree and pruned neural network models. Data mining algorithms worked better with a large set of exploratory predictors used to estimate degree completion time. Where time to graduate is estimated for new and transfer student simultaneously, pruned neural network and C5. Decision tree performed better.

Pruned neural network starts with a large network of layers and nodes as specified and removes (prunes) weakest nodes in input and hidden layers during training.

C5.0 uses the 5.0 algorithm to generate a decision tree or rule set based on the predictor that provides maximum information gain. The split process continues until the sample is exhausted. Lowest -level splits are removed if they fail to contribute to model significance.

Mario Jadric et al (2010) attempted to find the dropout rate among students. Transaction data on students was collected through the faculty of economics Information system within the autonomous subsystem student service. Data mining was conducted in SAS 9.1 Enterprise Miner (software) by using techniques of decision tree, neural network, and logistic regression. The model developed was based on SEMMA (sampling, exploring, modifying, modeling and assessment) methodology. It was found that women dropout comparatively less than men and students with better entrance ranking dropout less. The analysis separated the causes of students' dropout and it also determined the typical profile of the student inclined to dropout.

William R. Vetch's (2004) study was conducted to identify the relationship between independent variables such as academic performance, age, gender, ethnic group; socio-economic status, grade point average on the dropout behavior in high schools. He used a decision tree model to test his hypotheses. He utilized extant data resources and all variables were extracted from district electronic databases. High school students recorded as "dropped" (no transfer record) over the course of 2001-2002 academic year were matched with a random sample of non-dropouts. The study revealed that academic performance is the most related variable to dropping out behaviors. Older students are more likely to dropout as compared to younger students. The tree exhibits a certain ability to predict which students may drop out of school.

Vandamme et al (2007) uses three sets of factors i) history of student (his identity, socio-family past, academic past, age, gender), ii) Student's involvement in studies (participation in optional activities, meeting with lecturers and iii) Student's perception (views on academic context, professors, course to determine their influence on the students performances in

academics. The study used students' data survey to collect data. The questionnaire (comprised of 42 questions) was distributed to first year students and based on it a database was created in which each student is described according to attributes (explanatory variables X). Each student is also assigned with a risk-of-failure category (high, medium, low risk of failures) and so created dependent variable Y. Several data mining techniques like decision tree (based on Shannon's entropy and ID3 algorithms), Neural network (multi layer), Linear Discriminant Analysis were used and SAS /Enterprise Miner software was used in applying these techniques. 20% variables showed significant correlations with academic success and 80% rate of correct classification in predicting the success or failure of students.

The objective is to not only to identify the factors that have an effect on the students' academic performance but to compare the accuracy of different classifiers in predicting students' performance. The goal is to categorize students' performance in five groups: "Very good", with a high probability of succeeding; "Good" students, who are above average and with a little more effort can succeed with good grades; "Satisfactory" students, who may succeed; "Below Satisfactory" students, who require more efforts to succeed; and "Fail", who have a high probability of dropping out. Thai Nghe et al (2007) in his study also grouped students in different classes according to their performance and compared and evaluated the accuracy of Decision Tree and Bayes algorithms for predicting performances.

III. Data:

The attributes selected are identified and tested by different studies reviewed above (section II). Factors that are part of the study are given in the Appendix Table 1 along with the variables that determine these factors.

Students registered in Fall 2009 belonging to BBA, BS programs of a private business university in Karachi are targeted. For the study, the collection of data has been done through online questionnaire. Complete questionnaire of 231 students out of 637 were received. Data including list of students enrolled and current GPA i.e. GPA of first year was collected from the Institute.

Online questionnaire was developed (Appendix 3) which is based on the findings of the literature review. The Likert scale rating 5 steps has been used for questions 21-84. 84 items are included to ascertain the affect of these variables on students' GPA. Some of the questions used in the questionnaire are part of other studies also (Appendix 4&5). Items representing a particular factor are explained in (Appendix 2)

Weka is selected as a data mining tool as not only is it an open source software but also because it is used by many researchers. Weka (Waikato Environment for Knowledge Analysis) is a popular suite of machine learning software written in Java, developed at the University of Waikato, New Zealand. Weka, is a free software available under the GNU General Public License and it supports several standard data mining tasks, more specifically, data preprocessing, clustering, classification, regression, visualization, and feature selection.

Students' GPA data collected from the Institute was in continuous form which has to be transformed in to discrete categories. Therefore, students' GPA was categorized in five groups as shown in the Table 1.

Table 1: Categories of GPA

GPA	GROUP
3.78-4	Very Good
3.33-3.77	Good
2.67-3.32	Satisfactory
1.5-2.66	Below Satisfactory
0-1.49	Fail

After categorizing the data, I checked for missing data, fortunately there was none. First generation student was one of the variables of factor: however family background was not considered in data analysis as majority of the students have misunderstood the question resulting in incorrect answers. Since dataset consists of 87 items, therefore, data was further analyzed by selecting relevant items defining a particular factor by using Weka's feature of selecting attributes. Weka is comprised of many attribute selection selectors. InfoGain Attribute Evaluator was selected to distinguish relevant attributes by ranking them according to their significance in determining the dependent variable as well as to reduce the size of prediction.

The information gained, with respect to a set of examples is the expected reduction in entropy that results from splitting a set of examples using the values of that attribute. This measure is used for identifying those attributes that have the greatest influence on classification. Thai Nghe et al (2007)

Before the data is subjected to attribute selector, unsupervised discretization on numerical attributes is applied as some of the classifiers like tree and rule learners work well with discretized attributes.

Best five variables which have the highest significance in determining a particular factor were selected and the rest discarded. This practice was applied for all factors. All together 8

factors were used in the research for determining their significance in predicting students' performance.

Weka provides various algorithms grouped in different classifying methods. On the basis of studies reviewed, most commonly used and good predictor algorithm of Weka classifiers (with their default settings) were selected as shown below in Table 2. The aim is to compare these algorithms in predicting students' performance.

Table 2 : Data mining techniques used in the study

Decision Trees:	J48(C4.5), RandomForest, BFTree, RepTree
Functions:	Logistic, RBFNetwork
Rule:	JRip
Bayesian Network:	BayesNet, NaiveBayes

J48 decision tree and Random Forest are used in the study by Vandamme et al (2007). Thai Nghe et al (2007), Al-Radaideh et al (2006), and Othman et al (2007) used J48 decision tree and BayesNetwork classifiers. Affendy et al (2010) also used j48, BayesNetwork along with Naïve BayesNetwork, RepTree, BFTree, RBF Network and Logistic function. Gerben W.Dekker(2009) used rule learning JRip along with J48 decision tree and Random Forest, Bayes Network along with Naïve Bayes Network, and Logistic function.

All the classifiers are run on the dataset using 10-fold cross validation for estimating generalization performance. It was used to evaluate the prediction accuracy.

Cross-validation divides the data in to fixed number of folders. For example, if a data is divided into n folders f_1, f_2, \dots, f_n , then cross validation method asks f_1 to train(f_2, f_3, \dots, f_n). In second

stage f_2 train (f_3, f_4, \dots, f_n) and so on until the folders are trained to prepare the certainty.

The classification accuracy of each classifier is summarized in Table 3 to compare their relative performance.

Table 3: Simulation result of each algorithm

Predicted GPA Classes	Original Data				Resample Data		
	Algorithm (Total Instances,231)	Correctly Classified Instances %(value)	Incorrectly Classified Instances %(value)	Kappa Statistics	Correctly Classified Instances %(value)	Incorrectly Classified Instances %(value)	Kappa Statistics
5 classes:(Very Good, Good,Satisfactory,Below Satisfactory,Fail)	J48(C4.5)	49.3506 (114)	50.6494 (117)	0.0467	84.632 (391)	15.368 (71)	0.7429
	RandomForest	47.619 (110)	52.381 (121)	0.0734	92.4242 (427)	7.5758 (35)	0.8742
	BFTree	47.619 (110)	52.381 (121)	0.0203	79.4372 (367)	20.5628 (95)	0.6514
	RepTree	49.7835 (115)	50.2165 (116)	0.0623	74.4589 (344)	25.5411 (118)	0.5633
	JRip	46.3203 (107)	53.6797 (124)	0	74.8918 (346)	25.1082 (116)	0.5704
	RBFNetwork	45.8874 (106)	54.1126 (125)	0.0667	66.0173 (305)	33.9827 (157)	0.4215
	Logistic	38.0952 (88)	61.9048 (143)	0.0405	66.4502 (307)	33.5498 (155)	0.4443
	BayesNet	51.0823 (118)	48.9177 (113)	0.1307	58.658 (271)	41.342 (191)	0.2857
	NaïveBayes	49.3506 (114)	50.6494 (117)	0.0879	58.0087 (268)	41.9913 (194)	0.2658

IV. Results:

From the obtained results, it was found that the classification accuracy for all the classification algorithms is not high. This indicated that the data set was small and not sufficient to generate a classification model of high quality in terms of accuracy. On inspection of confusion matrices from tables 4-12(original data column), it was found that accuracy for smaller classes was much smaller as compared to larger classes in every classifier output. For example, in Table 4: classifier J48 decision tree, there was no prediction of the number of students failing but 84% students have been predicted as satisfactory performers. Even the class of "Very Good" was not considered in confusion matrices of every classifier, the reason being that those students who participated in the survey, their first year CGPA did not fall in this group. Therefore, confusion matrices for all classifiers only represented four classes.

To resolve the problem of imbalances in the dataset, data was resampled by using Weka resample function. This function oversamples the minority class and under samples the majority class in order to create a more balanced distribution for training the algorithms. By looking at the table, it is clearly observed that predictions using the re-sampled data set are significantly more accurate for all classifiers.

On comparing classifiers, Table 3 (Resampled Data column), RandomForest turned out to be the most effective classifier in predicting students' performances with accuracy 92% followed by J48 decision tree 84%, BFTree 79%, RepTree 74% and JRip rule 74%. The least effective is the BayesNet and NaïveBayes with 59% and 58% accuracy respectively. Even though before resampling, BayesNet had the highest accuracy rate of 51% in predicting students' performance and NaiveBayes was same as J48 tree 49%. This shows that

resampling does not affect these algorithms' ability to predict as much as it affects the others algorithms on the dataset.

Table 4: J48 Tree

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	97	16	2	194	22	1
Below Satisfactory	65	16	0	26	156	3
Good	23	3	1	7	7	30
Fail	5	3	0	1	1	0
%Hit	84%	20%	4%	89%	84%	65%
			0%			85%

Table 5: RandomForest

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	76	36	3	203	13	1
Below Satisfactory	46	33	2	8	176	1
Good	18	8	1	3	6	37
Fail	3	4	1	0	1	11
%Hit	66%	41%	4%	93%	95%	80%
			0%			85%

RandomForest's correctly predicted students in classes "Good" and "Fail" as 80% and 85% (Table 5) respectively on resampled data. It showed that resampling of data have a significant impact on predicting capability of a classifier. Before that, the classifier predicted poorly for these classes. Even the predictions for "Satisfactory" and "Below Satisfactory" classes have also improved considerably.

RepTree correct prediction for "Satisfactory" class (Table 6) decreases by 1% on resampled data as compared to the prediction on original data but its overall performance is much better.

The accuracy in the predictions of BFTree, JRIP rule and RBF function, performances increases as shown in tables 7,8 and 9. Logistics Function (Table 9) prediction performance increases more for "Good" and "Fail" classes as compared to "Satisfactory" and "Below Satisfactory" classes.

Table 6: RepTree

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	95	18	2	179	33	5
Below Satisfactory	61	19	1	41	142	2
Good	22	4	1	14	13	19
Fail	7	1	0	5	2	4
%Hit	83%	23%	4%	82%	77%	41%
			0%			31%

Table 7: BF Tree

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	90	25	0	184	28	5
Below Satisfactory	61	20	0	34	150	1
Good	24	3	0	10	5	31
Fail	5	3	0	6	5	0
%Hit	78%	25%	0%	84%	81%	67%
			0%			15%

Table 8: JRip

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	89	24	1	178	36	3
Below Satisfactory	62	18	0	42	141	0
Good	25	2	0	20	3	0
Fail	6	2	0	8	0	4
%Hit	77%	22%	0%	82%	76%	31%

Table 9: Logistic Function

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	46	42	11	151	57	3
Below Satisfactory	26	39	8	71	112	1
Good	17	6	1	6	7	0
Fail	5	2	0	0	1	11
%Hit	40%	48%	7%	69%	60%	85%

Table 10: RBFNetwork

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	74	30	1	159	53	2
Below Satisfactory	46	30	0	60	121	0
Good	17	7	2	13	13	0
Fail	5	2	0	5	2	5
%Hit	64%	37%	0%	73%	65%	45%

Table 12: BayesNet

Actual Class	Original Data			Re-Sampled Data		
	Satisfactory	Below Satisfactory	Fail	Satisfactory	Below Satisfactory	Fail
Satisfactory	80	32	1	152	61	3
Below Satisfactory	42	37	0	72	106	1
Good	18	8	0	28	9	0
Fail	6	2	0	4	3	4
%Hit	70%	46%	0%	70%	57%	31%

Kappa Statistics which is used to compare different classifiers predicting performance is quite low for every classifier while predicting on the original dataset (Table 3). In fact, for JRip, it was zero. But after resampling, Kappa Statistics for all classifiers have improved significantly. RandomForest has the highest 0.8742 followed by J48 decision tree 0.7429. Bayesian networks have the lowest, again, confirming the fact that resampling does not affect the predicting capabilities of Bayesian networks on the data set.

Kappa statistics is used to assess the accuracy of any particular measuring cases, it is usual to distinguish between the reliability of the data collected and their validity.

Factors that are strong and significant predictors of the students' performances are academic integration, family background and social integration.

Academic integration i.e. students' involvement in their studies by spending more hours on study and its related issues, students contentment with their choice of study program as well as the pressure of workload that they can cope with easily, make their interaction with studies more constructive.

Family background with mother's education, father's income and occupation along with the size of family ensure students' contentment at home, which reflects in their achievements.

At the academia, interaction with faculty and peers, involvement in sports and other extracurricular activities help students in their performances. In fact, students' motivation within one self as well as friendly surroundings boosts their inspirations to succeed. This all, support students to work hard and achieve their goals.

Individual characteristics and extrinsic motivation have the least effect on student's performance which shows that these are not the significant predictor.

IV Conclusion:

This study shows that datamining techniques applied can be used by universities and higher education in determining best students so that resources available can be affectively be utilized in helping and guiding these students to achieve success, especially in selecting students for scholarships and other means of financial assistance. This will also help these academic bodies and board of studies in developing meaningful programs that motivates and encourage those students who got the potential to excel but need assistance to progress. Academia can also develop programs that build up close relationship between teachers and the students as shown in the study that interaction between these two factors help the latter one immensely in their success.

In case of identifying best students (good) and those (Satisfactory), who with little help can fall in good students' class, highest prediction accuracy is that of Random Forest at 80% and 93% respectively. Over all, Decision tree classifiers predict these students more accurately as compared to other classifiers. To identify those students who are not performing well and those who are at the risk of failing (below satisfactory) and eventually be droppedout (fail), again RandomForest's accuracy is the highest with accuracy of 95% and 85% respectively. Looking at the performance of all the classifiers on the dataset of students, it is evident that Decision tree classifiers are better, in terms of accuracy, in predicting students' academic performance.

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Appendix Table 1:

Factors of the Study

Factors that are part of the model are given in the table below along with the variables that determine these factors.

Factors	Variables of the study	Variables used in other studies
Family background	Father's education	Nattavudh, A.Vignoles(2009), Ishitani (2003), Vandamme et al (2007), Mario Jadric et al (2010), Gerben W.Dekker(2009)
	Mother's education	Nattavudh, A.Vignoles(2009), Ishitani (2003), Mario Jadric et al (2010), Vandamme et al (2007), Gerben W.Dekker(2009)
	Father's occupation	Nattavudh, A.Vignoles(2009), Thai Nghe et al (2007), Vandamme et al (2007), Ishitani (2003), Mario Jadric et al (2010), William R. Veitch (2004)
	Family income	Nattavudh, A.Vignoles(2009), Ishitani (2003), Herzog (2006)
	First generation	Ishitani (2003), Mario Jadric et al (2010)
	Parental martial stability	Vandamme et al (2007)
	Family size	Vandamme et al (2007)
	Availability of computer and net at home	None as added as a new variable to test
social integration	Quality and quantity of student's relationships with peers	Abdul Mannan(2007)
	Interaction with faculty	Abdul Mannan(2007)
	Extracurricular involvements	Abdul Mannan(2007)
Academic Integration	GPA	Abdul Mannan(2007), William R. Veitch (2004)
	Hours spend on academic or extra-curricular activities	Vandamme et al (2007)
	Entrance test score	Thai Nghe et al (2007), Mario Jadric et al (2010)
	Enrolled in preferred course	Thai Nghe et al (2007), Mario Jadric et al (2010), Gerben W.Dekker(2009), Herzog(2006)
	Field of study	Thai Nghe et al (2007), Mario Jadric et al (2010), Gerben W.Dekker(2009), Herzog(2006)
	Missed classes	Vandamme et al (2007)
Individual Characteristics	Gender	Ishitani (2003), Thai Nghe et al (2007), William R. Veitch (2004), Vandamme et al (2007), Mario Jadric et al (2010), Herzog(2006), Nattavudh, A.Vignoles(2009),
	age	Vandamme et al(2007),Gerben W.Dekker(2009),Herzog(2006),Thai Nghe et al (2007),William R. Veitch (2004)
Career expectations and Goal Commitment	Educational expectations or career expectations	Herzog(2006)
Satisfaction with Institutional Characteristics	Student's satisfaction with the college experience i.e Resources, Facilities (computer,net,library) and Structural arrangement	Herzog(2006)
Individual Motivation	Intrinsic Self-exploration, Altruism	Imran Ali et al, 2010
	Extrinsic Rejection of Alternative Options, Career and Qualifications, Social Enjoyment, Social Pressure	

Appendix 2:

Theory support that relates the questionnaire to questionnaires of reviewed studies.

Age

Question 3 is framed to find out the age of a student. Impact of age on student's performance was tested by Vandamme et al(2007), Gerben W.Dekker(2009), Herzog(2006), Thai Nghe et al (2007), William R. Veitch (2004).

Gender

Question 4 is asked to find whether student's persistence to continue education differ with gender. This factor was included in the studies of Nattavudh, A.Vignoles(2009), William R. Veitch (2004), Terry T. Ishitani (2003), Vandamme et al(2007), Thai Nghe et al (2007), Herzog(2006)

Family back ground

This dimension is added as it has been investigated in many studies. Questions 10-16 are related to this dimension.

Parents' education

Question 5 and 6 are included to gather information about the qualification of father and mother to see whether their education has an impact on students' performance. Terry T. Ishitani (2003), Gerben W.Dekker(2009), Vandamme et al(2007), Mario Jadric et al (2010) and Nattavudh, A.Vignoles(2009) all included questions in their questionnaire related to parents education.

First generation

Question 7 is included because Terry T. Ishitani (2003) and Mario Jadric et al (2010) used this measure to find its impact on students' persistence to perform well.

Father's occupation and Family Income

Question 8 and 9 are included as Nattavudh, A.Vignoles(2009) included this aspect along with the annual income of the family in his studies. Annual income of the family is used as a measure by Terry T. Ishitani (2003), Thai Nghe et al (2007), Vandamme et al (2007) Mario Jadric et al (2010) and William R. Veitch (2004) in their studies.

Parental marital status

Question 10 is asked to see the impact of parents' relation on students' performance. It was investigated by Vandamme et al (2007) in his study.

Family size

Question 11 is asked to explore this factor influence on student's performance. Vandamme et al (2007) used these measures in their studies.

Academic Integration

This dimension is included in almost all the studies reviewed.

Field of study and preferred program

Question 12 and 13 are included to find out the impact of choice of study and enrollment in an unwanted study program on a student's performance. Gerben W.Dekker(2009),Herzog(2006),Thai Nghe et al (2007), Mario Jadric et al (2010) included this factor in their studies.

Missed classes and hours spend on academic activites outside college

Question 14 is added to find out how much a student try hard to acquire knowledge. Vandamme et al(2007) in their studies used this factor to investigate its level of impact on performance.

Question 15 is added to explore the difference in student's performance who spend less or more time on academic activities.

Computer and Internet

Since computer and net has become so much part of a student's life , therefore, Question 16and 17 are added to see the impact of facilities of computer and net on the academic progress of a student.

Work load

Questions 46-49 are included to see the impact of workload of assignments and quizzes on student's performance.

Social Integration

This dimension is generally used as a measure to predict students' performance.

Interaction with faculty

Questions 21-30 are asked to find the importance and influence of teaching method as well as teacher student relation on students' performance. These questions have been adopted by MD.Abdul mannan(2007) in his questionnaire.

Extracurricular activities

Questions 31-35 are framed to find out how well a student is integrated in his social life. These questions were adopted by MD.Abdul mannan(2007) and Mike taffe in their questionnaires . Influence of extracurricular activities on students' performance was also tested by Vandamme et al(2007) and Terry T. Ishitani (2003).

Peer group interaction

Questions 36 -40 are included to find whether students relation and interaction with his peers has an impact or not on his academic performance. Abdul mannan(2007) did include questions related to this measure in his questionnaire.

Goal commitment and career expectations

Questions 41-43 are framed to find whether better career prospects motivates student to work hard in completing their degree. Herzog (2006) included this factor to estimate student retention.

Question 44 and 45 are formulated to find whether student's determination let a student to persist and aspire for degree completion.

Student satisfaction with his selected institute

Questions 50-64 are included to test whether students satisfaction with the facilities and services provided by the institute and institute's atmosphere have an impact on students performance. This factor was again included in the study carried out by Herzog (2006) in estimating student retention.

Motivation

This dimension is included to explore the influence of student's own motivation on his performance.

Questions 65- 84 will investigate the impact of this factor. Imran Ali et al(2010) in their study tried to find out to what degree this measure has an influence on students academic progress.

Current GPA

This factor is included and will be collected from the institute. Gerben W.Dekker(2009), Thai Nghe et al (2007),William R. Veitch (2004) and Herzog(2006) included this factor to find student retention and dropout rates.

Appendix 3: QUESTIONNAIRE

Predicting factors that affect the student's academic performance by using data mining techniques

1. Name : _____
2. Student ID: _____

Individual Characteristics:

3. Age: a. Below 18 b. Between 18 and 20 c. Between 21 and 25
4. Gender: a. Male b. Female

Family Background:

5. Father's level of education
a. Middle school b. Intermediate c. Graduate d. Masters e. Doctorate
6. Mother's level of education
a. Middle school b. Intermediate c. Graduate d. Masters e. Doctorate
7. Are you the first one in your family to attend bachelors level institute
a. YES b. NO
8. Father's occupation
a. Business b. services c. Government officer d. others
9. Annual Family Income
a. <2,40,000 b. 2,40,000- 4,80,000 c. 4,80,000- 7,20,000 d. 7,20,000-9,60,000 e. Above 9,60,000
10. Parental marital status
a. Married b. Divorce c. Widower
11. How many members in your family?
a. 3 b. 4 c. 5 d. 6 e. Others _____

Academic Integration:

12. Field of study:
a. Computer science b. Finance
c. Marketing d. Economics
e. Human Resource Management f. Information Technology

13. Are you enrolled in your preference program a. YES b. NO
14. How often do u miss your classes? a. Daily b. Once a week c. Twice a week
15. Hours spend on academic activities
a. Less than 2 hr b. Between 2 to 4 hrs c. More than 4 hrs
16. Do you have access to computer at home? a. YES b. NO
17. Do you have access to internet at home? a. YES b. NO

Social Pressure (Motivation)

18. Your family expects you to graduate? a. Yes. b. No
19. Do you try to live of others expectations a. Yes. b. No
20. Is it expected of you to enroll for an advance degree when, or if, you complete your graduate degree?
a. Yes. b. No

Social Integration:

Select the most appropriate one (Strongly disagree, Disagree, Neutral ,Agree, Strongly Agree)

Interaction with faculty

21. Faculty are genuinely concerned in my academic work
22. Faculty are genuinely interested in teaching
23. Faculty are interested in alleviate my academic weakness
24. Faculty are always available for obtaining information
25. Faculty are accessible to discuss matters of intellect
26. Faculty are accessible to discuss career goals
27. Faculty feedback make you work harder
28. Faculty have positive influence on personal growth
29. Faculty promote good relationship
30. I have regular contact with teachers outside of class

Extracurricular activities

31. I participate in clubs and organizations
32. I participate in sports and cultural events
33. I attended a meeting of a club, organization
34. Interpersonal relationship enhance personal growth
35. Interpersonal relationship expand intellectual growth

Peer group interactions

36. Students help in personal problems
37. I get on well with other students
38. I sat around in the student center talking with other students
39. I prefer to study with other students i.e. in group
40. Studies bodies and groups promote friendship

Career Expectations And Goal Commitment:

41. The job prospects for the major are promising
42. The major has well paid jobs
43. There is value of the university education I am receiving
44. I give up easily on difficult projects/assignments.
45. I have goals in life that I try to achieve

Academic Integration:

Work load

46. The workload on my degree courses is manageable and do not apply unnecessary pressure.
47. Degree courses do not apply unnecessary pressure on me as a student.
48. The volume of work on my courses means I can always complete it to my satisfaction.
49. I am generally given enough time to understand the things I have to learn

Students' Satisfaction:

Campus:

50. Transport facilities provided are sufficient
51. Facilities (stationary, photocopier, printing) provided by tuck-shop is sufficient.
52. Friendly atmosphere and pleasant learning environment
53. Clean and nice campus grounds
54. Class room size and number of students in a class is satisfactory.
55. Class environment as a whole interest you in studying

Library:

56. The library is a good, quiet place for studying and the study rooms are great for working on group assignments.
57. Vast array of books in library, and usually have available what I'm looking for

Computer and net facilities:

58. Number of computers available in the library is sufficient.
59. Internet facility is good and is always available at the institute

Staff:

60. Friendly and approachable staff

Security:

61. You feel secure and safe at the campus.

Institutional commitment

62. I feel a sense of pride about my campus.
63. I am able to experience intellectual growth here.
64. There is a commitment to academic excellence on this campus.

Motivation**I attend university...**

65. because I don't know what else to do.
66. to understand myself better.
67. to gain valuable skills for my career.
68. because its fun place to be.
69. because I genuinely want to help others.
70. because it's a better alternative than working.
71. because I want to explore new ideas.
72. because I enjoy the social life.
73. because other people have told me I should.
74. because I want to contribute to society.
75. to avoid being unemployed.
76. because I want to challenge myself.
77. because it gives me something to do.
78. because it will help set up my future career.
79. because of the social opportunities.
80. because I want to improve the world situation.
81. because I don't have any better options.
82. because I love learning.
83. so I can get a better job.
84. because its a great place to develop friendships.

21. Students helped in personal problems
22. Alcohol consumption helpful for socialization
23. Regional groups successful in socialization
23. Satisfied with socialization with peer groups

Appendix 5: Similar Questions used in survey of study by Afzal, H., Imran, A., Khan, M.A. and Kashif, H. (2010)

Closed Items and Codes

The 30 items in The University Student Motivation and Satisfaction Questionnaire Version 2 (TUSMSQ version

2) are displayed in the table, along with the item numbers, variable codes (for use in data analysis), the target factor, and the response scale.

No.	Factor	I attend university...
1	RA	because I don't know what else to do.
2	SE	to understand myself better.
3	QC	to gain valuable skills for my career.
4	SO	because its fun place to be.
5	SP	because others expect me to get a degree.
6	AL	because I genuinely want to help others.
7	RA	because it's a better alternative than working.
8	SE	because I want to explore new ideas.
9	QC	to enhance my job prospects.
10	SO	because I enjoy the social life.
11	SP	because other people have told me I should.
12	AL	because I want to contribute to society.
13	RA	to avoid being unemployed.
14	SE	because I want to challenge myself.
15	QC	in order to get the qualification.
16	SO	because I enjoy the social environment.
17	SP	because it would disappoint other people if I didn't.
18	AL	because I want to help solve society's problems.

19	RA	because it gives me something to do.
20	SE	for my personal growth and development.
21	QC	because it will help set up my future career.
22	SO	because of the social opportunities.
23	SP	it seems to be the recommended thing to do.
24	AL	because I want to improve the world situation.
25	RA	because I don't have any better options.
26	SE	because I love learning.
27	QC	so I can get a better job.
28	SO	because its a great place to develop friendships.
29	SP	of social expectations from those around me.
30	AL	because I want to be more useful to society.

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The following items contain the key to sources of motivation mentioned in the survey:-

- Rejection of Alternative options (Extrinsic) 1, 7,13,19,25
- Self-exploration (Intrinsic) 2, 8,14,20,26
- Career and Qualifications (Extrinsic) 3, 9,15,21,27
- Social enjoyment (Extrinsic) 4, 10,16,22,28
- Social Pressure (Extrinsic) 5, 11, 17, 23, 29
- Altruism (Intrinsic) 6, 12,18,24,30

Table 1. Sources of Motivation

Intrinsic Self-exploration	Student with full motivation and is actually interested in learning and exploring ideas for its own sake. <ul style="list-style-type: none"> • Believed to do well and show good result. • e.g. 'I attend university because I have a genuine interest in the subject I am studying'.
Altruism	Wants to learn for own satisfaction, becoming useful to the society, helping others and solving their problems. <ul style="list-style-type: none"> • Believe to be genuinely motivated and show better results. • e.g. 'I attend university because I want to be more useful to society.'
Extrinsic Rejection of Alternative Options	Concerned with their careers and more inclined towards completing the degree only to get good jobs in future. <ul style="list-style-type: none"> • Continuing studies just to avoid working or because does not know what else to do. • Believed to be de-motivated and can not keep a consistent performance academically. • e.g. 'I attend university because I don't know what else I would do'.
Career and Qualifications	Concerned with their careers and inclined towards completing the degree only to get good jobs in future. <ul style="list-style-type: none"> • Concerned with getting the degree but not for learning sake. • Believe to show good performance but not for long-term or where the reward does not exist anymore. • e.g. 'I attend university to enhance my job prospects'
Social Enjoyment	View University as a socializing place where they can have fun and make friends. <ul style="list-style-type: none"> • De-motivated students who are thought to show very little academic performance. • e.g. 'I attend university because I enjoy the social life'.
Social Pressure	Surrounded by social pressures, peers, parents, etc. <ul style="list-style-type: none"> • Try to live up to other's expectations. • Do not have genuine interest in studies with no consistency. • e.g. 'I attend university because others expect me to get a degree'

HUMAN RESOURCE MANAGEMENT PRACTICES: A COMPREHENSIVE REVIEW

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Abstract

Human Resource is the most important asset for any organization and it is the source of achieving competitive advantage. Managing human resources is very challenging as compared to managing technology or capital and for its effective management, organization requires effective HRM system. HRM system should be backed up by sound HRM practices. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals. This paper has been designed to review the existing literature available on HRM Practices. The purpose of this paper is to develop an understanding of HRM Practices and to examine the unique HRM practices implemented by different companies.

After reviewing the existing literature on HRM practices, the researchers have found that HRM practices get affected by external and internal factors and directly or indirectly affect other variables such as employee's attitude, employee employer relations, financial performance, employee productivity etc. and ultimately contribute to overall corporate performance. On the basis of the literature reviewed, a normative framework has been

developed showing how HRM practices leads to overall corporate performance.

Keywords: Human resource management, HRM practices, Organisations , Innovative practices, Employees performance.

JEL Classification: Z000

I. Introduction

Human resources are the source of achieving competitive advantage because of its capability to convert the other resources (money, machine, methods and material) in to output (product/service). The competitor can imitate other resources like technology and capital but the human resource are unique.

According to Khatri (1999), people are one of the most important factors providing flexibility and adaptability to organizations. Rundle (1997) argues that one needs to bear in mind that people (managers), not the firm, are the adaptive mechanism in determining how the firm will respond to the competitive environment.

Several scholars have noted that managing people is more difficult than managing technology or capital (Barney, 1991; Lado and Wilson, 1994). However those firms that have learnt how to manage their human resources well would have an edge over others for a long time to come because acquiring and deploying human resources effectively is cumbersome and takes much longer (Wright et al., 1994).

The effective management of human resources requires sound Human Resource Management systems. Storey (1995) defines HRM as a distinctive approach to employment management which seeks to obtain competitive advantage

through the deployment of a highly committed and skilled workforce, using an array of techniques.

HRM can help firms improve organizational behavior in such areas as staff commitment, competency and flexibility, which in turn leads to improved staff performance (Koch and McGrath, 1996).

In order to develop a sound HRM system, the organization should have effective Human Resource Management practices. HRM practices refer to organizational activities directed at managing the pool of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals (Schuler & Jackson, 1987; Schuler & MacMillan, 1984; Wright & Snell, 1991). HRM practices may differ from one organization to another and from one country to another.

The next section of the paper will discuss the types of HRM practices, followed by the detailed discussion of the factors affecting HRM practices and various models of HRM practices. The relationship between HRM practices and other important organizational variables is then presented including the HR best practices of Indian companies. The researchers have also developed a conceptual framework on the basis of review of the present studies and implications have been suggested for HR departments. At the end of the paper a synthesis of the review of literature has been given.

II. Types of HRM Practices

Many researches on HRM practices have been conducted from time to time and researchers have identified different practices by different names. As quoted in (Kok Jan de et al., 2003), researchers variously refer to certain sets of HRM practices influenced by the HRM profession as “best practice,”

or “high-performance” (Huselid, 1995), “formal” (Aldrich and Langton, 1997; de Kok and Uhlaner, 2001; Heneman and Berkley, 1999), “sophisticated” (Golhar and Deshpande, 1997; Hornsby and Kuratko, 1990; Goss et al., 1994; Wagner, 1998) or as “professional” (Gnan and Songini, 2003; Matlay, 1999). Pfeffer (1994; 1998), argued the most appropriate term is “Best HRM Practices” .

But according to Chandler and McEvoy (2000) , one of the lingering questions in HRM research is whether or not there is a single set of policies or practices that represents a ‘universally superior approach’ to managing people . Theories on best practices or high commitment theories suggest that universally, certain HRM practices, either separately or in combination are associated with improved organizational performance. Researchers have also found that those well-paid, well motivated workers, working in an atmosphere of mutuality and trust, generate higher productivity gains and lower unit costs (Boxall, 1996; Lowe and Oliver, 1991; Pfeffer, 1994).

Several attempts have been made from time to time by different researchers to identify the type of HRM practices in different sectors. Initially Pfeffer (1994) identified 16 practices which denote best practice. This was later refined to the following seven practices:

1. Employment security
2. Selective hiring
3. Self-managed teams/team working
4. High compensation contingent on organizational performance
5. Extensive training
6. Reduction in status difference
7. Sharing information

In one another study, Redman and Matthews (1998) identify an 'HRM bundle' of key practices which support service organizations quality strategies, these being:

1. Careful recruitment and selection, for example, 'total quality recruitment', 'zero defects recruitment', 'right first time recruitment'.
2. Extensive remuneration systems, for example, bonuses available for staff willing to be multi-skilled.
3. Team working and flexible job design, for example, encouraging a sense of cohesiveness and designing empowered jobs.
4. Training and learning, for example, front line staff having enhanced interpersonal and social skills.
5. Employee involvement, for example, keeping employees informed of key changes in the organization.
6. Performance appraisals with links to contingent reward systems, for example, gathering customer feedback to recognize the work by employees over and above their expected duties, which in turn is likely to lead to a bonus for staff.

Recently, Saxena and Tiwari (2009) examined the HRM Practices implemented by leading IT Companies such as TATA, Infosys and Wipro in India. They developed the 3cTER Framework of HRM practices and identified Training and Development, Employer-Employee Relations, Recognition through Rewards, Culture building, Career Development, Compensation and Benefits as important HRM Practices.

III. Factors affecting HRM Practices

HRM practices differ from one country to another and the factors which affect the HRM practices include external and internal factors. As quoted by Ozutku and Ozturkler (2009),

external and internal factors affecting HR practices differs significantly across countries. Some of the major potential influences are as follows:

External Factors

Kane and Palmer (1995) opine that external factors affecting HR practices are those pressures on firms that cannot be controlled and changed in a favorable way in the short run. These factors include the following:

Economic Changes: Satow & Wang (1994) found that as a result of development of the global economy, the international dimension of HR practices has become more and more significant. The focus of HR practices has shifted from traditional topics such as internal selection and rewards to concepts such as globalization and international competition.

Technological Changes: Technology affects HRM to a greater extent because of high degree of interaction between technology and HR. Technology changes the way we work, the roles we undertake and the interactions through which work gets done (DeFillippi, 2002). Verkinderen and Altman (2002) argued that technology facilitates the growth of a multinational enterprise but generates simultaneous problem of “unpluggedness” among a geographically dispersed workforce. Garavan et al. (2008) suggested that technology lies at the heart of manufacturing industry. It provides a series of business advantages. Technological developments alter the context of HR practices and the way they are implemented.

National Culture: Chandrakumara and Sparrow (2004) found that culture has crucial importance in organizations preferences in developing appropriate structure and methods for HR practices affectivity.

Industry/Sector Characteristics: Organizations can be classified into manufacturing and service organizations for the purpose of analyzing the HRM practices. The idea behind this classification is the fact that different production processes necessitates different HR practices.

Legislations /Regulations: Legislations and regulations are frequently cited as having a direct impact on HR practices (Kane and Palmer, 1995). Every country has developed a set of regulations for the management of human resources, so, the HRM practices have to be designed or modified according to these regulations.

Actions of Competitors: There are many ways in which companies can gain a competitive edge or a lasting and sustained advantage over their competitors, among them being the development of comprehensive human resource practices (Jackson et al., 1989; Kane and Palmer 1995; Poole and Jenkins, 1996; Narsimha, 2000).

Action of Unions: Kochan et al. (1984) opine that the presence or absence of unions in organizations is a salient variable known to be associated with some HR.

Globalization : As a result of globalization, the whole world has become a single market, the companies have crossed the boundaries of their country of origin and opened their operations in other countries. This has created a challenge for the organization in terms of management of human resources, some companies have tried to transfer the HRM practices from one country to another but it has been found that some practices can be transferred across nations almost without any change but some must be modified to become workable in another setting and some are more deeply culture-specific and may not always be transferable. The findings of the study conducted by Tayeb

(1998) support the argument that multinational companies' HRM practices are more prone to local cultural influences than are their overall policies and strategies. Moreover, some of the practices which the company had imported from abroad had to be modified to make them workable, given its local cultural and non-cultural contexts.

Internal Factors

The Internal environment of organizations strongly affect their HR practices. According to (Milkovich and Boudreau, 1991) researchers have compiled a lengthy list of organizational characteristics related to HR practices. The important internal factors are as follows:

Organisations Size: According to (McPherson,2008) evidence suggests that there is a large number of small firms that do not institute formal HR practices in large organizations , for each functional level there may a need for a different HR department (Jackson et al.,1989; Kaynak et al., 1998).

Organisational Structure: A firm's strategy and structure are important in determining HR practices flexibility and integration. There are important structural differences among firms that affect the way in which HR practices are designed and implemented (Garwin, 1986; Tomer,1995;Hudson et al.,2001).

Business Strategy: To gain competitive advantage, firms use different competitive strategies .These strategies are more productive when they are systematically linked with human resource management practices Companies can improve their environment by making efficient choices about human resource practices that consistently support their chosen strategy (Milkovich and

Boudreau,1991;Schuler,1992).

Human Resource Strategy: HR strategy is an important determinant of both intensity and diversity of HR practices (Gravan et al., 2008). As a rule HR practices are shaped in accordance with HR strategy.

History, Tradition and past practices: A number of closely related factors, such as history, traditions and past practices tend to generate resistance to change in most organizations (Kane and Palmer, 1995; Pardo and Fuentes, 2003).

Top Management: The influence of top management on HR practices is acknowledged by most writers, even if only to the extent of advising that top managements support should be present (Ondrack and Nininger, 1984; Kane and Palmer, 1995) in designing and implementing HR policies.

Line Management: Line Management participation in designing and implementing HR activities is the key to organizational success. Since line managers are responsible for creating value, they should integrate HR practices in their work (Okpara and Wynn, 2008; Alas et al., 2008).

Power and Politics: Tsui and Milkovich (1987) found that organizational power and politics as exercised by various constituencies are crucial determinants of HR practices.

Academic and Professional influence on HR Practices: HR staffs are often involved in the decision making process about HR policies and practices. Their knowledge about alternative HR practices may represent important variables in their own right (Kane and Palmer, 1995).

VI- Various Models of Human Resource Management

Various models of HRM have been developed from time to time by different teams of the researchers. All these models have helped the HR practitioner to effectively manage the human resources. Some of the important models have been discussed as follows:

Harvard Model

The Harvard model (Beer et al.1984) works as a strategic map to guide all managers in their relations with employees and concentrates on the human or soft aspect of HRM. It strives at employee commitment not control. It also works on the premise that employees needed to be congruent, competent and cost effective.

Michigan Model

The Michigan model (Devanna et al.,1984) focuses on hard HRM. It holds that people should be managed like any other resources and so obtained cheaply, used sparingly, developed and exploited fully. It also emphasised the interrelatedness of HRM activities. According to this model, selection, appraisal, development and rewards were geared towards organizational performance.

Guest Model

Guest comparative model (Guest, 1997) works on the premise that a set of integrated HRM practices will result to superior individual and organisational performance. It advocates a significant difference of HRM from PM. It holds that HRM strategies like differentiation, innovation, the focus on Quality and cost reduction will lead to practices like better training,

appraisal, selection, rewards, job designs, involvement, and security leading to more quality outcomes; commitment and flexibility. It will then affect performance in that productivity will increase; innovation will be achieved as well as limited absences, labour turnover, conflict or customer complaints.

Warwick Model

This model was developed by Hendry and Pettigrew (1990) at centre for strategy and change, Warwick University in early 1990s. It emphasizes on analytical approach to HRM. It also recognizes the impact of the role of the personnel functions on the human resource strategy content. The researcher focused their research on mapping the context, identifying the inner (organizational) and external (environmental) context.

VII- HRM Practices and other Variables

HRM practice directly or indirectly affects several other variables in the organization. The following relationships have been identified in the literature.

HRM Practices & Competitive Advantage

HRM practices help the organizations to achieve competitive advantage. According to the resource based view of the firm (Penrose 1995; Barney 1991), competitive advantage can be developed and sustained by creating value in a way that is rare and difficult for competitors to imitate and the quality the human resource within is difficult to imitate.

HRM Practices & Employee-Employer Relationship

Employee-employer relations can be made improved if the organization implements effective HRM practices. Tzafirir et al. (2004) conducted a survey to find out the consequences of

effective human resource management practices on employees trust. The result indicated a positive and significant influence of empowerment, organizational communication and procedural justice as determinants of employees trust in their managers. The result also indicated that procedural justice mediates the impact of employee development on their trust in their managers. The HRM practices help the organization to increase mutual understanding between the employees and the employer. Guzzo and Noonan (1994) considered HRM practices as a communication channel between employer and employees. Rousseau and Greller (1994) proposed HRM practices as contract-shaping events.

HRM Practices and Trust

Vanhala and Ahteela (2011) in their study found that employee trust in the whole organization is connected to perceptions of the fairness and functioning of HRM practices. Such practices can therefore be used in order to build the impersonal dimension of Organizational trust

HRM Practices & Effective utilization of employees

Bailey (1993) presented an argument for the application of promoting HRM practices on the grounds that human resources are frequently underutilized. Employees often perform below their potential. Bailey points out that HRM practices may have an influence on employee skills and motivation. HRM practices influence employee skills through the acquisition and development of a firms human capital. Recruiting procedures and selection regimes will have an influence over the quality and type of skills new employees possess.

HRM Practices & Service Quality

Researches provide evidence to show that HRM practices help the organization to improve the quality of services Tsaura and Lin (2004) empirically explored the relationship among human resource management practices, service behavior and service quality in the tourist hotels. The results indicated that HRM practices had partially a direct effect on customer perceptions of service quality and an indirect effect through employees' service behavior. This means that service behavior only partially mediates the relationship between human resource management practices and service quality.

HRM Practices and Employee Commitment

The implementation of HRM practices in the organization leads to enhanced employee commitment. Maheshwari et al. (2005) conducted a study to find out the commitment of health officials and its implications for HR practices in Maharashtra. The study suggests that the district health officials do not share a strong emotional bond with their department. The state needs to reform its Human Resource Management practices to effectively strengthen the functioning of the health system. The study also suggests that investing in development of multiple strategies for the growth and career development of health professionals is required. Similarly, Smeenk et al. (2006) examined the factors which affect organizational commitment among Dutch university employees in two faculties with different academic identities (separatist versus hegemonist,). The analyses of data reveals that in the separatist faculty decentralization, compensation, training/development, positional tenure and career mobility have significant effects. Age, organizational tenure, level of autonomy, working hours, social involvement and personal importance significantly affect the employees' organizational commitment in the hegemonist faculty. Participation, social interactions and

job level are factors that are important in both faculties. Shahnawaz and Juyal (2006) compared various HRM practices in two different organizations—a consultancy/research based organization and a fashion firms. The study also aimed at assessing how much of commitment in the two industries can be attributed to HRM practices. HRM practices were found significantly different in two organizations and mean scores on various HRM practices were found more in the fashion organization. Regression results showed that various HRM practices were significantly predicting organizational commitment in both organizations and also when they were combined. Performance appraisal and ‘attitudes towards HRM department’ were the significant predictors of organizational commitment in both the organizations. In an another study, Chew and Chan (2008) examined the impact of HR practices on permanent employee’s organizational commitment and their intention to stay and found that organizational commitment was positively affected by person-organization fit, remuneration, recognition, and an opportunity to undertake challenging employment assignments. Intention to stay was significantly related to person-organization fit, remuneration recognition, training and career development. Further, he found that training and career development was not significantly related to organizational commitment and challenging assignments was not significantly related to intention to stay.

HRM Practices and Organizational Performance

HRM practices enhances organizational performance. Rondeau and Wager (2001) examined the relationship between HRM practices, workplace climate and perceptions of organizational performance, in a large sample of Canadian nursing homes and found that nursing homes, which had implemented more ‘progressive’ HRM practices and which reported a workplace climate that strongly valued employee participation, empowerment and accountability tended to be perceived to generally perform better on a number of valued organizational outcomes. Chand

and Katou (2007) conducted a study to investigate whether some specific characteristics of hotels affect organizational performance in the hotel industry in India; and to investigate whether some HRM systems affect organizational performance. They found that hotel performance is positively associated with hotel category and type of hotel and hotel performance is positively related to the HRM systems of recruitment and selection, manpower planning, job design, training and development, quality circle, and pay system.

Joseph & Dai (2009) found that there are significant connections between HRM practices and firm performance; that the strategic alignment of HRM is also a driver for firm performance.

In the study conducted by Nayaab et al (2011), it has been found that HRM practices contribute to the enhanced banks performance. Further, the result indicated that HRM practices like training, employee participation in decision making was found significantly related with banks performance. Further, Osman et al (2011) found that the effectiveness of implementing HR practices in a company does indeed have a major impact towards a firm's performance. The findings also show that HR practices have an impact of nearly 50 percent on firm performance.

HRM Practices & Financial Performance

Huselid (1995) conducted a study to evaluate the link between systems of High Performance work practices and firm performance and found that these practices have a statistically significant impact on intermediate employee outcomes (turnover and productivity) and short and long term measures of corporate financial performance. Hyde et al. (2008) examined the impact of HRM practices on firm profitability. They found that little support for a positive relationship between HRM practices and firm

profitability. Fey Carl F. (2000) investigated the relationship between human resource management (HRM) practices and the performance of 101 foreign-owned subsidiaries in Russia. The study's results provide support for the assertion that investments in HRM practices can substantially help a firm perform better. Further, different HRM practices for managerial and non-managerial employees are found to be significantly related with firm performance. Ngo et al. (2008) examined SHRM (Strategic Human Resource Management) practices in China to assess the impact of these practices on firm performance and employee relation climate and found that SHRM practices have direct and positive effects on financial performance, operational performance, and the employee relations climate.

HRM Practices and Employees Productivity

Some studies show that certain HRM practices, such as working in teams, greater discretion and autonomy in the workplace and various employee involvement and pay schemes, do motivate workers and generate higher labor productivity (Cully et al. 1999; Boselie and Wiele 2002). Employees' involvement in terms of delegation of responsibility and systems of collecting proposals from employees may have a positive impact on productivity (Arthur 1994, Wallace 1995). Cross functional teams, job rotation, quality circles and integration of functions may all contribute positively to labor productivity. (Banker et al., 1996). HRM activities providing informal and formal training as well as recruitment and selection have also shown to have an impact on productivity and market value.(Huselid 1995, Delery and Doty 1996).

Recently in the study conducted by Soomro et al. (2011), it has been found that HRM practices (training, selection, career planning, employee participation, job definition, compensation, performance appraisal) were correlated positively with the

employee performance. Further respondents gave highest importance to performance appraisal and then to compensation among individual HRM practices.

HRM Practices and Effective Management of Employees

Tripathy and Tripathy (2008) found that the majority of the IT companies sampled, institute such HRM practices that are complex in nature and a majority of the IT companies do follow such HRM practices which can be termed as adaptive in nature. They suggested that offering job plus education referral recruitment, online and open house tests (in case of recruitment & selection), flexible training choice, skills & project centric training (in case of training & development) and lastly, transparent appraisal systems, above average salary, more non-salary benefits, flexi timing and opportunity for growth are some of the selective practices which, if followed with rigor, would help managing enhance human resources of an IT company.

HRM Practices and Growth and Innovations

Panayotopoulou and Papalexandris (2004) found that HRM has a more significant influence on growth / innovation indices as opposed to financial performance. Li et al (2005) examined the relationship between HRM, technology innovation and performance in China and found that employee training, immaterial motivation and process control have positive effects on technological innovation, while material motivation and outcome control have a negative influence on technological innovation. It is also found that technological innovation is positively related with performance.

HRM Practices & HRD Climate

It has been found that the HRM practices help the organization to develop better HRD climate in the organization. Hassan et al. (2006) measured employee's perception of HRD practices, to explore whether ISO certification leads to any improvement in HRD climate and examined the role of HRD practices on employee's developmental climate and quality orientation in the organization. They found that ISO certified companies obtained higher means on some HRD variables as compared to others. Organizations with better learning, training and development systems, reward and recognition, and information systems promoted a favorable HRD climate. Quality orientation was predicted by career planning, performance guidance and development, role efficacy and reward and recognition system.

HRM Practices and Technology

HRM practices and Technology affects each other. On one side HRM practices affects implementation of the technology because the success of information technology (IT) projects is highly dependent upon the end-users' behaviour. Whether end-users are able and willing to work with newly introduced software applications is fundamental. Hence, a key issue is supporting targeted employees of newly introduced software applications in their proper utilisation. HRM practices have the potential to provide such support (Bondarouk and Ruel, 2008).

On the other side Lawler & Mohrman, (2003) argued that with the growth of information technology, much of the administrative aspects of human resource management can be accomplished through technology solutions hosted by the company or outsourced. As technology frees up HR from some

of its routine tasks, there is a greater opportunity for HR professionals to become a strategic partner (Ulrich, 1997).

HRM Practices and Job Satisfaction

HRM practices also affect the level of job satisfaction of the employees. Petrescu and Simmons (2008) examined the relationship between HRM practices and workers overall job satisfaction and their satisfaction with pay. The result indicated that several HRM practices raise workers overall job satisfaction and their satisfaction with pay.

HRM Practices and Employees Intention to Leave

Employee turnover is a major challenge for the organization but the companies implementing effective HRM practices can reduce the rate of the employee turnover. Abeysekera (2007) empirically evaluated six HR practices (realistic job information, job analysis, work family balance, career development, compensation and supervisor support) and their likely impact on marketing executives intention to leave (MEIL) in the Sri Lankan leasing companies. The result indicated job analysis, compensation, career development, realistic job information variables were negatively and significantly correlated with MEIL. The work family balance was not negatively correlated with MEIL. Results of regressing the HR practices on MEIL showed that compensation and job analysis are strong predictors of MEIL.

VIII-HR Best Practices of Indian Companies: Leading Examples

HRM practices differs from one organization to another and from one country to another but the outcome remains the same i.e. HRM practices leads to increase in the productivity and performance of employees as well as of the organization. In

addition to the traditional HRM practices, many organizations have implemented unique HRM practices according to their needs. The HRM practices depicted in Table 1 are some of the innovative HRM practices implemented by the companies.

Table-1

S.no	ORGANISATIONS	HRM PRACTICES
1	JK Lakshmi Cement	Special Task Force, Young Leaders Forum, and Periodic Blood Pressure check up camps, Quiz competitions, Open House Communication meetings and outbound training programmes.
2	Grasim Industries Limited	It has been awarded as the best place to work, by Hewitt's and Economic times in the year 2007 and has implemented several innovative HRM Practices.
3	TATA AIG General Insurance Co.Ltd.	Friday Movie Mania (Popular movies are screened on demand), indoor games and competition annual theme parties like WOW (World of World) where the children of the employees can spend time in their parents place of work, a rewards and recognition program ,called "The Success Matrix", rewards employees on monthly, quarterly and annual basis along with on spot recognition also. At all branches citations and awards are displayed on the "Wall of Fame".

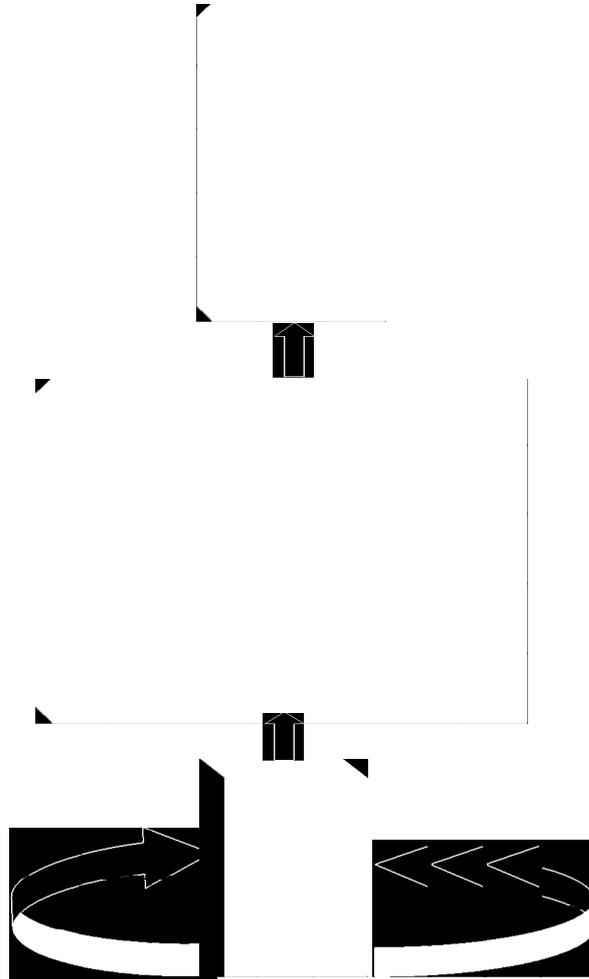
4	Maruti Udyog Limited (MUL)	Maruti has changed the whole perspective of HR from merely being paper pusher and time keeper to a more active strategic business partner. Newer initiatives were adapted in performance appraisals competency mapping and job rotations .Communication become more open and transparent by involving active participation of the people in the whole process, excellent teams emerged and the best compensation was offered in the industry for motivating the workforce.
4	HCL Technologies Ltd.	HCL Technologies gave birth to new concept called as Employee First, Customer Second (EFCS), which focuses on giving people, whatever they need to succeed.CEO Connect in which he is personally available to each and every employee that works in HCL. Functional heads hold down hall meetings through "Employee first governing council" that collectively addresses all the issues and questions of its employees.
5	LG India	LG India spends close to Rs.15-17 crores in a year on HR Training .The basic idea behind this is to make employees believe that nothing is impossible.
6	Pantaloons (India) Limited.	Pantaloon Retails has talent management programs like 'GURUKUL' for training frontline staff just before they join.

These innovative HRM practices have resulted into building image of the company in the mind of the employees and it is very clear that these companies are performing well in their sectors.

IX- HRM Practices Framework

On the basis of the review of the several studies and various models of HRM which have been developed from time to time, the researchers have designed the following framework providing an overview of HRM practices.

Figure 1: A Conceptual model of HRM Practices



The framework indicates how external and internal factors affect HRM practices and how these HRM practices generate into certain benefits for the organization and ultimately lead to overall corporate performance.

The review of various studies conducted on HRM practices shows that there are several factors in side and outside the organization that affect HRM practices and the HR mangers should carefully analyze these factors while designing the HRM practices. The following things should in particular be kept in mind according to the findings of our literature survey.

1. Due consideration should be given to link the HRM practices with the long term objectives and the strategies of the organization.
2. The HRM practices should be evaluated from time to time by conducting a survey among the employees and the provisions should be made to incorporate changes from time to time.
3. The traditions of the organization and the past practices should be kept in mind while designing and implementing HRM practices.
4. The top management should provide fullest possible support (financial as well as moral) to the HR department in designing and implementing the HRM practices.
5. The HR managers should keep themselves up to date with state of art HRM practices.
6. The HRM practices differ from one country to another and from one organization to another, so due consideration should be given to the organization and the country's specific environment.

7. The line managers should be involved in the process of the design of the HRM practices because line managers are the people who deal with the employees in their department and they can provide valuable insights.
8. There is a need to critically examine the actions of the competitors because it directly or indirectly affects the organization.
9. The power centre and the politics that is prevailing in the organization should be properly studied.
10. If trade unions exist in the organization, then the proper opportunity of representation should be given to them.

Conclusion

The review of the literature on HRM practices have shown that to effectively manage the human resources the organizations have to implement innovative HRM practices. The organizations which implements such practices with dedication, remains ahead of their competitors because such practices affects other variables such as competitive advantage, job satisfaction, financial performance, employee turnover, service quality, employee commitment etc. in a positive manner and leads to overall corporate performance. While designing and implementing such practices, one important thing is to be kept in mind that the HRM practices should be analysed from time to time and it should be updated accordingly. Line managers should be involved in designing HRM practices and survey should be conducted among employees to know their opinion about HRM practices. This will help the organization to take corrective actions at the right time.

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**A COMPARATIVE STUDY OF
HESTER PRYNNE VIS-A-VIS
ANNA KARENINA
ILLUSTRATING
PURITANICAL MORAL
DECLINE**

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Abstract

This paper first offers a concise but comprehensive description of the characters of Hester Prynne and Anna Karenina. Then it presents a comparative, analytical and critical study of these two major female characters of Western literature. The moral deprivation of these archetypal characters will be analyzed in the perspective of orthodox Christian moral values as both these characters signal the emergence of a crisis of Christianity in both its orthodox and its puritanical versions. The work of Camille Paglia is used to show that Hawthorne's heroine is and Tolstoy's heroine is not a precursor of the modern Western sexually liberated promiscuous woman.

JEL Classification: Z000

I. The Authors

Nathaniel Hawthorne was born in Salem, Massachusetts on July 4, 1804. Generations of Hathornes—as the name was formerly spelled—had lived in Salem. Hawthorne was well aware of their status in the community, though that status was not always admirable. For example, Hawthorne lived with the knowledge that his great-great-grandfather, a judge in the 1692 Salem witch trials, was responsible for the deaths of some of the accused witches. Scholars have concluded that Hawthorne keenly felt the burden of his ancestry and assumed the guilt of his Puritan grandfathers. When Hawthorne was four years old, his father, a sea captain, died while on a voyage. Hawthorne's mother, Elizabeth, took the boy and his two sisters to live with her affluent brothers. In this chaotic, crowded, multiple-family home, young Hawthorne somehow managed to foster a love of reading. After graduating from college, he did not assume a career. He knew only that he was determined to one day become a writer. His first literary work, begun during college, was titled *Fanshawe*. He used his own money to have it published, but soon decided it simply wasn't good enough to be made public, and so he tried to destroy all the copies that had been printed. All told, Hawthorne spent a dozen years after college reading and writing. He lived with his mother in Salem during this period. Gradually, he met with success; he sold some short stories, which were published under a pseudonym. Finally, in 1837, he published *Twice-Told Tales*, a collection of short stories, under his own name. Hawthorne continued to write short stories for magazines, but he made only a modest living. After marrying Sophia Peabody in 1842, he appealed to several friends for help in finding a job, and they were able to obtain for him a position at the Salem custom house. He lost his job in 1848, a circumstance that he resented and wrote about in "The Custom-House," the introductory chapter of *The Scarlet Letter*. Soon after he lost his job, his mother died. In the midst of his grief, he wrote *The Scarlet Letter*, which was

published in 1850. Hawthorne himself felt it to be a gloomy story about a risky subject, but the book met with some success, eventually ensuring Hawthorne's place in literary history. Though Hawthorne achieved fame, he was not necessarily comfortable playing the role of a revered author. He was shy and avoided making eye contact with people. At home, he was likely to head out the back door if he knew a guest had arrived at the front door. At times he was playful, almost childlike, and unconcerned about appearances. Yet he was a good friend to other authors, including Herman Melville, who dedicated *Moby Dick* to him. More than a century after his death, Hawthorne is still revered as a father of American literature. From this man came, according to Henry James, "the finest piece of imaginative writing yet put forth" in America. (The Glencoe literature Library)

Count Leo Nikolayevich Tolstoy was born at Yasnaya Polyana, at his father's estate in Tula Province, about two hundred miles from Moscow. Both of his parents belonged to the Russian nobility. His mother died when he was two and his father when he was nine. Tolstoy served in the army in the Caucasus and the Crimea, and after leaving the army he travelled and studied educational theories. While in the service, Tolstoy wrote *Childhood*, a short, semi-autobiographical novel. This was well received, and he continued to write other stories when he left the army. He and Sophie Behrs married in 1862 and had 13 children. For the next 15 years Tolstoy lived as a farmer and gentleman and wrote. *War and Peace* was finished over 1864-1869 and *Anna Karenina* during 1873-1876. Tolstoy went through a serious spiritual crisis, after which he wrote the autobiographical *A Confession*. From then on he began to publicize his views on religion, morality, non-violence and renunciation of the flesh. Other works from this time are *What Then Must We Do?* And *The*

Kingdom of God is Within You. Relations between him and his wife became strained because of his new beliefs and fame as a pacifist. In 1910 he left home at the age of 82 and died of pneumonia at a local railway station. Tolstoy's writings have influenced much of twentieth-century literature, and his ethical and religious works have influenced the beliefs of many spiritual and political leaders. In addition to Tolstoy's famous novels, he wrote many plays, stories and sketches, autobiographical and educational works, ethical and religious books and essays, and social and political essays and addresses. (novelguide.com/annakarenina)

II. The Characters

II.1. Hester Prynne:

Although *The Scarlet Letter* is about Hester Prynne, the book is not so much a consideration of her innate character as it is an examination of the forces that shape her and the transformations those forces effect. We know very little about Hester prior to her affair with Dimmesdale and her resultant public shaming. We read that she married Chillingworth although she did not love him, but we never fully understand why. The early chapters of the book suggest that, prior to her marriage, Hester was a strong-willed and impetuous young woman—she remembers her parents as loving guides who frequently had to restrain her incautious behavior. The fact that she has an affair also suggests that she, at one time, had a passionate nature.

But it is what happens after Hester's affair that makes her into the woman with whom the reader is familiar. Shamed and alienated from the rest of the community, Hester becomes contemplative. She speculates on human nature, social organization, and larger moral questions. Hester's tribulations

also lead her to become a stoic and a freethinker. Although the narrator pretends to disapprove of Hester's independent philosophizing, his tone indicates that he secretly admires her independence and her ideas.

Hester also becomes a kind of compassionate maternal figure as a result of her experiences. Hester moderates her tendency to be rash, for she knows that such behavior could cause her to lose her daughter, Pearl. Hester is also maternal with respect to society: she cares for the poor and brings them food and clothing. By the novel's end, Hester has become a profeminist (Profeminist is a term used to define women in a philosophical tradition that anticipated modern feminist concepts, yet lived in a time when the term "feminist" was unknown, that is, prior to the twentieth century.) mother figure to the women of the community. The shame attached to her scarlet letter is long gone. Women recognize that her punishment stemmed in part from the town fathers' sexism, and they come to Hester seeking shelter from the sexist forces under which they themselves suffer. Throughout *The Scarlet Letter* Hester is portrayed as an intelligent, capable, but not necessarily extraordinary woman. It is the extraordinary circumstances shaping her that make her such an important figure. (SparkNotes Editors, 2003)

II.2. Anna Karenina:

Anna is a beautiful, passionate, and educated woman. She is the wife of Alexei Karenin, a cold and passionless government official. Her character is rich in complexity: she is guilty of desecrating her marriage and home, for instance, but she remains noble and admirable nonetheless. Anna is intelligent and literate, a reader of English novels and a writer of children's books. She is elegant although always understated in her dress. Her many years with Karenin show her capable of playing the

role of cultivated, beautiful, society wife and hostess with great poise and grace. She is very nearly the ideal aristocratic Russian wife of the 1870s. Among Anna's most prominent qualities are her passionate spirit and determination to live life on her own terms. She is a feminist heroine of sorts. Though disgraced, she dares to face St. Petersburg high society and refuses the exile to which she has been condemned, attending the opera when she knows very well she will meet with nothing but scorn and derision. Anna is a martyr to the old-fashioned Russian patriarchal system and its double standards for male and female adultery. Her brother, Stiva, is far looser in his morals but is never even chastised for his womanizing, whereas Anna is sentenced to social exile and suicide. Moreover, Anna is deeply devoted to her family and children, as we see when she sneaks back into her former home to visit her son on his birthday. Anna's refusal to lose Seryozha is the only reason she refuses Karenin's offer of divorce, even though this divorce would give her freedom. The governing principle of Anna's life is that love is stronger than anything, even duty. She remains powerfully committed to this principle. She rejects Karenin's request that she stay with him simply to maintain outward appearances of an intact marriage and family. In the later stages of her relationship with Vronsky, Anna worries most that he no longer loves her but remains with her out of duty only. Her exile from civilized society in the later part of the novel is a symbolic rejection of all the social conventions that are normally accepted dutifully. She insists on following her heart alone. As a result, Anna contrasts with the ideal of living for God and goodness that Levin embraces in the last chapter, and she appears self-centered by comparison. Even so, Anna's insistence on living according to the dictates of her heart makes her a pioneer, a woman searching for autonomy and passion in a male-dominated society. (SparkNotes Editors, 2003)

III. Similarities in the Characters of Hester Prynne and Anna Karenina:

- Both Hester and Anna are much younger than their spouses. Roger Chillingworth is about 25 year older than his wife Hester. When somebody is as young as Hester, and for someone who has arrived in New England ahead of her husband from Europe alone, there is every possibility for her to go astray. The novel reveals to us that Chillingworth remained missing for a good seven years. A young woman of Hester's age could not be left unattended for such a long period and that too without any information whether the husband was alive or not. Chillingworth confesses in the novel that his and Hester's was an unnatural union. He says to Hester: "*It was my folly, and thy weakness. I—a man of thought, the book worm of great libraries, a man already in decay, having given my best years to feed the hungry dream of knowledge— what had I to do with youth and beauty like thine own! Misshappens from my birth- hour, how could I delude myself with the idea that intellectual gifts might veil physical deformity in a young girl's fantasy! Men call me wise. If sages were ever wise in their own behoof, I might have foreseen all this.*" (Nathaniel Hawthorne, *The Scarlet letter*, ch.7) In case of Anna her husband too was much older than her and despite the fact that she had a wholesome and complete family life she felt a strong need to be loved. It was that extreme desire to be loved that made her accept the advances of young Vronsky. The aristocratic and mature Karenin seemed unable to satisfy the needs of young Anna. He could not come down to Anna's level. He being mature and older and she being young and robust as a consequence both could not get along well with each other.

- Both Hester and Anna are supposed to be attractive and beautiful. It would not be an understatement that both the writers presented their heroines as the most beautiful. On the one hand we have got Anna the most beautiful woman in the aristocratic society of Moscow and on the other we have Hester who is an epitome of beauty in New England. Despite their respective beauties both these women are presented as fallen women. It appears as if beauty and disgrace go hand in hand in the two novels. We know how beautiful Hester has been; we had a glimpse of it in the forest *“When Hester takes off her cap and unloosens her hair, we see a new person. We see the real Hester, who has been hidden for years under a shield of shame. Her eyes grow radiant and a flush comes to her cheek. We recognize her as the Hester from Chapter One. The beautiful woman who is not afraid to reveal her dark, flowing locks and displaying her beauty.”* (Emma Jones, literature-study-online.com) Anna’s beauty could be gauged when *“Vronsky followed the guard to the carriage, and at the door of the compartment he stopped short to make room for a lady who was getting out. With the insight of a man of the world, from one glance at this lady’s appearance Vronsky classified her as belonging to the best society. He begged pardon, and was getting into the carriage, but felt he must glance at her once more; not that she was very beautiful, not on account of the elegance and modest grace which were apparent in her whole figure, but because in the expression of her charming face, as she passed close by him, there was something peculiarly caressing and soft. As he looked round, she too turned her head. Her shining gray eyes, that looked dark from the thick lashes, rested with friendly attention on his face, as though she were recognizing him, and then promptly turned away to the passing crowd, as though*

seeking someone. In that brief look Vronsky had time to notice the suppressed eagerness which played over her face, and flitted between the brilliant eyes and the faint smile that curved her red lips. It was as though her nature were so brimming over with something that against her will it showed itself now in the flash of her eyes, and now in her smile. Deliberately she shrouded the light in her eyes, but it shone against her will in the faintly perceptible smile.” (Tolstoy, Anna Karenina, Part one, Chapter XVIII)

- Both Hester and Anna gave birth to illegitimate daughters as a result of their illicit relations. Hester gave birth to Pearl, whereas Anna gave birth to little Anna. Pearl grew up to be happily married, while little Anna was left with Karenin after her mother’s suicide. *“Brenda Wineapple said that Hester Prynne was a single mother devoted to the child who personified the scarlet letter: part symbol, part consolation, and part terror...Hester was a quiet rebel whose isolation granted her a certain freedom of thought, particularly concerning the plight of women. Hester is dedicated to Pearl, who represents so many graces and misfortunes, and being detached from society gives Hester the freedom to contemplate her ideas, especially pertaining to woman’s condition, that would normally be considered perverse. The relationship between Hester Prynne and her illegitimate daughter, Pearl, is extremely significant. It is unquestionable that Hester Prynne is devoted to Pearl. The way Hester pleads so touchingly for her when the governor tries to take her away proves this point. “‘Ye shall not take her! I will die first!’” (p. 100). This quote, said by Hester when she implores the governor to let her keep Pearl, shows just how important Pearl is to Hester. The reason it is*

so imperative for Pearl to be constantly at Hester's side is that she is the embodiment of Hester's sin. "(Megaessays.com). Anna's daughter's character did not come to the forefront due to the fact that she was left motherless by her mother in her infancy when she committed suicide. Young Anna was taken into custody by Karenin after the death of her mother. In the novel we have been given this information by Veronsky's mother, "*Oh, why talk of it!*" *said the countess with a wave of her hand. "It was an awful time! No, say what you will, she was a bad woman. Why, what is the meaning of such desperate passions? It was all to show herself something out of the way. Well, and that she did do. She brought herself to ruin and two good men—her husband and my unhappy son."* "*And what did her husband do?*" *asked Sergey Ivanovitch. "He has taken her daughter. Alexey was ready to agree to anything at first. Now it worries him terribly that he should have given his own child away to another man. But he can't take back his words."* (Tolstoy, Anna Karenina, Part eight, Chapter IV)

- Both Anna and Hester are exiled from society. In comparison with Hester Prynne, Anna's goodness deteriorates as she suffers from public humiliation and guilt, while Hester Prynne faces society regardless of her shame. "*Condemned by her sin, Hester Prynne suffers from isolation at the beginning of the novel. Hester Prynne had the opportunity to escape all social disaffection, but she decides to live in Boston because she needs to be close to Pearl's father. Consequently, Hester settles in an abandoned cabin on a patch of infertile land at the edge of town. Hester remains alienated from everyone, including the town fathers, respected women, beggars, children, and even*

strangers. Furthermore, Hester remains able to support herself due to her uncommon talent in needlework but brides will not wear the product of Hester Prynne's hands". (Coursework.info.com). Therefore, as Anna Karenina, Hester Prynne is alienated and isolated from the rest of the community. Anna Karenina also lives the consequences of her extramarital affair. Anna lives in disgrace and shame, after deciding to leave her husband, son and society. The scandalous aristocratic people, encourage Anna to leave St. Petersburg. Anna came to realize her situation fully when she went to attend the opera. "When Anna announces that she plans to attend the opera that evening. Vronsky begs her not to, warning her of the fact that the members of high society at the theater will scorn and humiliate her. He believes that she wishes to deliberately provoke and insult conventional society. Nevertheless, Anna leaves for the opera. Vronsky follows later and watches in horror as Anna is insulted by acquaintances in the neighboring box. Anna returns home angry and desperate. Vronsky reassures her of his love, and the two depart for the country side. Anna's humiliation in the theater is, of course, another case of isolation—a painful, forced ostracism "(SparkNotes Editors, 2002)

IV. Differences in the Characters of Hester Prynne and Anna Karenina:

- Anna commits suicide whereas Hester becomes something of a saint in the end. Hester grew into a saint by not only withstanding the negatives being hurled at her by society but also managing to earn a respectable living for herself and her child. In fact it became a common practice for the town's women to come and seek her counsel. *"She is an unceasingly generous*

giver, distributing food, necessities, and her precious garments to all who claim a need.

“None so ready as she to give of her little substance to every demand of poverty...None so self-devoted as Hester, when pestilence stalked through the town...She came, not as a guest, but as a rightful inmate, into the household that was darkened by trouble...” (p.179) She, in the words of Bill McKibben, a biblical scholar, has, “...fed the hungry, slaked the thirsty, clothed the naked, welcomed the stranger, and visited the prisoner”. She represents a “maternal figure” to society, specifically to women who are insecure about their identity—the scarlet letter undeniably being hers. She is, like Dimmesdale, a role model, and maybe even an angel to the people around her.” (en.allexperts.com). Anna commits suicide in tragic circumstances. She had become weary of her situation and finding no way out she decided that killing herself would solve all her problems. She completely disregards the people around her. It is something similar to what she had done at the start of the novel when she abandoned everything just to be with Vronsky. “Yes, hers was the fitting end for such a woman. Even the death she chose was low and vulgar. (Tolstoy, Anna Karenina, part eight, chapter IV)

- Vronsky seduces Anna whereas Dimmesdale gets seduced by Hester. It is quite apparent from the reading of the novel that initially many a times Anna was found admonishing herself for responding to Vronsky. Since she was a married woman with a son she naturally felt bad about the whole scenario. If it were not for the continued advances of Vronsky, Anna would never have walked that ill fated road. We have an insight into how Anna felt “*but at the very moment she was uttering the*

words, she felt that they were not true. She was not merely doubting herself, she felt emotion at the thought of Vronsky, and was going away sooner than she had meant, simply to avoid meeting him.” (Tolstoy, Anna Karenina, part one, chapter XXVIII) Anna further gave us proof of her intentions when Vronsky met her at the station when she was on her way back home: *“I didn’t know you were going. What are you coming for?” she said, letting fall the hand with which she had grasped the door post. And irrepressible delight and eagerness shown on her face. “What am I coming for?” he repeated, looking straight into her eyes. “You know that I have come to be where you are,” he said; “I can’t help it.” At that moment the wind, as it were, surmounting all obstacles, sent the snow flying from the carriage roofs, and clanked some sheet of iron it had torn off, while the hoarse whistle of the engine roared in front, plaintively and gloomily. All the awfulness of the storm seemed to her more splendid now. He had said what her soul longed to hear, though she feared it with her reason. She made no answer, and in her face he saw conflict. “Forgive me, if you dislike what I said,” he said humbly. He had spoken courteously, deferentially, yet so firmly, so stubbornly, that for a long while she could make no answer. “It’s wrong, what you say, and I beg you, if you’re a good man, to forget what you’ve said, as I forget it,” she said at last. “Not one word, not one gesture of yours shall I, could I, ever forget...”* (Tolstoy, Anna Karenina, part one, chapter XXX). On the other hand we find Hester Prynne seducing Dimmesdale. She being young, beautiful, and robust strongly needed to be loved. Not knowing whether her husband is alive Hester found an apt lover in the form of the local minister Dimmesdale. One cannot help but think why she could not find some

one other than the minister in that community. Dimmesdale being the local minister and priest had been a sitting duck. He came in contact with Hester when she used to come to him for guidance and advice.

- Anna had a husband and a son so she had almost a complete family whereas Hester's husband was away and she was childless. We have already discussed how Anna initially tried to avoid Vronsky for the reason that she had a complete family life and did not want to get into an extra marital affair. Anna herself thought to herself in the novel, "*Come, it's all over, and thank God!*" was the first thought that came to Anna Arkadyevna, when she had said good-bye for the last time to her brother, who had stood blocking up the entrance to the carriage till the third bell rang. She sat down on her lounge beside Annushka, and looked about her in the twilight of the sleeping-carriage. "*Thank God! Tomorrow I shall see Seryozha and Alexey Alexandrovitch, and my life will go on in the old way, all nice and as usual.*" (Tolstoy, Anna Karenina, part one, chapter XXIX). We feel that she could not control her desires for long and had thus become a mistress to Vronsky and had finally ruined her life. As far as Hester Prynne is concerned she was young and newly married and had no children. Her husband had been missing for many years and there had been no news whether he was alive or dead. In this situation one can understand that Hester being green could go astray which she did. She like Anna became a mistress to Dimmesdale and in the process gave birth to an illegitimate daughter.
- Anna found a lustful lover while Hester a remorseful one. Vronsky was lustful in the sense that despite how hard Anna tried to shake him off he kept persisting and

imploring and thus always managing to have his way with her. Vronsky seems to be completely blinded by Anna's beauty. He did not even realize that she was a married woman. We come to know of his true feelings when he was travelling by the same train by which Anna was going to St. Petersburg, "*He felt himself a king, not because he believed that he had made an impression on Anna—he did not yet believe that,—but because the impression she had made on him gave him happiness and pride. What would come if it all he did not know, he did not even think. He felt that all his forces, hitherto dissipated, wasted, were centered on one thing, and bent with fearful energy on one blissful goal. And he was happy at it. He knew only that he had told her the truth, that he had come where she was, that all the happiness of his life, the only meaning in life for him, now lay in seeing and hearing her. And when he got out of the carriage at Bologova to get some seltzer water, and caught sight of Anna, involuntarily his first word had told her just what he thought. And he was glad he had told her it that she knew it now and was thinking of it. He did not sleep all night. When he was back in the carriage, he kept unceasingly going over every position in which he had seen her, every word she had uttered, and before his fancy, making his heart faint with emotion, floated pictures of a possible future.*" (Tolstoy, Anna Karenina, part one, chapter XXXI). On the other hand we see how remorseful Dimmesdale had been throughout the novel. He suffers from the guilt to the extent that he finally died from the constant prick of his conscience. "*His position is all the more awkward for the simple reason that he was the local minister and he had no one to share his guilt with. Every human being needs the opportunity to express his feelings; otherwise the*

emotions are bottled up until they become unstable. It is almost as if the possessed physician, Roger Chillingworth, has trapped a volatile chemical (the secret of Dimmesdale's adultery) inside a vial (Dimmesdale) and now waits for the inevitable explosion (the revelation). Reverend Dimmesdale's pent-up feelings of guilt and shame became hazardous to his health. In Mr. Dimmesdale's secret closet, under lock and key, there was a bloody scourge . . . his brain often reeled, and visions seemed to flit before him."(Emma Jones, Literature-study-online.com)

- Despite all the odds Hester nurtures her child Pearl. She seems to care little for what people think of her. After the death of Dimmesdale she and Pearl inherited whatever belonged to Dimmesdale and both mother and daughter went away. Hester only came back after many years when she had had Pearl married. She resumed her old position by wearing the embroidered scarlet letter A on her bosom. Her love for Pearl could be gauged from her response to the Governor when he decided that Pearl should be taken away from her mother, "*Hester Prynne shows this defiant characteristic when Governor Bellingham tells her that it would be in Pearl's best interests if she were to be taken away from her mother, "clad soberly" and "disciplined strictly". She protests passionately, declaring: "Ye shall not take her! I will die first!" Up until this point, Hester has accepted the punishment chosen for her, but to take Pearl away would be crossing the line, and Hester stands up for herself and her belief that Pearl would be better off with her mother, and indeed, that she, Hester would be better off with Pearl ("Had they taken her from me, I would willingly have gone with thee into the forest, and signed my name in the Black Man's book."*).(Emma Jones, Literature-study-online.com).

- Anna's end suggests that moral corruption produces painful consequences while Hester's end suggests that immorality committed under particular conditions could make life worth living and full of adventure. We saw in the end how the actual meaning of the letter A changed. Previously it stood for adultery but later it ceased to be a stigma which attracted the world's scorn and bitterness, and became a type of something to be sorrowed over, and looked upon with awe as well as reverence! We also saw how Anna's corruption destroyed her life. She became so blinded that she went ahead with Vronsky without realizing its consequences. By the time she realized her positions, she had gone too far. And the only choice she had was to commit suicide. Vronsky's mother aptly sums up Anna when she said, "*It was an awful time! No, say what you will, she was a bad woman. Why, what is the meaning of such desperate passions? It was all to show herself something out of the way. Well, and that she did do. She brought herself to ruin and two good men—her husband and my unhappy son.*" (Tolstoy, Anna Karenina, part eight, chapter IV). Anna's model leads to family integration while Hester's model leads to its disintegration. In the character of Anna we saw how one could ruin one's life when one becomes blinded by one's passions. What Anna did was against nature and thus nature intervened in order to restore the balance. One cannot help but feel sorry for Anna but then one realizes that perhaps that was the only solution for the entire problem. In case of Hester it is the total opposite of what we saw in Anna Karenina. It seems as if there was no guilty party at all. Dimmesdale got his punishment only because he was a priest. Otherwise he would also have gotten away with his crime.

V. Comparison and Contrast between the Approaches of the two Authors:

Both Hawthorn and Tolstoy had many contrasts in their approaches despite the fact that the themes they had chosen for their novels were more or less the same. It is the treatment of the two heroines at the end of the novels that should be questioned. Hawthorn lets Hester off and brings the entire burden of her sin on Chillingworth and Dimmesdale. He thinks that what Hester does is justifiable and that it is the right of every female to do as Hester has done. If one agrees to what Hawthorn is suggesting then this necessarily devalues the family. Hawthorne endorses women's right to get involved in extra marital affairs and have children. One cannot help but feel that Hawthorn's model is actually leading towards the disintegration of the family unit. On the other hand Tolstoy is all for family. He is a strong believer in the traditional orthodox doctrine that come what may, the family unit must be kept intact. He advocates this idea at the cost of the beautiful Anna when she commits suicide at the end of the novel.

VI. Camille Paglia's approach to the characters of Hester Prynne and Anna Karenina :

(Camille Anna Paglia (born April 2, 1947) is a US author, teacher, and social critic. A feminist Paglia (pronounced with a silent "g") has been a Professor at The University of the Arts in Philadelphia, Pennsylvania since 1984. She also writes articles on art, popular culture, feminism, and politics for mainstream newspapers and magazines. (Wikipedia))

It would not be an over statement to say that Hester had actually launched an open attack on religion. The way she enticed Arther Dimmesdale suggests that she completely disregarded the religious doctrine. Dimmesdale, being a preist, was a symbol of the church. Camille Paglia says, *"Happy are those periods*

when marriage and religion are strong. System and order shelter us against sex and nature. Unfortunately, we live in a time when the chaos of sex has broken into the open. (Camille Paglia, *Sexual Personae* ch.1, p25) The order that Paglia refers to is the order of the religion. No matter how weak Puritan society was during the days of Hester, still there was some sort of religious order. Hester went against that religious order and hence she had to be banished from the society. Anna, on the other hand, disregards the family system. We know how happily she was married with a lovely son and a well off husband, yet she goes against the family tradition. Hester Prynne is actually the creator of “the chaos of sex”. She seems to be the fore runner to what Paglia refers to as the chaos of sex which is prevalent in today’s Western world. According to Paglia, Hester is a pagan. *G. Wilson Knight remarks, “Christianity came originally as a tearing down of taboos in the name of a sacred humanity; but the Church it gave rise to, has never yet succeeded in Christianizing the pagan evil magic of sex.” Historiography’s most glaring error has been its assertion that Judeo-Christianity defeated paganism. Paganism has survived in the thousand forms of sex, art, and now the modern media. The latent paganism of Western culture has burst forth again in all its daemonic vitality.*” (Camille Paglia, *Sexual Personae* ch.1, p25).

Promiscuity is one of the core issues of both these novels (*The Scarlet Letter* and *Anna Karenina*). Both the major characters Hester and Anna were involved in extra marital affairs. We know how Tolstoy dealt with his heroin Anna in the end when she killed herself by committing suicide. On the other hand Hawthorne, instead of punishing his heroin, actually glorified her doings. Paglia is aware of the existence of promiscuity among females. She commented that, “The old “double standard” gave men a sexual liberty denied to women. Promiscuity in men may cheapen love but sharpen thought. Promiscuity in women is illness, a leakage of identity. The promiscuous woman is self-

contaminated and incapable of clear ideas. Male chase and female flight are not just a social game. The double standard may be one of nature's organic laws. Woman and nature stand ever ready to reduce the male to boy and infant". (Camille Paglia, *Sexual Personae*, ch.1 p27). Paglia considers promiscuity among women as an "illness". According to her, promiscuity in men is a source of sharpening of thought examples of which could be such famous figures as Oscar Wilde, Lord Byron, and Shakespeare. Promiscuity in females contaminates them. A promiscuous woman is unable to think clearly. She gets corrupted not just physically but also morally and mentally. Hester Prynne and Anna Karenina both could not think sanely and became devoid of clear thinking. We know how Hester managed "to reduce" Arthur Dimmesdale, the reverend, to a mere "boy and infant." When Hester spun her web by turning on all her charms, Dimmesdale could not escape her snare. He had to submit to her despite his position in the society. The Bible is quite clear on promiscuity, "*Flee from sexual immorality. Every other sin a person commits is outside the body, but the sexually immoral person sins against his own body.*"(Corinthians 6:18). It further states that, "*Or do you not know that the unrighteous will not inherit the kingdom of God? Do not be deceived: neither the sexually immoral, nor idolaters, nor adulterers, nor men who practice homosexuality, nor thieves, nor the greedy, nor drunkards, nor revilers, nor swindlers will inherit the kingdom of God.*" (Corinthians 6:9-10). Hester in actuality attacks not only the church by luring Dimmesdale but she also actually negates the teachings of the Bible.

Paglia states that Christianity is unable to sort-out and protect the rights of women. Despite all its tall claims, woman is still treated as a play thing and is exploited as a sex tool. She rightly states that, "*Islam is wise to drape women in black, for the eye is the avenue of eros.*" (Camille Paglia, *Sexual Personae* ch.1, p32).

Both Hester and Anna, in the end, despite the similarity of their sin have a different ending. We have seen how Hester proved to be successful, despite being a sinner. While Anna, on the other hand has been punished for doing something against nature and social norms. Hence it is quite clear that Hester is actually a precursor of the modern Western sexually liberated woman while Anna is not. The simple reason being that Tolstoy has shown her being properly punished for the sin that she had committed. If Anna were also a precursor of the modern Western sexually liberated woman then she would have been similarly glorified as Hester has been glorified by the author in the end.

VII. Conclusion:

In the *Scarlet Letter* by Nathaniel Hawthorne, the character Hester Prynne is viewed as a tragic heroine. Hester Prynne commits adultery and under Puritan laws, she has to wear a symbol for the rest of her life (The embroidered letter A). As her punishment, Hester Prynne suffers from the consequences of her sin. In *Anna Karenina* by Leo Tolstoy, the main character Anna is seen as a tragic heroine. Anna is a beautiful and elegant housewife who falls in love with Count Vronsky. The adulterous relationship disturbs their position in society and forces Anna to go into self exile in order to avoid the social life. In the end circumstance force her to commit suicide. Tolstoy is a strong believer in maintaining family traditions and upholding the family unit. Hawthorn's novel is against the family unit and suggests that even if one is involved in adultery, one can still not only survive but can also actually become a saint. We saw this happening in the case of Hester Prynne when she actually became a saint in the eyes of the local people specially the women folk. Hester therefore refers to the sexually liberated i.e. promiscuous women characteristics of modern/post modern Western society which Camille Paglia has shown.

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PROSPECTS OF THE RAWLSIAN LIBERAL DEMOCRATIC STATE TO BECOME THE UNIVERSAL STATE

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Abstract

This paper studies and critically analyzes Rawls's theory of the state in order to see whether the Rawlsian conception of the state can be the basis for the formation of a universal political order. Rawls advocates and argues for the establishment of what he calls the Society of Peoples which is supposed to be transnational world society though it is not supposed to be a consisting of the world population. It is maintained that Rawls's theory of the state is grounded in his conception of nationalism. It is argued that the Rawlsian concept of the liberal constitutional state is essentially nationalist and does not transcend the boundaries of the nation state.

Keywords: Nationalism, nation state, universal state.

JEL Classification: Z000

I. Rawls's Theory of the State:

I.I State as a Means to the Institutionalization of the Principles of Justice:

Rawls is a philosopher of the liberal tradition. He idealizes the constitutional democratic egalitarian state. Rawls proposes a liberal state with "a reasonably just constitutional democratic government that serves fundamental interests" (Rawls 2003, p. 23) of liberal peoples. The regime that Rawls idealizes "is not an autonomous agency pursuing its own bureaucratic ambitions. Moreover, it is not directed by the interests of large concentrations of private economic and corporate power veiled from public knowledge and almost entirely free from accountability" (Rawls 2003, p. 24). Rawls's conception of the state is based on his two principles of justice as he says that "the principles of justice as fairness in Theory require a constitutional democratic state" (Quoted from Rizvi PBR, 2003). Rawls's conception of the democratic egalitarian state is somewhat close to but essentially different from the welfare state as conceived by J.S. Mill. It is similar to the welfare state because of the Rawlsian difference principle and it is different from the welfare state because in a welfare state liberty, in principle, can be sacrificed for the enhancement of overall utility while in the Rawlsian conception "liberty can be restricted only for the sake of liberty itself" (Rawls 1980, p. 244) and "it is important to understand this to mean "basic liberty" to avoid being misled" (Freeman 2007, p. 65). Rawls's prioritization of liberty "means that the exercise of a *basic* liberty may be restricted only if this is needed to protect some other basic liberty, or leads to a greater overall liberty in the scheme of basic liberties" (Freeman 2007, p. 65). In other words, it is not a "liberalism of happiness" but rather a "liberalism of freedom". Constitutional order seeks the imposition of justice as fairness which is expressed in two principles i.e. the principles of justice that he expresses in lexical order. The first principle holds that

“each person has an equal claim to a fully adequate scheme of equal basic rights and liberties, which scheme is compatible with the same scheme for all; and in this scheme the equal political liberties, and only those liberties, are to be guaranteed their fair value.” (Rawls 1996, p. 5). The second principle states that: *“social and economic inequalities are to satisfy two conditions: first, they are to be attached to positions and offices open to all under conditions of fair equality of opportunity; and second, they are to be to the greatest benefit of the least advantaged members of society”* (Rawls 1996, p. 6).

The main purpose of Rawls’s principles of justice is to distribute primary social goods in a “just” manner. “Primary social goods” include rights and liberties, powers and opportunities, income and wealth and bases of self-respect. These goods are “all-purpose social means that any rational person¹ *should* want whatever else he or she wants and of which it is rational to prefer more rather than less” (Freeman 2007, p. 65).

The first principle necessitates the provision of equal basic liberties for all citizens. Liberty of conscience, freedom of thought and expression, freedom of association, freedom of movement and free choice of occupation are the basic constitutional liberties that a state must guarantee otherwise a “just”, “rational” and “reasonable” society cannot be established. In this “just” society if there is, in any instance, a clash between the first and the second principles of justice the second principle should be sacrificed.

I.II Rawls’s Reasonable Pluralism

After the formulation of the two principles of justice Rawls’s problem is: “how is it possible that there may exist over time a stable and just society of free and equal citizens profoundly divided by reasonable² though incompatible religious, philosophical, and moral doctrines? Put another way: How is it

possible that deeply opposed though reasonable comprehensive doctrines may live together and all affirm the political conception of a constitutional regime?" (Rawls 1996, p. xviii). The problem is that though the principles of justice are the most 'just' and 'reasonable' principles for Rawls for establishing a just society how can they be acceptable to all people living in a society which is also deeply divided by diverse comprehensive doctrines that disagree on the question of how can the ideals of liberty and equality be materialized in the best possible way. Rawls's answer to this question is that for the existence of such a society "there must be an overlapping consensus of reasonable comprehensive doctrines" (Mandle 2009, p. 146). Rawls seeks the coexistence of a plurality of doctrines and he thinks that 'reasonable' pluralism is the appropriate response to conflicting demands of diverse doctrines. He expects that "although reasonable comprehensive doctrines will disagree about other matters, they can agree that coercion with regard to the basic structure of society requires a special type of justification that appeals to the reasonableness of the persons subjected to coercive demands" (Mandle 2009, p. 151). Rawls rejects the systemic supremacy of any comprehensive doctrine whether religious, philosophical or moral because "a shared understanding on one comprehensive religious, philosophical, or moral doctrine can be maintained only by the oppressive use of state power" (Rawls 1996). But Rawls's overlapping consensus that is employed to create 'reasonable' pluralism does not solve the problem because it engenders a political conception that "is so totalizing [that] it turns out to be a comprehensive doctrine in its own right" (Rizvi PBR, 2003) against those who reject liberty and equality as values, and thus, Rawlsian "overlapping consensus" cannot be maintained without the oppressive use of state power. Rawls presumes that all comprehensive doctrines agree on the desirability of liberty and equality and disagree only about how liberty and equality are to be institutionalized. A comprehensive doctrine which rejects liberty and equality as values cannot by definition be the part of

the Rawlsian “overlapping consensus”. Moreover, Rawls’s idea that an overlapping consensus on a political conception of justice in the absence of a shared comprehensive doctrine can produce stability is also faulty “since we cannot expect all reasonable people to share a single political conception of justice” (Mandle 2009, 154).

II. Rawlsian Nationalism:

Rawls’s idea of the nation is in line with that of John Stuart Mill. To Mill, the force that unites the members of a nation is “common sympathies”. Rawls holds that “liberal people have three basic features: a reasonably just constitutional democratic government...citizens united by what Mill called “common sympathies”; and finally, moral nature” (Rawls 2003, p. 23). All members of a nation have sympathies for each other that they do not have for the members of other nations. To Rawls, in consonance with Mill, one of the main characteristics of liberal peoples is that they are a nation whose members “are united among themselves by common sympathies, which do not exist between them and any others—which make them cooperate with each other more willingly than with other people, desire to be under the same government, and desire that it should be the government by themselves, or a portion of themselves, exclusively” (Rawls 2003, p. 23 fn). This feeling of nationality is the effect of various causes in various cases. This feeling sometimes “is the effect of identity of race and descent. Community of language, community of religion, greatly contribute to it. Geographical limits are one of its causes” (Rawls 2003, p. 23 fn). Thus, race, language, religion and geography all of them, to different degrees, generate a feeling of nationality among a particular people. There is still another cause which is the strongest of all, and according to both J.S. Mill and Rawls, it is “identity of political antecedents; the possession of national history, and consequent community of recollections; collective

pride and humiliation, pleasure and regret, connected with the same incidents in the past” (Rawls 2003, p. 23 fn). Rawls is in unison with Mill in thinking that community of recollections is a more important cause for the development of a feeling of nationality than race, language, religion and geography. The Rawlsian liberal state does not have the common sympathies for other nation states. Common sympathies or community of recollections may be uniting and constructive forces at the national level but they are dividing and destructive forces at the global level. Rawlsian nationalism is a nationalism in which common sympathies and community of recollections have greatest significance while race, language, religion, and geography also play an important role.

Rawls’s commitment to nationalism is implicit in his explicit rejection of global egalitarianism while he is a strong advocate of domestic egalitarianism. On the question of global distribution of wealth and income he “asks us to imagine two societies, initially equally well-off. The first society decides to industrialize and increase its real rate of savings; the second society prefers a more pastoral and leisurely existence. After a few decades, the first society is twice as well-off as the second” (Martin & Reidy 2006, p. 98). To Rawls, “it would be inappropriate to tax the first society and redistribute the proceeds to the second—for this would not respect each society’s right to self-determination” (Martin & Reidy 2006, p. 98). Peter Singer says that if the problem of redistribution of wealth “can be answered in the case of redistribution within a society, I see no reason why it cannot be answered in the case of redistribution between societies” (Singer 2002, p. 178). Rawls holds that liberal societies have a duty to assist what he calls “burdened societies” so that they can become well-ordered societies and can accept the Law of Peoples³. Rawls does not exhibit sympathy for the individuals who are starving, and dying of easily preventable diseases, who are suffering from malnutrition and who have no access to clean

drinking water because they happen to live in some non-developed geographic unit, have a different history and different community of recollections. Rawls “writes of the duty of assistance always as a part of a much broader project of helping peoples to attain liberal or decent institutions” (Singer 2002, p. 179). Rawls does not seem to care that “as our world is now, millions will die from malnutrition and poverty-related illnesses before [or if] their countries gain liberal or decent institutions and become well-ordered” (Singer 2002, p. 179-80). Singer agrees with Leif Wenar who has said of the Law of Peoples: “Rawls in this work is concerned more with the legitimacy of global coercion than he is with the arbitrariness of the fates of citizens of different countries” (Singer 2002, p. 179). In the modern world it is the lack of common sympathies and presence of nationalism that causes not only passive unconcern for the dying but also active aggressive wars in the name of human rights against nonliberal peoples.

A nationalist liberal democracy becomes destructive, as “Michael Mann has argued that there is a necessary relationship between liberal democracy and genocide” (Rizvi PBR, 2003). Nationalist liberal democracy causes ethnic cleansing at the domestic level and mass annihilation in the name of humanitarian war at the global level. Mann holds that “the countries inhabited by Europeans are now safely democratic, but most have also been ethnically cleansed” (Mann 2005, p. 5), as, for example, the American state was established after slaughtering millions of so-called Red Indians and since then it has invaded and intervened into several nations world over, for example, “over the 10-year period that preceded the terrorist bombings of 11 September 2001, the US intervened militarily in other countries no fewer than nine times, and both the duration and intensity of the intervention increased dramatically” (Jha 2006, p. 203). It seems to be the genocidal nationalism of liberal democracies that makes Rawls declare that liberal and decent peoples “simply do not tolerate outlaw states (i.e. *states that*

have aggressive aims and that do not accept liberal human rights). This refusal to tolerate nonliberal states is a consequence of liberalism and decency” (Rawls 2003, p. 81). This clearly shows that Rawlsian liberalism does not idealize peaceful coexistence with other modes of life and those nations that practice a nonliberal mode of existence are branded as outlaw states. Liberalism either endeavors to transform nonliberal states (‘regime change’) or annihilate them. The ruthless liberal nationalist havoc that is being played out by the U.S.A at the global level is in consistency with a declaration of Thomas Jefferson who said, “if ever we are constrained to lift the hatchet against any tribe, we shall never lay it down till that tribe is exterminated, or driven beyond the Mississippi....In war, they will kill some of us; we shall destroy all of them” (Quoted from Mann 2005, p. 70). If, for example, a Muslim country does not conform to the Rawlsian model state of Kazanistan, perceived by Rawls, it will be branded as an outlaw state. It will be declared an outlaw state because it has not accepted the rule of liberal law. Liberal democracies will continue war and ethnic cleansing against nonliberal people and “unless humanity takes evasive action, [these wars] will continue to spread until [liberal] democracies [alone]...rule the world” (Mann 2005, p. 5). For Rawls, the ultimate global goal of a liberal people is to “act gradually to shape all not yet liberal societies in a liberal direction, until eventually all societies are liberal” (Rawls 2003, p. 82).

III. Can the Rawlsian Liberal State become the Universal State?

III.I Rawls’s Society of Well-Ordered Peoples:

Rawls prefers to use the term peoples to states but this preference does not mean that he is not concerned with states. He gives a vision of the Society of Well-Ordered Peoples which essentially consists of liberal constitutional democratic states and what he calls decent hierarchical Peoples. He gives a vision of the Society of Peoples and not that of States because he is not

satisfied with the traditional conception of the state. In other words, he does not endorse the inclusion of traditional states in the Society of Peoples, for example, he stipulates, “we must reformulate the powers of sovereignty in the light of a reasonable Law of Peoples and deny to states the traditional rights to war and to unrestricted internal autonomy” (Rawls 2003, p. 26-27). Rawls rejects the traditional concept of the state in that he denies both the state’s traditional right to aggressive war and the internal autonomy of the state. We will see below that well-ordered peoples have right to make war against what Rawls calls Outlaw States. Outlaw states are “regimes that refuse to comply with a reasonable Law of Peoples” (Rawls 2003, p. 90). Rawlsian well-ordered peoples have legitimate states while others may not have. I suppose that Rawls would not use the term Peoples instead of states if all states were liberal constitutional democratic states. When Rawls says, “the Law of Peoples hopes to say how a world Society of liberal and decent Peoples might be possible” (Rawls 2003, p. 6) it implies that liberal national states and decent national states are supposed to be the members of the Society of Peoples because it will not just be the Peoples but states that will make intervention in the internal affairs of the outlaw states; apart from that, individuals living in outlaw states who are inclined towards liberalism may also be the members of the Rawlsian Society of Peoples.

Rawls’s society of well-ordered peoples consists of two types of peoples: liberal peoples and decent hierarchical peoples. Rawls endorses the toleration of two types of nonliberal peoples, namely decent people and benevolent despotisms. Though a decent society, to Rawls, “may assume many institutional forms, religious and secular” it has to be in accordance with two criteria “to be a member in good standing in a Reasonable Society of Peoples” (Rawls 2003, p. 64). The first criterion is that “the society does not have aggressive aims, and it recognizes that it must gain its legitimate ends through diplomacy and trade and other

ways of peace” (Rawls 2003, p. 64). The second criterion is subdivided into three parts: “(a) a decent hierarchical people’s system of law . . . secures for all members of the people what have come to be called human rights . . . A slave society lacks a decent system of law, as its slave economy is driven by a scheme of commands imposed by force. It lacks the idea of social cooperation . . . (b) a decent people’s system of law must be such as to impose *bona fide* moral duties and obligations (distinct from human rights) on all persons within the people’s territory. Since the members of the people are viewed as decent and rational . . . they recognize these duties and obligations as fitting with their common good idea of justice and do not see their duties and obligations as mere commands imposed by force . . . (c) there must be a sincere and not unreasonable belief on the part of judges and other officials who administer the legal system that the law is indeed guided by a common good idea of justice. Laws supported merely by force are grounds for rebellion and resistance” (Rawls 2003, p. 65-66). A people that do not fulfill these criteria do not qualify for the Rawlsian Society of Well-Ordered Peoples.

Rawls’s idea of future Society of Well-Ordered Peoples is “realistically utopian in that it depicts an achievable social world that combines political right and justice for all liberal and decent peoples in a Society of Peoples” (Rawls 2003, p. 6). Thus, Rawls’s realistic utopia, according to Rawls, is not an unachievable ideal utopia but an “achievable social world”. It is utopian in that “it joins reasonableness and justice with conditions enabling citizens to realize their fundamental interests” (Rawls 2003, p. 7). To the question whether the idea of a realistic utopia is a fantasy he responds negatively as discussing the great evils of the past__ like the Holocaust and the Inquisition__ and of the present he says, “yet we must not allow these great evils of the past and present to undermine our hope for the future of our society as belonging to a society of liberal and

decent peoples around the world” (Rawls 2003, p.22). Rawls is hopeful because he thinks that they have already formulated a “reasonably just constitutional democracy” (Rawls 2003, p. 23). To Rawls, with the emergence of a reasonable Law of Peoples, derived from the reasonable political liberalism, the perceived realistic utopia “no longer simply [remains] longing, our hope becomes reasonable hope” (Rawls 2003, p. 23). This hope mainly depends on two types of Peoples i.e. liberal peoples and decent peoples.

To present a model of a decent hierarchical society Rawls imagines a Muslim country, Kazanistan. Kazanistan does not institute the separation of church and state. In this imagined state, “Islam is the favored religion, and only Muslims can hold the upper positions of political authority and influence the government’s main decisions and policies, including foreign affairs” (Rawls 2003, p. 75). These are the features of Kazanistan that make it a nonliberal state but it has another feature that makes it neither liberal nor an Islamic state but a decent state and that is that it is characterized by “its theologians’ interpreting *jihad* in a spiritual and moral sense, and not in military terms” (Rawls 2003, p. 76). The Islamic concept of *jihad* in its totality is unacceptable to Rawls whereas liberal states are authorized to intervene in the domestic affairs of any country if they find the violation of liberal human rights. Rawls wants Muslim theologians to restrict the concept of *jihad* to its spiritual interpretation but declares concerning the liberal principles of war that supreme emergency exemption “sets aside—in certain special circumstance—the strict status of civilians that normally prevents their being directly attacked in war” (Rawls 2003, p. 98). Rawls also asserts, “human rights set necessary, though not sufficient, standard for the decency of domestic political and social institutions” (Rawls 2003, p. 80). The purpose of the imposition of the liberal human rights in decent societies like Kazanistan is to “limit admissible domestic

law of societies” that are “in good standing in a reasonably just Society of Peoples” (Rawls 2003, p. 80). These human rights, to Rawls, have three roles: “(1) Their fulfillment is a necessary condition of the decency of a society’s political institutions and of its legal order. (2) Their fulfillment is sufficient to exclude justified and forceful intervention by other peoples, for example, by diplomatic and economic sanctions, or in grave cases by military force. (3) They set a limit to the pluralism among peoples” (Rawls 2003, 80).

If Muslim societies thus transform themselves then in this way they should be tolerated. Rawls is ready to tolerate Muslim societies as long as liberal societies are not required to give up their fundamental principles of war against violations of capitalist human rights whereas he wants Muslims to tolerate liberals even if it requires them to go beyond the boundaries of Islam. If Muslim societies transform themselves to the extent that they become tolerable to liberals they will not remain Muslim. They will become what Rawls calls decent societies, and at the second stage they will become liberal societies, and the ultimate vision of Rawls is “to shape all not yet liberal societies in a liberal direction, until eventually (in the ideal case) all societies are liberal” (Rawls 2003, p. 82). This is a vision of disempowerment of church and mosque in the whole world for all times and this is how we will globalize Enlightenment values, and this is how the Nietzschean project of the death of God (as sovereign) will be realized. For Rawls, Sharia observant Muslims are indecent and disordered whereas gays and lesbians and agnostics are well-ordered and decent.

On the one hand, to set the limits of toleration of nonliberal societies, Rawls proposes that Kazanistan will not institute the separation of church and state, and on the other hand he proposes the restriction of the concept of *jihad* and envisages the imposition of the concept of human rights within Kazanistan and this, of course, is not possible in a state in which religion and state are united. Toleration requires political and social transformation and Rawls is not ready to transform liberal societies. He is not willing to tolerate nonliberal peoples i.e. nonliberal orthodox Muslims and Christians.

III.II The Global Original Position:

In his Law of Peoples (2003) Rawls conceives of a second original position which, unlike the domestic original position, is global. He uses the second original position to extend a liberal conception to the Law of Peoples though he asserts that the law of peoples is not exclusively liberal because it accepts the legitimacy of what Rawls calls decent hierarchical societies. His Law of Peoples “conceives of liberal democratic peoples (and decent peoples) as the actors in the Society of People just as citizens are the actors in domestic society” (Rawls 2003, p. 23). Thus, to Rawls, “each party in the global original position should represent an entire domestic society—or a people” (Martin & Reidy, 2006, p. 97). Rawls’s Law of Peoples is not a law among the states. He does not identify peoples with states, and liberal peoples are different from nonliberal peoples though all nonliberal peoples are not alike. Rawls’s imagined decent peoples are closest to the liberals and share some key features with them. Rawlsian liberal peoples possess three basic features: “a reasonably just constitutional democratic government that serves their fundamental interests; citizens united by what Mill called “common sympathies”; and finally, a moral nature” (Rawls 2003, p. 23). Rawls introduces a thick veil of ignorance in the global original position and “not allowing the parties to know people’s

comprehensive doctrines is one way in which the veil of ignorance is thick as opposed to thin” (Rawls 2003, p. 31). Rawls seeks to establish “reasonable” pluralism which is different from pluralism at national level. “Reasonable pluralism” is not inclusive of nonliberal societies and even in liberal societies it requires an overlapping consensus of reasonable doctrines. It is by the overlapping consensus that a political conception of justice can be established on which all parties might agree. Rawls says, “putting people’s comprehensive doctrines behind the veil of ignorance enables us to find a conception of justice that can be the focus of an overlapping consensus and thereby serve as a public basis of justification in a society marked by the fact of reasonable pluralism” (Rawls 2003, p. 32). Rawls puts liberal democratic peoples and decent hierarchical peoples in one category and uses the term of well-ordered peoples for them. It is only well-ordered peoples that choose the principles of the Law of Peoples from behind the veil of ignorance. The global original position does not include “disordered” peoples that are neither “reasonable” nor “rational”, and therefore, they cannot choose the same principles of the law of peoples that liberal and “decent” people can. Rawls holds that “a liberal people can live with other peoples of like character in upholding justice and preserving peace” (Rawls 2003); thus, the peoples who are neither liberal nor decent are not actors in the law of peoples but rather they are supposed to be acted upon through war, subordination and domination. And any society that does not recognize liberal human rights has no right even of self defense as Rawls declares: “any society that is nonaggressive and that honors human rights has the right of self defense” (Rawls 2003, p. 92).

III.III Rawlsian World: Divided into Five Sub-Worlds by the Degrees of Human Rights Observance:

Rawls divides the whole world into five distinct and diverse domestic or national societies and he seems to

be using the terms states and societies almost equivalently. Rawls puts reasonable liberal peoples and decent hierarchical peoples in one category that he calls well-ordered peoples. Now the rest of the world consists of three types of societies, namely outlaw states, societies burdened by unfavorable conditions or simply burdened societies, and benevolent absolutisms. Outlaw states are those regimes that “refuse to comply with a reasonable Law of Peoples”; “these regimes” Rawls argues “think a sufficient reason to engage in war is that war advances, or might advance, the regime’s rational (not reasonable) interests” (Rawls 2003, p. 90). Burdened societies are those “whose historical, social and economic circumstances make their achieving a well-ordered regime, whether liberal or decent, difficult if not impossible” (Rawls 2003, p. 90). Benevolent absolutisms “honor human rights; but, because their members are denied a meaningful role in making political decisions, they are not well-ordered” (Rawls 2003, p. 4).

Rawls seeks the transformation of all types of societies into liberal societies. His arguments for political liberalism imply that diversity and heterogeneity should find its space within the boundaries of and restrictions set by political liberalism. But this does not mean that Rawls conceives or endorses the idea of establishing a liberal global state. He explicitly rejects the idea of a global state. In unison with the view held by Kant in his *Toward Perpetual Peace* (1795) Rawls holds that “a world government... would either be a global despotism or else would rule over a fragile empire torn by frequent civil strife as various regions and peoples tried to gain their political freedom and autonomy” (Rawls 2003, p. 36). Ruling out the idea of a world state Rawls finds the existence of certain global organizations necessary. They are supposed to be

“charged with regulating cooperation among [different peoples] and meeting certain recognized duties” (Rawls 2003, p. 36). For example, there should be “an organization with a role similar to that of the United Nations” (Rawls 2003, p. 42) that Rawls refers to as a “Confederation of Peoples (not states)”. The objective of this organization will be to ensure the establishment of Rawlsian just national institutions and compliance with liberal human rights by all peoples. And in the grave case of existence of unjust national institutions or violations of human rights the above-mentioned organization “may try to correct them by economic sanctions, or even by military intervention. The scope these powers cover all peoples and reaches their domestic affairs” (Rawls 2003, p. 36).

Rawls maintains that in the present political scenario national governments cannot be allowed to have complete internal sovereignty. He declares that “a [national] government’s internal autonomy is now limited” (Rawls 2003, p. 79) and this is because human rights are universal rights and every state whatever category it belongs to has to respect a minimal of human rights and in the case of an “outlaw state that violates these rights it is to be condemned and in grave cases may be subjected to forceful sanctions and even to intervention” (Rawls 2003, p. 36). Rawls is much concerned about the violations of human rights across the globe while he does not show the same sympathy for the starving, dying, sick and those who are subjected to malnutrition. His great concern for human rights and apathetic unconcern for the individuals who are living in extremely miserable conditions reveal the inner dichotomy of his approach to the peoples of nonliberal countries whose “welfare” is not his concern though their supposed rights are. Prem Shankar Jha holds that “as a pretext for intervention, human rights suddenly sprang into

prominence only after the end of the Cold War” (Jha 2006, p. 202). There are no fewer than four instances preceding the bombings of 11 September 2001 when “interventions were justified as a defence of human rights...in Somalia in 1992, Bosnia in 1993, Haiti in 1994, and Kosovo in 1999” (Jha 2006, p. 203). In all these interventions protection of human rights was only a pretext and the real goal was “to create a legitimate modern [capitalist] state in the country” (Jha 2006, p.203). In these interventions (as in the interventions in Iraq and Afghanistan) “the defence of human rights became secondary to a more ambitious programme of nation building” (Jha 2006, p. 204). We find no evidence of Rawls’s opposition to these interventions.

IV. Conclusion:

Thus, we have seen that Rawls’s conception of the state does not provide a basis for the conceptualization of a universal state. He declares in consonance with Kant that a world government is not desirable. Rawls’s liberalism does not transcend shared national sympathies and remains essentially nationalist. It is also clear that Rawlsian nationalism is grounded in economic interest as is revealed by his endorsement of national egalitarianism but rejection of global egalitarianism.

Notes

¹ Rawls maintains that “the rational....applies to a single, unified agent (either an individual or corporate person) with the powers of judgment and deliberation in seeking ends and interests peculiarly its own. The rational applies to how these ends and interests are adopted and affirmed, as well as to how they are given priority. It also applies to the choice of means.....to adopt the most effective means to ends, or to select the more probable alternative, other things equal.....What rational agents lack is the particular form of moral sensibility that underlies the desire to engage in fair cooperation as such, and to do so on terms that others as equals might reasonably be expected to endorse “ (Rawls 1996, p. 50-51).

² Rawls holds that “persons are reasonable in one basic aspect when, among equals say, they are ready to propose principles and standards as fair terms of cooperation and to abide by them willingly, given the assurance that others will likewise do so. Those norms they view as reasonable for everyone to accept and, therefore, as justifiable to them; and they are ready to discuss the fair terms that others propose. The reasonable is an element of society as a system of fair cooperation and that its fair terms be reasonable for all to accept is part of its idea of reciprocity.....Reasonable persons, we say, are not moved by the general good as such but desire for its own sake a social world in which they, as free and equal, can cooperate with others on terms all can accept. They insist that reciprocity should hold within that world so that each benefits along with others” (Rawls 1996, p. 49-50). Distinguishing between the rational and the reasonable Rawls says, “Knowing that people are rational we do not know the ends they will pursue, only that they will pursue

them intelligently. Knowing that people are reasonable where others are concerned, we know that they are willing to govern their conduct by a principle from which they and others can reason in common, and reasonable people take into account the consequences of their actions on others' well-being" (Rawls 1996, p. 49 fn).

³ Defining the Law of Peoples Rawls says that by the Law of Peoples he means "a particular political conception of right and justice that applies to the principles and norms of international law and practice.... In this book I consider how the content of the Law of Peoples might be developed out of a liberal idea of justice similar to, but more general than, the idea I called *justice as fairness*" (Rawls 2003, p. 3).

⁴ Giving the defining features of the Society of Peoples Rawls says, "I shall use the term 'Society of Peoples' to mean all those peoples who follow the ideals and principles of the Law of Peoples in their mutual relations. These peoples have their own internal governments, which may be constitutional liberal democratic or nonliberal but decent governments.

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HABERMAS' CONCEPTION OF MODERNITY: GOING BEYOND TRANSCENDENTALISM AND DETRANSCENDENTALISATION, AN INTERPRETATION

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1. Introduction

- a) Transcendentalism¹: Habermas wants to preserve what can be broadly termed as Kantian transcendentalism. Kantian transcendentalism has been conveyed through various interrelated terms, such as freedom, reflection and subjectivity capable of initiatives and accomplishments. Broadly speaking transcendentalism is the belief that human beings are unique among natural creatures in their ability to distance themselves from their surroundings and to reflect upon what they do and think and hence maintain certain distance vis-à-vis what they know, do and feel etc. Traditionally, this has been attributed to their having the power of reason which in turn is supposed to have required freedom on the part of human beings.
- b) Detranscendentalisation: However, uniquely, Habermas also considers a through going detranscendentalisation as the integral part of modernity. As against transcendentalism, detranscendentalisation is the

reassertion that human beings and their capacities are part of their environment and are formed in the context in which they are inevitably situated and located.

Habermas discusses two types of societies in connection with his attempt to differentiate modern and pre-modern worldviews: a) mythical societies, these societies are far removed from modernity and provide a real contrast between modern worldviews and non modern ones b) Habermas discusses the so called great world religions (in the context of discussing Weber's view about rationalization) and their role in the transition to a full blown modern worldview. In this latter discussion we can see how Habermas differentiates modern worldview from those presented by the great world religions and thus we can discern important differences which can be useful in differentiating the modern worldview from the one propagated by the great world religions.

In what follows we refer to both kind of societies mentioned above (a & b) in order to highlight what Habermas considers to be the defining characteristics of the modern worldview. Furthermore Habermas' criticism of the modern worldview provides the key to what he deems as yet unfinished in the modern projects hence providing us further clues about his conception of modernity.² In what follows we shall be tapping these three sources in order to discuss the themes of transcendentalism and detranscendentalisation in Habermas.

II Habermas' Transcendentalism

By Habermas' transcendentalism we mean following different but related things: a) Habermas' preservation of Kant's transcendental approach despite his critique of it and

transformation of it: b) His defence of the Kantian distinction between “transcendental” and “empirical” despite his critique of and abandonment of Kantian transcendental idealism: c) Habermas’ preservation of the Kantian notion of subjectivity capable of accomplishments despite his critique of the philosophies of subject and consciousness: d) Habermas’ sticking to the key Kantian notions of freedom, critique, self-reflection, despite his criticism of the mentalist paradigm: e) Habermas’ sticking to the Kantian distinction between nature and culture and his defence of the Kantian differentiation between different reality domains and corresponding attitudes despite his defence of what he calls ‘weak’ naturalism which is based on the assumption of an overall continuity between nature and culture: f) In sum, his adherence of Kant despite his critique of Kant.

In what follows we will bring forth what we consider to be the defining elements of Habermas’ transcendentalism by discussing the above themes briefly not for their own sake but in order to highlight what we have termed here as Habermas’ transcendentalism.

Habermas describes the fusion of *facticity* and *validity*³ as the defining characteristics of traditional or non modern societies. Habermas sees the differentiation between facticity and validity as a key accomplishment of modernity. According to Habermas in the non modern worldviews the notion of validity is still confused with empirical efficacy. The distinct notion of ‘causality of reason’ has not emerged in these worldviews. Thus speaking of the mythical worldviews Habermas writes:

“Evidently there is not yet any precise concept for the nonempirical validity that we ascribe to symbolic expressions. Validity is confounded with empirical efficacy. I am not referring here to special validity claims . . . But even the diffuse concept of

validity in general is still not freed from empirical admixtures. Concepts of validity such as morality and truth are amalgamated with empirical ordering concepts, such as causality and health. Thus a linguistically constituted worldview can be identified with the world order to such an extent that it cannot be perceived as an interpretation of the world that is subject to error and open to criticism. In this respect the confusion of nature and culture takes on the significance of a reification of worldview.⁴

Habermas is saying a few very important things in this passage. On the one hand he is claiming that in non modern worldviews there is not yet a concept of validity "which is freed from empirical admixtures." A notion of validity which is free of such admixtures is for Habermas a notion that is not based on the notion of "empirical efficacy". A unique concept of 'rational efficacy' is needed for the emergence of the notion of validity as distinct from facticity.

For Habermas a notion of validity free of "empirical admixtures" a notion of validity that is not based on the notion of "empirical efficacy" is a singular achievement of modernity. It is with modernity that we arrive at a notion of 'rational efficacy' which is distinct from the notion of 'empirical efficacy'. Given such an important role that the distinct notion of validity and its emergence plays in Habermas' understanding of modernity it is small wonder that Habermas spends so much time and so much of his energy in trying to differentiate the illocutionary force of speech acts from perlocutionary effects in developing his theory of meaning.

But why is such a clear distinction between validity and empirical efficacy so important for Habermas' understanding of modernity? The answer to this question lies in Habermas' argument that linguistically constituted worldview can be

identified with the world order to such an extent that it cannot be perceived as an interpretation of the world that is *subject to error and open to criticism*.

For Habermas it follows from the fact that in the premodern worldviews there is no clear distinction between validity and empirical efficacy that in those worldviews a) there is no distinction between “a linguistically constituted worldview” and “the world order as such” b) Thus in the absence of any distinction between validity and empirical efficacy the notion of any alternative world interpretations becomes impossible and c) consequently the notion that a worldview or an interpretation of the world is subject to error thus fallibility loses its importance d) Furthermore, the notion of interpretations of the world being open to criticism and hence open to alternatives remains incomprehensible. The notion of inherently open added worldviews is an alien concept to worldviews which are unable to make a clear cut distinction between validity and “empirical efficacy.”⁵

Thus the distinction between facticity and validity for Habermas is related to important conceptions like fallibility, critique, openness and reversibility. Moreover, it is the basis for Habermas' distinction between a “linguistically constituted worldview” and “world order” as such. In other contexts Habermas refers to the same distinction as a distinction between world and innerworldly, which is based on a key Kantian distinction between ‘empirical’ and ‘transcendental’. If our interpretation of the world is the only possible interpretation,⁶ we can not differentiate between the world and the innerworldly and consequently, between ‘empirical’ and ‘transcendental’.⁷ On the other hand, for Habermas the distinction between world and innerworldly is a key Kantian insight which must be preserved at all costs, since it is the basis of all other key concepts mentioned above.⁸

Thus if the distinction between world and innerworldly is the basis of concepts like fallibility, critique, openness and revisability, which are obviously key concepts for any modern worldview and if the distinction between world and innerworldly is itself based on the prior distinction between facticity and validity, then defending such a distinction becomes akin to defending modernity itself. Thus it seems appropriate that Habermas distinguishes modern worldviews from non modern worldviews: a) on the basis of a distinction between facticity and validity b) and tries to establish a conception of non empirical efficacy which is essential for establishing any conception of validity distinct from facticity.

Thus the difference between 'facticity' and 'validity' is the basis of modernity and a) only with such a distinction can the difference the "world" and the "innerworldly" be preserved and b) consequently only with such a distinction can the distinction between 'transcendental' and 'empirical' be maintained.

The question then arises, what is it in the distinction between 'validity' and 'facticity' that grounds the distinction between:

- a) 'empirical' and 'transcendental'
- b) 'worldly' and 'innerworldly'
- c) World order as such and its interpretation

Also, on this distinction depends the following related propositions:

- a) The whole notion of alternatives and open ended worldviews which are prone to error and, therefore, revisable.

- b) The whole notion of critique as principled resistance to the factual and arriving at something different than the case.

Now what Habermas is claiming is that the above is impossible without:

- a) The emergence of a clear distinction between facticity and validity.
- b) Such a clear distinction (a) requires further a notion of non-empirical efficacy.
- c) Such a conception of non empirical efficacy is to be found in modernity only.
- d) Thus what differentiates modernity in a crucial sense from pre modernity is the notion of non-empirical efficacy.

Now the conception of 'non-empirical efficacy' or what Habermas, in other contexts terms, the unforced force of reason is nothing else but the Kantian notion of the 'causality of reason.' How does the notion of empirical ground the distinction between 'empirical' and 'transcendental'?

We can start answering this question by answering the following: what is the basis of the distinction between the 'empirical' and the 'transcendental'? The basic intuition that lies behind the distinction between 'empirical' and 'transcendental' is that our perception of something is not the same as the thing we perceive. In a broader sense our interpretation of the world is not the same as the world is in itself.

But in order to maintain such a distinction it is imperative that our interpretation of the world be contestable (in principle) and that is a possibility of genuine non arbitrary alternatives.

The only way the factual interpretation of the world can be contested is if we possess the force of a principled 'no'. Such a force can only be provided if we have distinguished between 'facticity' and validity.

The possibility of such a principled 'no' to our existing validity claims or interpretation would show that our interpretation of the world is not equal to the world order as such and thus there is a distinction between our interpretation and the world as such. The distinction between our interpretation of the world and the world order as such provides the basis for the general distinction between the 'empirical' and 'transcendental'.

Thus the distinction between the empirical and the transcendental supervenes on the distinction between facticity and validity and is the basis for all further concepts such as openness of worldviews, fallibility, revisibility and openness of doctrines⁹ and hence is the basis of modernity.

No wonder Habermas wants to preserve the Kantian distinction between 'transcendental' and 'empirical' although he has abandoned Kantian transcendental idealism and dubs any attempts to blur the distinction as a return of obscurantism and conservatism.¹⁰

Habermas' distinction between facticity and validity corresponds to his distinction between 'nature' and culture. As was the case in the distinction between facticity and validity Habermas claims that in non modern societies 'nature' and culture' are not sufficiently differentiated concepts.

In the case of the facticity validity distinction Habermas has argued that premodern societies did not possess a conception of validity that was 'free of the admixture of empirical efficacy.

Habermas argues that these societies did not possess a concept of nature that was free of the admixture of 'human like forces'. Thus they do not have a concept of nature which is free of the 'admixture of culture'. Thus the argument takes the distinction in case from the opposite angle of what was the case in the facticity validity distinction.

Therefore, Habermas is in fact claiming that non-modern societies did not possess a conception of validity free of the admixture of empirical efficacy, they also did not have any conception of facticity free from the admixture of validity or cultural elements. No wonder Habermas sees modernity as simultaneous desocialization of nature as well as denaturation of society: ". . . demythologization of worldview means the desocialization of nature and the denaturalization of society." (Habermas 1981, I, p 45)

The process of the emergence of a conception of 'nature' as free from the admixture of validity is as necessary for the development of modern worldviews as the emergence of a conception of validity free of empirical admixtures.

The development of a demythological concept of nature is important from two angles.

- a) On the one hand, the emergence of a demythologized conception of nature has been important in the development of an instrumental and objective conception of nature which provides the basis for an understanding of objective nature and provides the basis for a greater detachment from and control of nature by human beings and thus paves the way for their taking charge of their own destiny. It has been indispensable for the accumulation of resources that are deemed

important for the development of human freedom and autonomy.

- b) However, there is also another aspect of the emergence of 'non humanized' and demythologized conception of nature that is not explicitly stated anywhere by Habermas or any of his commentators but which follows from the logic of our overall understanding of Habermas presented here. This is the conception that the emergence of a demythologized concept of nature has also been very important in arriving at a conception of a resisting reality that¹¹ Habermas presents in his later work.

Without a conception of resisting reality the distance between 'subject' and 'object' that is needed for the development of a space of reason where validity claims can be raised would not have been possible. Such a resisting conception of reality on the other hand could not have developed without a concept of nature free of an admixture of 'human forces'.

Thus the development of a conception of nature free from the admixture of validity has been important for the development of modern worldviews as has been the distinction between the 'empirical' and the 'transcendental'.

For Habermas modernity emerges with a clear differentiation and distinction between a) validity and empirical efficacy b) nature and culture. It is with the simultaneous emergence of the concept of nature that is free of the admixtures of culture and the notion of culture that is free of the admixtures of nature that we enter into the threshold of modernity. Similarly, it is with the simultaneous emergence of a concept of validity that

is free of the admixture of empirical efficacy, and the concept of the empirical that is free of the admixture of validity that every other key distinction for modernity becomes possible.

- a) The distinction between 'subjective nature,' 'objective nature' and 'nature in itself' is dependent on the distinction between nature and culture and consequently, on the emergence of the independent concept of nature.
- b) Similarly, the emergence of the distinct space for reason and for law or causality is dependent on the emergence of a clear distinction between validity and empirical efficacy. The emergence of the two spaces is also dependent on (a).
- c) The concept of the modern autonomous subject as unique and irreplaceable individuals would not have been possible without the emergence of the autonomous space for reason which in turn presupposes 'yes's' and 'no's' of the participants in the space. Similarly, the emergence of an autonomous space for reason would not have been possible without the emergence of an 'autonomous nature' which can be further differentiated in the manner described in (a) above.

In this context it becomes clear that the emergence of key distinctions and differentiation is important for the emergence of the modern worldview which is open ended and amenable to historical revisions. Non modern worldviews specifically mythological worldviews are not differentiated and their, non differentiated character is the basis for their totalizing and closed character. As Habermas writes:

“What irritates us members of a modern lifeworld is that in a mythical interpreted world we cannot, or cannot with sufficient precision, make certain differentiations that are fundamental to our understanding for the world. From Durkheim to Levi Strauss, anthropologists have repeatedly pointed out the peculiar *confusion between nature and culture*. We can understand this phenomenon to begin with as a mixing of two object domains, physical nature and the sociocultural environment. Myths do not permit a clear, basic, conceptual differentiation between things and person, between objects that can be manipulated and agents — subjects capable of speaking and acting to whom we attribute linguistic utterances.” (Habermas 1981, p48)¹².

The lack of differentiation in turn leads to the development of a totalizing character of mythological worldviews. The totalizing power of the mythological worldviews is the direct result of their undifferentiated character and closedness and completeness are aspects of this totalizing nature:

“The deeper one penetrates into the network of a mythical interpretation of the world, the more strongly the totalizing power of the “savage mind” stands out. On the one hand, abundant and precise information about the natural and social environments is processed in myths: that is, geographical, astronomical, and metrological knowledge, knowledge about flora and fauna; about economic and technical matters; about complex kinship relations; about rites, healing practices, waging war and so on. On the other hand, this information is organized in such a way that every individual appearance in the world, in its typical aspects resembles or contrasts with every other appearance. Through these *contrast and similarly relations* the multiplicity of observations is united in a totality.” (Habermas, 1981, p 45-46)¹.

Modern worldviews, on the other hand, are the exact opposite of the above. They are nationalizing and this non totalizing character of modernity is the direct result of the differentiation and decentration that becomes possible within it. Similarly as against the closed and complete character of mythological worldviews the modern worldview is open ended and essentially incomplete. The open ended and essentially incomplete character of modern worldviews is the logical outcome of its non totalizing character and is in turn dependent on the key conceptual differentiations Habermas' presents.

The non totalizing open ended and essentially incomplete character of modern worldviews leads to the emergence of another key Habermasian concept which is finitude. In the mythological worldviews finitude is swallowed by the urge for tantalization, closeness and completeness. The finitude of human life (as individuals and specie beings) is compromised by stretching human forces right into the heart of nature and by not clearly differentiating nature and humans and the finitude of nature is forsaken by giving the anonymous forces of nature complete sway over human beings. With the assertion of finitude of both human beings and nature space is opened for the first time for contingencies and surprises from both sides in modernist discourse.

“What we find most astonishing is the peculiar leveling of the different domains of reality: nature and culture are projected onto the same plane. From this reciprocal assimilation of nature to culture and conversely, culture to nature, there results, on the one hand, a nature that is outfitted with anthropomorphic features, drawn into the communicative network of social subjects, and in this sense humanized, and on the other hand, a culture that is to a certain extent naturalized and reified and absorbed into the objective nexus of operations of anonymous power.” (Habermas 1981, I, p47).

The fusion amounts to the closure of all openings. This happens because finitude is covered up through subsuming it under all encompassing and complete (closed) worldview, which Habermas generically describes as 'totalizing worldviews'. The all-encompassing (totalizing) worldviews leave no room for any alternatives. Everything is foretold in *toto* or can in principle be subsumed under one and only one complete and true explanation. There are no real lifeworld disappointments as they are readily explained or explained away.

On the level of communicative action the raising of (making) a validity claim is only a 'pseudo' exercise in the sense that there are no real alternatives² as all alternatives are already predetermined in the possibilities contained in an all encompassing worldview.

On the level of specialized discourses the hypothetical attitude is a sham as everything ultimately must fall under the all-comprehensive (totalizing) conception of the sacred. (Habermas 1981, I, p 49).

Thus the mythical worldview is a closed³ system, *complete* and with no gaps, fractures or openings. There is no alternative world possible, as an interpretation of the world is considered complete and the world (Habermas, 1981, I, p52). The completeness and consequent closedness is what covers up finitude in traditional worldviews and traditional societies and subsequently, the possibility of *openness* and *transcendence* is foreclosed in such societies.

Modernity initially liberates the facticity from the all-encompassing (totalizing) spell of the sacred and totalizing worldviews. Through liberating facticity (from the sacred) modernity also liberates the conception of finitude from the tutelage of totalizing and all encompassing worldviews.

With the liberation of finitude alternatives become possible in the genuine sense of the word. A non-empirical conception of validity can emerge from within facticity and the possibility of reflection and self-reflection is created in the genuine sense of the words, for the first time.

Habermas defines modernity and distinguishes the modern conception of life from non modern conceptions primarily on the basis of the self-reflective character of modernity. In modernity as against the mythical worldviews⁴ there is a possibility of having distance from the factual (and hence the possibility of alternatives).

This reflective character of modernity depends upon and leads to a differentiation among different domains of reality⁵ and also a differentiation between the 'world as it is'⁶ and a linguistically constituted world.⁷

The fact that we do not equate our interpretation of the world with the world is conditioned upon the possibility of reflection and is in turn basis of self-reflection that is the defining characteristics of modernity. (Habermas 1981, I, p49).

An example from Habermas would suffice to explain this a bit further. Habermas explains the dual role an actor has within the lifeworld he inhabits in the following way: "while the segment of the lifeworld relevant to the situation encounters the actor as a problem which he has to solve as something standing as it were in front of him, he is supported in the rear by the background of his lifeworld. Coping with situations is a circular process in which the actor is two things at the same time: the initiator of actions that can be attributed to him and the product of the traditions to which he stands." (Habermas 1981, II, p145).

In the context of his conception of the lifeworld Habermas emphasizes two seemingly contradictory maxims. On the one hand he emphasizes the enabling character of the lifeworld constraints and emphasizes the necessary character of the lifeworld for the actors in communication. The lifeworld constitutes the actors and this constitution cannot be avoided. However, Habermas also emphasizes the finite character of the lifeworld and warns against totalizing notions of the lifeworld.

In non modern conception, the lifeworld is a totalizing force that devours everything in the sense that everything else must refer back to this totality (Habermas 1981, I, p 45-46). There is no possibility of an independent subjectivity capable of differentiating itself from the lifeworld and having a constitutive power in the context of mythic totalizing character of premodern lifeworld (Habermas 1981, I, p 49-51).

The conception of a constitutive and active agency is an accomplishment that Habermas attributes to modernity.

However, there is a danger from another direction that can result in the dismantling of constitutive and active subjectivity that emanates not from absolutising lifeworld but from absolutising subjectivity itself. This is the danger peculiar to modernity.

The conception of absolute subjectivity creates an illusion of pure spontaneity – an illusion of a non-constituted subjectivity and an illusion of complete transparency. *Modernity sacrifices finitude at the altar of absolute subjectivity while mythical worldview sacrifices it on the altar of a totalizing lifeworld.* One sacrifices the constituted character of the subject while the other ignores its constitutive character.

The innovation of Habermas is to say that actors in the lifeworld are simultaneously constitutive and constituted, productive and product. This in turn depends on showing the necessity of preserving the finitude of the lifeworld and subjectivity for the constitution of an enabling subjectivity. Finitude is the necessary condition of a free subjectivity. Modernity creates its own 'sacred' and 'totality' through its insatiable urge for complete articulation.

The urge in modernity, to understand and describe reality exhaustively, betrays the same tendency to cover up the finitude that we encounter in non modern worldviews. The same urge is manifested in different forms in modern conceptions of transcendental subjectivity, ontology, and absolute idealism and criticized by Habermas throughout his work from this angle. Habermas' thesis is that modernity's initial liberation of facticity from the all-encompassing (totalizing) spell of the sacred can be salvaged without creating new encompassivities and exhaustivities and new totalities.⁸

"Taking the unity of the lifeworld, which is only known subconsciously, and projecting it in an objectifying manner onto the level of explicit knowledge is the operation that has been responsible for mythological, religious, and also of course metaphysical worldviews." (Habermas 1981, I, p 143).

The above insight leads Habermas to reassert the detranscendentalized character of modernity, to the consideration of which we must now turn.

III Habermas and Detranscendentalisation

Habermas takes detranscendentalisation to be an integral part of his conception of modernity. Detranscendentalisation is

not an external limit faced by modernity; it is something which is an internal to modernity as transcendentalism. This is what gives Habermas' whole conception of detranscendentalisation a unique characteristics of its own.

While 'transcendentalism' is more closely related to and contrasted with the 'mythological worldview' 'detranscendentalisation' is contrasted with the so called great world religions. While mythological worldviews represent pure immanence, the great world religions represent pure transcendence.

Modernity in a sense holds a middle position between the pure immanence of the mythological worldview and the pure transcendence of the great world religion. It is precisely in this sense that the modernist project may be termed as a search for immanent transcendence or what Habermas terms 'transcendence from within'.

Modernity takes the side of the great world religions in rejecting the pure immanence of mythological worldviews. It views the transcendentalism of the great world religions as a positive increase in rationality.⁹

However, the above is accepted only to the extent that the great world religions are seen as a transition to modernity and not as worthy in themselves. The great world religions are criticized and rejected as far as they claim intrinsic worth.

The great world religions are categorized for absolutising transcendentalism into the transcendent God and hence for devaluating this world. Modernity takes sides with mythological worldviews in preserving the essential immanence (of the world) against the great world religions which reject it.

Weber and Habermas following him, considers the great world religions as a transitory phenomenon between mythological worldviews and modern worldviews. The positive contribution of the great world religions was to provide the resources to affect transcendental distance vis-à-vis the pure immanence of the mythological worldviews. This resulted in the creation of a space within which the modern concepts of freedom, individuation and progress became possible.

However, on the negative side the early modern theories and philosophies of modernity were imbued with transcendentalism in such a way that they were unable to sufficiently exercise the pure transcendence of the great world religions. Early modern thinking especially in the Kantian and Hegelian version of it created their own absolutes which sacrificed the (mythological) principle of immanence to which modernity remains faithful. In the urge to counter pure immanence a new "myth" was created, the "myth" of absolute transcendentalism.

The purpose of detranscendentalisation is to reclaim the methodological immanence which is lost in the absolute transcendentalism of modern philosophy. Such reclamation of immanence however should not be mistaken for pure immanence (which is what, according to Habermas, certain versions of the so called postmodernism and poststructuralism do).¹⁰ The positive contribution of the great world religions remains indispensable for modernity.

To Summarize: Habermas' account of modernity is in a crucial sense derived from Weber. Habermas takes from Weber the notion of the "disenchantment of the world" through which the world loses its value and meaning bestowing function. The world is demythologized so to speak. This paves the way for developing the reflective attitude towards the world and ultimately for the

demarcation between “human” and “nature” in general. Habermas terms this process as the process of rationalization of the lifeworld. This process was fully developed within modernity and results in demarcation and de differentiation of value spheres within the lifeworld. The rationalization of the lifeworld is the reflection of a general process of the demythologization of the lifeworld.

The demythologization of the world was first affected by the great world religions who through developing the concept of a transcendent God and transcendentism in general paved the way for the undermining of mythological worldviews which are basically anthropomorphic in character.

However, though modernity in its Habermasian version recognizes the positivity of the great world religions in this sense it does not stop there. The great world religions through their conception of a transcendent God create a gulf between humans and Nature. Modernity thrives on and presupposes this demythologization and consequent differentiation between Nature and humans effected by great world religions, but it does not accept the “transcendent” character of these religions. It tries to detranscendentalisation these religious discourses. Even Descartes’ conception of reason and its centrality should be constructed as aiming a displacing the conception of the transcendent God. However, in this process Descartes created his own dichotomy the dichotomy between Nature and reason. Modernity since then is trying to overcome this dichotomy.

Kant tried to overcome the dichotomy but in the process created his own perennial dichotomy. In the context of Habermas the main target of his detranscendentalisation

is Kant. We shall try to summarize this project of detranscendentalisation briefly.

IV. Detranscendentalising Kant

Habermas' use of the term detranscendentalisation is coupled with his critique of transcendental subjectivity and its realm of pure intelligence. The whole notion of detranscendentalisation presupposes the Kantian grounding of the distinction between "transcendental" and "empirical" in the two realm distinction (the realm of pure intelligibility and the phenomenal real). It is only if this Kantian notion is presupposed that the notion of 'detranscendentalisation' makes any sense. Habermas says this in his discussion on Quine quite explicitly.

"the heirs of Hume are less affected than the heirs of Kant by the two problems to which the detranscendentalizing move gives rise. The unsettling questions regarding the objectivity of knowledge and the difference between the world and what is innerworldly do not even arise unless we start with the assumptions of the transcendental approach in the first place." (Habermas 1998, p23).

"Detranscendentalisation alters the very concept of the transcendental. Transcendental consciousness loses the connotation of an "otherworldly" dimension rooted in the realm of intelligible. It has come down to Earth in the form of everyday communicative practice, which is no longer sublime. Thus, the profane lifeworld has usurped the transmundane place of the noumenal. Although pragmatism retains the transcendental framing of the issue, it defuses the tension between the transcendental and empirical. To be sure, communicative language still commits participants to strong idealization. By orienting themselves to unconditional validity claims and

presupposing each other's accountability, intercolours aim beyond contingent and merely local contexts. *But these counterfactual presuppositions are rooted in the facticity of everyday practices.*" (Habermas 1998, p 17-18).

Habermas goes on to say that:

"Deflating our original understanding of the transcendental has significant consequences. If transcendental rules are no longer something rational outside the world, they mutate into expressions of cultural forms of life and have a beginning in time. As a consequence, we may no longer without qualification claim "universality" and "necessity" that is, objectivity for empirical cognition the possibility of which has been established transcendently. And the transcendental conditions under which we have epistemic access to the world themselves must be conveyed as something in the world" (Habermas 1998 p 18).

Habermas' critique of the Kantian conception of transcendental subjectivity provides the focus for the whole theme of detranscendentalisation. He criticizes the Kantian concept of "spontaneity of a subjectivity that is world-constituting yet itself without a world (*Weltlos*)" (Habermas 1988, p 142). The detranscendentalisation theme is to resituate this worldless subject into the world.

An appropriate conception of situated reason was not mainly established along the "young Hegelian lines" but as a "consequence of [the] critique" of "the foundationalist variety of thought within the philosophy of subject." (Habermas 1988, p40).

The aim of any such critique is to undermine the “extramundane position of transcendental subjectivity, to which the metaphysical attributes of universality, supratemporality and necessity were transformed . . .” (Habermas, 1988, p 40). In this context Habermas speaks of verities of approaches that have tried to overcome the Cartesian Kantian paradigm of consciousness without world. In his reply to Henrich’s objection against abandoning the paradigm of transcendental subjectivity Habermas asks.

“ . . . one would have to examine whether those who step out of the Cartesian language-game do not have good reasons for according philosophical status to “third” categories, such as “language,” “action,” or the “body”. Attempts to think of transcendental consciousness as “embodied” in language, action, or the body, and to “situate” reason in society and history, are supported by a set of arguments that is not entirely insignificant. These arguments have been developed, from Humboldt through Frege to Wittgenstein and through Dilthey of Gadamer, from Peirce through Mead to Ghelen, and finally, from Feuebach through Plessner to Merleau-Ponty.”(Habermas 1988, p19).

Two things should be noted in the context of Habermas’ above claim; a) Habermas does not treat the approaches that develop a critique of the philosophy of consciousness as faultless. He on the other hand observes that these approaches are engulfed in the “hopeless to-and for between metaphysical and antimetaphysical thinking, i.e. between idealism and materialism.” (Habermas 1988, p44). b) However, Habermas does not believe that the aporias in which these critiques of the philosophy of subject are engulfed are due to their status as a critique of the philosophy of subject as such. Habermas rather believes that these aporias can be avoided if these approaches take a “linguistic turn” (Ibid, p 44). From this we can also derive this minor point that for Habermas the linguistic turn is not essential for a critique of the philosophy of subject as such, it is only essential for a non aporiatic critique of the philosophy of subjectivity.

Having clarified the above points it is possible now to enumerate what Habermas finds compelling in different critiques of the philosophy of the subject.

- i) They lay bare the finitude of human subjectivity and expose the contradictions in which transcendental subjects inevitably get involved (due to violating this finitude of actual human subjects). This aspect of the critique of transcendental subjectivity involves critiquing and exposing the transmundane or extramundane character of human subjectivity.
- ii) The result of such a critique of subjectivity is to reconceptualize human subjectivity as a finite and mundane entity. Thus with Heidegger's conception of *Dasien* "generative objectivity is finally brought down from the realm of intelligible . . ." (Ibid, p49). This is what detranscendentalisation means. With the detranscendentalisation of transcendental subjectivity the categories and the whole architectonic associated with transcendental subjectivity is brought down from the realm of intelligible down to this earth.

Thus the detranscendentalisation of the transcendental subjectivity requires the detranscendentalisation of the realm of pure intelligence as well.

- a. With the detranscendentalisation of transcendental subjectivity the dualism between subject and object is

overcome. This can also be seen as overcoming dualism between thought and being.

The critical terms that define Habermas' re-embeddedness of consciousness into "this world" are a) language b) lifeworld. I shall say a bit about both in what follows from the perspective of explaining Habermas' notion of detranscendentalism:

- a) Cristina Lafont describes the two founding insights of the German tradition of language which she following Charles Taylor, calls the Hamann-Herder-Humboldt tradition as follows:
 1. The view of language presupposed by the philosophy of consciousness is subjected to a critique. On the view, the role of language is relegated to that of a tool mediating the subject-object relation; consequently, language becomes a medium for the mere expression of paralinguistic thoughts. The critique of this standpoint arises by regarding language as constitutive of thought, and by recognizing accordingly the double status of language as both empirical and transcendental. In virtue of this status, language claims to the constitutive role traditionally attributed to consciousness, to a transcendental subject.
 2. Furthermore, this transformation amounts to a detranscendentalization of reason. Reason comes to be unavoidably situated in the midst of a plurality of natural

languages, which cannot guarantee the unity of reason in the same way as could the extrawordly standpoint of a transcendental subject. (Lafont).

Lafont's analysis of the German linguistic tradition may be summarized as follows:

- 1) Habermas rejects an instrumental conception of language. For Habermas our relation with language is primordial. We can have an instrumental relation with language only because we have a primordial relation with language and not the other way round. We are socialized and individuated in the language and our intentions are always already constituted (formed) by the language we use. There can be bare intentions as there is no bare reality. Both subjectivity as well as objectivity are possible from within language alone.
- 2) It follows from the above that language is constitutive of thought. This follows from Habermas' rejection of the instrumental conception of language as well as from Habermas' notion of linguistic world disclosure. The world is always already disclosed in language. There is no world without language. Habermas rejects and criticizes Heidegger's hyphotatization of linguistic world disclosure but he does not reject the notion of linguistic world disclosure itself.
- 3) Habermas also emphasizes the double status of language. Language is both "empirical" and "transcendental". This is possible due to the detranscendentalization of constitutive subjectivity. Subjects are constituted and formed within language,

and always find themselves working in the context of and within a specific language. To the extent that language works from "behind" it is "transcendental". However, subjects constituted within language are capable of initiation and can in turn affect language background through their actions. They can partially objectify language. To that extent language is empirical. Thus language is natural and to that extent it is thing of this world but it has a double "empirical and "transcendental" status in the way we have just described. This could not be possible without the detranscendentalization of transcendental subjectivity.

- 4) Thus language has a constitutive role that is traditionally attributed to consciousness. This is what "detranscendentalises" constitute consciousness.
 - a. The above as Lafont says amounts to the detranscendentalization of reason and the unity of reason cannot be guaranteed in the way it is by extrawordly situated transcendental subjectivity. The plurality of reason is a fact of life after the detranscendentalization of transcendental subjectivity and resituating it within language.

There are two basic sources of Habermas' notion of lifeworld: Husserlian phenomenology and Heidegger. The notion is taken from Husserl but is given a Heideggerian turn or twist. Habermas following Heidegger re-describes the concept of lifeworld as "being in the world".

The subjects capable of speech and acts are no longer transcendental subjects located beyond "this" world but are embedded in this world as "being in the world". They are formed

within language which they do not have any power over in the final instance. They act and speak in a context which they have not made and have not any power to influence in the final instance. They are always already formed within a language and they are always already located in the context within which they socialize and develop and are formed. This context is lifeworld.

The concept of lifeworld for Habermas is closely related to his concept of language though he maintains a fine distinction between lifeworld and language (he does not collapse them into each other). The lifeworld for Habermas is linguistically constituted, however, that does not mean that lifeworld is the same as language. Lifeworld is related to language in the sense that as an immediate background it is constituted and reproduced through language. However, as a deep background it remains outside the grasp of language or any interaction with humans. It is simply an ever receding background. Through this ever background we are in touch with reality.

In this context an aspect of lifeworld that needs elaboration and emphasis is its characteristics as the repository of reasons. Reasons come from lifeworld, reasons are not located in the "intelligible realm". The "space of reasons" and the "space of law" is located in this world. If reasons are located in the lifeworld the whole conception of rationality is detranscendentalized.

V Conclusion: Going beyond transcendentalism and detranscendentalization

There are two themes that run parallel in Habermas. On the one hand:

- 1) There is a “transcendental theme” in the context of which Habermas forcefully argues for:
 - a) A sharp distinction between facticity and validity.
 - b) A sharp distinction between nature and human (social and cultural) world.
 - c) Absolute spontaneity of reason.
 - d) Spontaneity of human subjectivity and agency.
 - e) Typically Kantian notions of reflection, thought and critique.

- 2) On the other hand: there is a parallel “detranscendentalization theme” in Habermas where he equally forcefully argues for:
 - a) Detranscendentalization of reason.
 - b) Embeddedness of human agency.
 - c) Our status as “Being in the world.”
 - d) A critique of transcendental subjectivity and consciousness.
 - e) A critique of all types of metaphysics that locates reason beyond this world.

Habermas' commentators tend to emphasize one theme at the expense of the other depending on their own preferences. However, what needs to be done is to understand how we can systematically synthesize these themes in one coherent “theory” without down playing one theme at the expense of the other.

If we want to do justice to both themes in Habermas then the only way out is to emphasize and highlight the theme of “transcendence from within”.

If we want say on the one hand that there is a sharp distinction between 'facticity' and 'validity' while on the other hand we also want to empathize the ultimate 'detranscendentalized' character of the 'validity', the only possibility is to show how a sharp distinction between facticity and validity can emerge from within, i.e. to show *how* the 'factual' can produce what is only sharply distinct from it but also in its our 'antithesis'.

Notes

¹ By transcendentalism we do not mean here religious-philosophical viewpoint held by New England intellectuals like Emerson. By transcendentalism we do not mean transcendental arguments either. By transcendentalism we refer to Kantian transcendentalism and specifically the belief that the human capacity to reflect cannot be understood naturalistically.

² Habermas' critique of modernity, particularly his critique of the philosophies of consciousness and subject, is our source to know Habermas' views about modernity as detranscendentalisation.

³ Fusion in the sense facticity and validity are not differentiated as distinct concepts yet.

⁴ Emphasis added. (Habermas 1981, I, p 50).

⁵ Habermas is not claiming that in premodern worldviews notions of error, critique or alternatives do not exist in the factual sense, what he is claiming is rather that such concepts have no normative power in these societies.

⁶ Since this would involve a commitment to some kind of metaphysical realism.

⁷ Since the distinction between 'empirical' and 'transcendental' is incompatible with metaphysical realism.

- ⁸ Habermas also wants to avoid metaphysical realism in all its forms as adopting metaphysical realism would exclude any possibility of maintaining a distinction between world and innerworldly.
- ⁹ The distinction between empirical and transcendental is a necessary but not a sufficient condition for these concepts.
- ¹⁰ This is Habermas' basis for refusing to return to any kind of metaphysics a la Henrich and others.
- ¹¹ The concept of resisting reality should not be confused with Habermas' conception of objective nature.
- ¹² Italics in the original
- ²³ Italics in the original
- ¹⁴ Habermas is not saying that there are no alternatives in traditional worldviews in the ordinary sense. What he is claiming is that all alternatives are predetermined. There are no 'surprises' in the genuine sense of the word.
- ¹⁵ Closedness is another trait of traditional worldviews and is related to completeness mentioned above.
- ¹⁶ And totalizing worldviews in general.
- ¹⁷ Habermas makes it clear at several points in his exposition that propositional differentiation within the linguistic medium and differentiation in the referent domains in terms of the creation of formal three world concepts is necessary for the release of the rationality potential inherent in language use and for raising validity claims (Habermas 1981, II, p 13). However, this process of differentiation itself is the result of a long learning process, which in part also depends on the achievement, and accomplishments of the actors themselves.
- ¹⁸ The crucial point here is the distinction as such and not how Habermas conceives the 'world as it is'.
- ¹⁹ The same distinction is the basis for taking different attitudes towards the same world and for the creation of formal concepts (Habermas 1981, I, p 50).
- ²⁰ Habermas' treatment of myth and modernity in its structure and spirit is comparable and parallel to Horkheimer's critique

of traditionalism (mainly neo Thomism) and positivism as described by Habermas in 1981 Theory of Communicative Action (Ibid, I, p 374-375)

²¹" . . . I do not believe that we, as Europeans can seriously understand concepts like morality and ethical life, person and individuality, or freedom and emancipation, without appropriating the substance of the Judeo-Christian understanding of history in terms of salvation". Furthermore, Habermas warns that, "without the transmission through socialization and the transformation through philosophy of *any one* of the great world religions, this semantic potential could only become inaccessible."(Habermas 1988, p 15: 15, italics in the original. 1988 Post Colonial Thinking.

²² Habermas' criticism of both empiricism and idealism can be seen as a critique of the pure immanence of mythological worldviews lingering in empiricism and the critique of idealism should be treated as the critique of absolute transcendentalism of the great world religions lingering in it. In no way does Habermas criticize immanence of empiricism of transcendentalism of idealism in itself.

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**LODHI. M (ED) PAKISTAN:
BEYOND THE CRISIS STATE
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Sustaining global capitalist order requires the presence of an intellectual elite which espouses and operationalises capitalist values in both metropolitan and peripheral countries. This anthology presents the views of the global capitalist public intellectuals who monopolize policy discourse in Pakistan.

The authors of these chapters enjoy the confidence of leading opinion making institutions in America. They work for the US Naval Academy, the American University Washington, the Brookings Institute, the Atlantic Council, the School of International Affairs and Public Policy (SIPA) Columbia the US Senate and Congress, Newsweek, the Wall Street Journal, the IMF and the World Bank (PXI to XIX). These are the men and women America trusts – its primary informants in Pakistan.

An analysis of the thought of these authors illustrates both the strategic interventions that America may be expected to mount and sustain and the intrinsic limitations and the necessarily ‘bounded’ efficacy of these interventions. In this review I will attempt to understand:

- The limitations constraining the practical efficacy of this analysis.
- The extent to which this analysis reflects political and social realities in Pakistan.
- The thrust of the policy advocacy of these authors.

The most glaring weakness of this policy analysis is its atheoretic nature. State theory has emerged as one of the most fruitful and profound political discourses since Theda Skocpol's seminal contributions (in the mid 1980s) Liberals, republicans, constitutionalists, neo structuralists, institutionalists, Marxists and neo Gramscians have produced, and are continuing to produce a rich and varied literature reinterpreting classical state theory, problematising state-society relationships, focusing on state institutional redesign and investigating justificatory premises for transcending the Westphalian state order to strengthen global capitalist governance. None of these theoretical insights are drawn upon to assess the capabilities of the Pakistani state, the nature of the state legitimation processes, the grounds on the basis of which the state is supposed to be "weak" and society "strong" (p1) or the nature, form of and extent of, the structuring of the Pakistani state within global capitalist order.

Concepts such as "crisis state", "regime change", "security state" (p4 – 12) are used in an impressionistic, loose manner without an explicit recognition of their grounding in modern/post modern state theory. The concept of "societal complexity" (p50) is also not problematised and clearly there is no awareness of the profound sociological literature produced in France following Boltanski on this process. The relationship between social and economic changes and the consolidation of liberal institutional authority (p45) is taken for granted and the pre-requisites for such consolidation are neither identified nor shown to exist in Pakistan. It is asserted that there is "a power

asymmetry between political and non political institutions” (p53) but the meaning of this “power asymmetry” is not explicated and we have incomprehensible and incoherent formulations such as “state interventions in the political process” (p53) and “issues of religion and regionalism have tested the nature of the state” (p62) etc. What is the “nature” of the state, what are the philosophical grounds for ascribing agency to institutional structures? What is “the power elite” (p55) . How can “urban society” be “empowered”? (p68). The caricature of modernization theory (presented on p96,97) does not attempt to justify any of these formulations on the basis of a particular (Pakistani relevant) reading of the “structure without a subject” literature and, therefore, the characteristic of state structures and processes remain no more than subjective, impressionistic evaluations of the authors. Those addressed (mainly American policy makers) must recognize that such evaluations provide very shaky grounds for the formulation of state structure penetration strategies. The “state of siege” the Pakistani state is supposed to be in (p105) — and the “structural challenges” which confront it (p202) “reflect merely the emotional reactions of the authors and are not grounded in coherent theoretical justificatory frameworks.

Theoretical incoherence is by no means confined to state analysis. Another much abused concept is that of “crisis” Pakistan has “a crisis state” (p5) “faces a twin crisis of security and solvency” (p49). Pakistan is “an economic crisis state” (p174) and faces “multiple crisis” (p265) Pakistan is in “systemic crises” (p349) an “unprecedented economic depression” (p350) and a “crisis of fiscal finances” (p351). But the extensive theoretical crises literature produced over the last three centuries is no where referred to and no coherent definition of “crisis” or of its constituent characteristics appears anywhere in this book. American policy makers will be misguided if they are persuaded by this emotive language of panic to undertake “crisis management in Pakistan”.

کلام میر سچھے اور زبان میر زا سچھے
مگر ان کا کہا یہ آپ سمجھیں یا خدا سچھے

regarding “social patron client relationships as antithetical to the notion of citizenship” (p55) or the justification for defining feudal order in terms of social structure (p56) or the assertion that the army has a “clientalist relationship with the bureaucracy” (p62). Akbar Zaidi and Ali Cheema’s extensive writings on the transition from feudalism to capitalism in both urban and rural Pakistani society are completely ignored. The concept of a “strong society” alleged to exist in Pakistan, therefore, remains untheorised as is the concept of “society’s empowerment” (p 67-68). Nor is it clear why “strengthening society” necessarily requires “the building of democratic and pluralistic institutions” (p62). In the chapter on “retooling institutions” several “civil society institutions” are enumerated but their “strength” (whatever that many mean) is not estimated nor are any measures identified for “strengthening” them (p164-66). The cavalier, non rigorous treatment of social trends often degenerates into simple incoherence. For example what is the meaning of the following sentence: “It is important to understand that 99 percent of the fabric of a diverse and rich culture and people can and do make a difference” (p201).

The presumed positive relationship between the growth of liberal democratic institutions and social economic changes (p45) is neither explicated nor theorized. Nor is the concept of “economic governance” problematized within the context of the extensive literature on the state-market nexus. The IMF endorsed macroeconomic strategy is not subjected to any critical evaluation. Such theoretically challenged concepts as “technical progress function” are presented as if they were consensual concepts (p179). The IMF macro model is described as “pro poor” (p182) without any attempt to refute the extensive theoretical and empirical literature which challenges this view. The discussion of economic issues degrades into incoherence when Pakistan is described as “an economic crisis state” (p169). Is the Pakistani state sustained by the “crisis” of the economy, so that were the economy to thrive the state would collapse? And what do the authors understand by “crisis”. Throughout Pakistan’s history real GNP has never recorded negative growth for two consecutive quarters. A classically defined economic or financial crisis has never existed in Pakistan. Nor does Pakistan’s debt servicing difficulties pose any serious threat of contagion for Pakistan unlike Turkey, Brazil and Argentina, has virtually no private market liabilities nor can default by Pakistan bankrupt America or European Union governments.

Theoretical incoherence also characterizes the chapter on education (p267-282). It’s conceptual framework is provided by the long discredited ‘unfulfilled expectations’ theory. It presumes that the modern education system “is value neutral” (p257) and yet lists the values that ought to be promoted through it (p253). It argues that education should not be “agenda driven” (p253) yet presents an agenda for reforming different categories of the education system specially madrassa education (p279-282).

Most of the premises and judgments on which these policy proposals are based are either not justified theoretically empirically or are manifestly incorrect. Thus no evidence is presented to show that Pakistan “is in the throes of a severe financial crisis” (p2) or that “Pakistanis are a deeply traumatized people groping for a magical formula” (p9) or that “an informed open ended debate is impossible in Pakistan” (p9) or that “Jinnah had expected to negotiate Muslim League sharing of power at all India level” (p11) or that Pakistanis “have a serious penchant for myth, delusions and conspiracies day in and day out” (p20) or that “there is popular aspirations for the rule of law” (p70) or that “ the Pakistan military role is predatory” (p84) or that “the opportunity cost of defense spending is rising” (p86) and that it is “crowding out private investment” (p87) or that “Pakistan faces an existential military threat” (p126) or that “a moderate majority rejecting extremism exists in Pakistan” (p129) or that “devolution has improved access to public services and local representative are responsive to the public” (p157) or that “demand for education is very high in Pakistan” (p256) or that “foreign assistance can prevent disaster” (p229) or that “the liberal left supports Pakistan’s nuclear programme” (p277) or that “Pakistan’s existence as a sovereign state is not in question” (p283) or that there are “improved prospects for the emergence “of political equilibrium” or that “India is infiltrating the TTP” (p288) or that “ surrender to India on Kashmir would not be acceptable to the vast majority of Pakistanis” (p287) or that “ the vast majority of Afghans do not want a return of the Taliban”(p310).

Methodical investigation is required to verify these impassioned assertions and this book contains no systemic sociological or political empirical framework of analysis. Hence these judgments are no more than speculative haunches of a socially insulated elite and susceptible to very wide margins of errors. Formulating policies on the basis of such dubious presumptions is proving disastrous for the donor community, specially America.

The economic assessments of these authors are particularly misleading. The often repeated assertion of an economic and financial crisis (p247, 48, 57, 59, 125, 169, 172, 191, 229 and passim) is simply false. GDP has never recorded negative real growth for two consecutive quarters and the Pakistani currency has never faced a crisis of acceptability either in the local or world markets. The population is not “exploding” (p2) — the annual rate of growth is 1.6 percent. Pakistan’s middle class does not number 25 million (p55,67) — no reliable estimates of this exist. No ‘budgetary crisis’ emerged as “a chronic threat to Pakistan’s financial stability in the 1990s” (p49) — financial markets functioned efficiently even in the aftermath of the 1998 nuclear initiative and the multi tiered exchange rate policy of the State Bank proved successful. There was no “dramatic expansion of the middle class during the Musharaf era” (p50) — quite the contrary asset distribution patterns (as shown by the size distribution of banks’ investment accounts) worsened. Public investment does not “crowd out’ private investment in Pakistan (p52). Several econometric studies show that the relevant elasticity is positive, statistically significant and high — public investment “crowds in” private investment in Pakistan. The undocumented economy is not twice the size of the documented economy (p59) — according to the estimates of the Pakistan Institute of Development Economics it is between 30 to 50 percent. There is no exorbitant rise in debt (p59). Pakistan is not classified as a highly indebted country by the World Bank. The total debt to GDP ratio is about 60 percent. The urban population does not contribute three fourths of GDP — official sources provide no estimates of the spatial distribution of GDP on a time series basis and FBS statistical series provide no basis for segregating the major economic sectors — agriculture, manufacturing, construction, transportation, services etc — into their urban and rural components Pakistan was not “economically crippled in the 1990s” (p125) – the economy continued to grow in each year of that decade. All governments do not “abandon the policies of

their predecessors”(p151) — there has been major economic policy consistency since 1991 as several IMF country reports testify. Budget subsidies do not amount to 20 percent of tax collection in most year (p161). Pakistan has not “lurched from one financial crises to another” (p169) — there has never been a financial crisis in Pakistan. Most banks were not bankrupt on the eve of nationalization (p172) and the State Bank did not recommend their nationalization in 1973 or 1974. There is no evidence to show that “the fiscal debt is the root cause of all ills” (p182). All claims about the SME sector’s contribution to GDP, to GDP per capita growth, employment and exports (p218-220) are highly exaggerated. Reliable estimates on SME contributions do not exist and in the national income estimates the SME sector has been ascribed an imputed growth rate for the last seven years.

Studies at PIDE and CBM have shown that pre conditions for inflation targeting do not exist in Pakistan contrary to the claim on (p194). Textiles are not the largest manufacturing sector as claimed on (p216,218). Exports growth is not responsive to downward adjustment of the real effective exchange rate as claimed on p221 — the empirical evidence is quite the reverse Zia did not leave the country “reeling in economic crises” (p88, 448). Benazir inherited a thriving economy in 1988.

Inaccurate and patently false statements are not confined to economic trends. It is simply untrue to assert that “Islamic groups did not specify what they meant by an Islamic state”(p64) – they have been doing so since the passage of the Basic Principles Resolution in the Constituent Assembly in 1949 or that “political attitudes have changed since Musharaf’s era” (p74), why then do zamindar dominated parties continue to rule Pakistan? There is no “transformation of the country’s political terrain” as claimed on p71. No evidence exists to vindicate the claim that “effective counter forces exist in a resilient civil society to prevent a descent into chaos” (p77).

It is quite false to claim that Syed Ahmad's jihad movement was Deobandi inspired (p116). The Deobandi school was established in 1863, Syed Ahmad died in 1831, or that "Zia's rule lead to a wholesale Islamization of the state" (p123) — the praetorian state structure remained unaffected by his rule, or that the MMA was the first Islamic alliance in Pakistan's history (p133) — such an alliance was first formed in 1952, or that thousands of jobs were given by Zia to Jama'at-i-Islamic members (p136) who numbered 2 million in 1976 (p145) — Jama'at Islami's membership in that year totaled 13,576. or that Jama'at-i-Islami is the "main architect of official Islam" (p144) — state Islamic orthodoxy was crafted by Muslim League ulema and intellectuals such as Moulana Shabir Ahmad Usmani, Moulana Zafar Ansari, Dr I.H Qureshi etc and official Muslim League discourse always depicts the Jama'at-i-Islami as an offshoot of the Tehrik-i-Ahrar and, therefore, an opponent of the Pakistan movement and ideology.

Such baseless assessments and presumptions ground the policies advocated by these authors. The over whelming policy concern is to increase American intervention in Pakistan. Thus it is argued that liberal minded people should stop condemning America (p9) and the US and NATO should take steps to neutralize the external security concerns of the Pakistan armed forces (p17). America should also ensure that the military is "weaned away" from religious elements (p17-18). America should provide low intensity Fourth Generation anti insurgency training to the army and indoctrinate officers and men with liberal ideas (p 91, 93). Support should also be provided for the establishment of a National Counter Terrorism Authority, General Kiyani is praised profusely for his pro American attitudes and inclinations (p 93, 94) and for his presumed attempt to discourage the radicalization of the military (p94, 111-12). The democratic movement in Pakistan is seen as Western crafted (p103) and anti American discourse must be suppressed to ensure continued

American support for Pakistani democratic forces (p 102-103). America must support the mass propagation of “progressive Islamic values” (p130). The IMF should take advantage of natural disasters in Pakistan to push through its “reform” agenda as should the World Bank and the ADB (p184). This agenda should concentrate on accelerated privatization (p151, 159) local administration reforms (p157) and enhancement of State Bank autonomy (p157). The IMF and the donor community should ensure that Pakistan ‘owns’ these reform despite their foreign conception and implementation supervision (p185). The IMF Stand by Agreement should be restarted (p181) and “Pakistan should use the IMF as a political flack jacket to push through (unpopular) reforms” (p189). The foreign sector orientation of the economy – through enhancement of exports and foreign investment — should be increased as this will perpetuate Pakistan’s subordination within global capitalist order (p193) USAID’s global energy sector strategy should subsume Pakistan’s national energy policy (p243, 245) and multinationals should be allowed to dominate Pakistan’s energy sector (p232). Pakistan should serve the American labour market by providing vocational training to skilled immigrants (p264). Pakistan should broker a ‘new deal’ between America and the Muslim World (p303).

These authors argue that American support for Pakistan can yield positive results if the rulers whole heartedly embrace a liberal policy stance.. Thus what Pakistan needs most from America are “constitutional experts” (p13) who should comprehensively redesign the political system. This can keep Islam in “check” through state policy (p64) and avoid a nationalist backlash which would weaken globalizing tendencies in Pakistan (p76). A new middle class led coalition should be formed — including lawyers, women, TV anchors, kulaks and the “under privileged” — to spearhead liberal reforms” (p75-79). The army should accept subjection to civilian control (p91) support pluralist democracy (p92) and recognize insurgents and not India as its

main enemy (p96). Local governance systems should be established to isolate the insurgents (p93). The ISI should accept civilian oversight (p93) Islam should be reinterpreted so that it becomes a force for “progressive change” (p113). Leadership should not be driven by “electoral cycles” (p115) despite democratic institutionalization. Education sector restructuring should be seen as a “strategic priority” (p252) and enhancement of private stakeholder influences should be used to transform the public education system (p263-264). Secular teachers can reorient madrassahs (p264) and secularization of the public curricula is advocated (p265).

Economic policies endorsed by these authors are vintage neo-liberal; population control measures should be rigorously instituted (p351). The government should restrict its role to policy making — public investment should wherever possible (specially in energy transport, communication and the commodity producing sectors) be eliminated (p232-4). Agri business multinationals should dominate the rural economy which should be comprehensively deregulated (p213). Pakistan should pursue extremely tight monetary policy — inflation targeting should be recognized as the primary macro policy concern (despite the empirical evidence that pre conditions for its success do not exist in Pakistan) (p 191,192,225). Real interest rates should be jacked up (p193). Legislation must be enacted to limit the growth of reserve money (M_0) (p193).

Fiscal policy must be equally tight. The IMF sponsored regressive Value Added Tax (VAT) must immediately be imposed on all goods and services (p187). Draconian wage and job cuts are advocated as means for raising factor productivity (p195) “Creeping” devaluation is seen as essential for restoring health to the current account balance (p195, 220).

This can only be described as a policy wish list not based on any coherent, theoretically grounded analysis of economic, political and social realities in Pakistan. The agency question — who can and will articulate these policies — is not seriously addressed anywhere in this anthology. Implicitly America is expected to induce Pakistan to do all this. The single most important reason for this policy preferences is the social isolation of these authors. They may be physically present in Pakistan but their hearts and minds have emigrated to America. Nicos Polantzis' description of the Roman citizens of the Western provinces of the ancient Roman empires describes these authors well — they may be Goths (Punjabis, Mohajirs) ethnically but in spirit and in thought they are Roman (American). This is reflected graphically in the fact that of the 833 citations in the book there is only one in Urdu (p360) and none at all in any of our regional languages. Scholarly output in Pakistani languages (not only in Urdu but also in Sindhi and Pashto) has blossomed since the early 1960s. But these authors trusted by the donor community have no access to this rich literature. They cannot but mislead. The donor community remains largely unaware of the social insulation and consequent intellectual shallowness of its informants: hence the rave reviews of Ian Talbot, Anatol Leiven and Prof Innocent of the Cato Institute which appear on the back flab jacket of this book.

The divide between the these authors and the people of Pakistan is not just social. It is rooted in the psyche of these authors. These authors regard Pakistan and its people with profound contempt. This book is full of abuse for the people of Pakistan.

Pakistanis “have a psychologically introverted mindset” (p9). “Pakistanis are a mythical people whose thoughts and actions lack credibility and substance, a frustrated and depressed people” (p9). The Pakistani media “disseminates myths and mistruths”

(p9). “The development of a critical, intellectual tradition in stunted” in Pakistan (p10) Pakistani “intellectuals have been bribed into subservience. History has been reduced into a jumble of clichés. The vast majority of Pakistanis take comfort in ignorance. Habits of national denial have reached crises proportions” (p10). There is “a witches brew of religious bigotry (prevailing) in Pakistan” (p13). There “is a growing rot in social morality” (p14) “Women are still buried alive in Pakistan” (p36). Pakistani “teachers are barely literate” (p42). Pakistan has always “adopted myopic policies” (p48). Pakistan’s “people are (constitutionally) despondent” (p96) “Public schools create a savage mentality” (p258). “The public sector is inherently corrupt” (p260) ad infinitum.

Authors who have such contempt and hatred for Pakistan and Pakistanis cannot of course understand this country and this people. They have no faith in Pakistan. That is why they continue to call for American intervention to subjugate all aspects of social, economic and political life in Pakistan. They owe over their privileged status exclusively to donor sponsorship. The more Pakistan in desovereignized, dismembered and impoverished the greater the social salience of this comprador elite. Hence their incessant demands for American initiatives leading to the desovereignization of Pakistan.

But desovereignizing Pakistan has not been shown to be a viable project and the policies advocated by these authors are mired in inherent contradictions and misinterpretations. The inherent weakness of the donor community policy initiatives in Pakistan reflects the shallowness and incoherence of the advice proffered by its local client elites.

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REDESIGNING THE MBA: A CURRICULUM DEVELOPMENT SYMPOSIUM

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The Association to Advance Collegiate Schools of Business (AACSB) organized a symposium on redesigning the MBA curriculum in October 2011 at Singapore. Below we give an unusually detailed description of the symposium presentation as these presentations provide very rich material for curriculum redesign at Pakistan business schools.

The keynote speaker of the symposium was Srikant M. Datar, the Arthur Lowes Dickinson Professor of Accounting at Harvard University. He is a co-author of *Rethinking the MBA: Business Education at a Crossroads* published by Harvard Business Press. The symposium commenced with his presentation on the theme.

The presentation focused on the declining trends in enrollments in full time MBA programs over the last few years across the globe. A probe into this decline led to interviews with the deans of business schools and recruiters in the United States, Europe and some parts of Asia. This research identified the need for bridging the gap between the academic research carried out by business schools and competencies and skills needed by practicing managers and that too little emphasis is laid on a change in the curriculum- a shift to real world management issues. Students are taught analytical frameworks and qualitative

techniques and not organizational skills. The schools that use the case method help students learn to assess and weigh different approaches to problem solving and do not train students to implement solutions to day to day problems. To quote a Dean, “We are training people to do what we faculty know how to do. We are analysts. We are weak in equipping people to run something— ——— motivating, building teams, or building consensus. Most of our faculty have never tried to do something through a team outside academia.” Despite the fact that the faculty are research oriented and excel in their respective fields, the focus is on analytical courses that include outdated concepts and theories. In addition, there is a need to focus on relevant research. As reported, there has also been a lack of student engagement. A need to train the graduates in areas in business administration that have a global perspective was also highlighted.

Leadership development is a broadly recognized need as identified by executives. Although the missions of most of the business schools include the goal of developing leaders, the trait is still not seen in the graduates. The executives also identified the need for encouraging students to develop an accurate self awareness that leads to good leadership skills. It was quoted as the “starting point” of leadership development. Other traits that are required by executives are Interpersonal skills, critical thinking skills, decision making, communication skills, innovative thinking, ability to work under complex situations, adaptability to cope with change, global thinking, learning to work in a team and ethical behavior.

To quote a Dean, “What executives want from students is about how to execute. A good decision well executed will always beat a perfect decision poorly executed. Students analyze too much and don’t pull the trigger when they should. Unfortunately, nobody teaches them well.”

In terms of pedagogy, lectures were cited as passive and case studies though active but bounded and already narrowed down by the instructors. The cases make students describe issues and suggest solutions but do not train in applying as does experiential learning.

The goals identified in the above discussion can be further categorized as three components of leadership: knowing, doing and being. Knowing involves understanding theories, approaches and challenges. Doing means working effectively as a team member and being means the awareness of personal strengths and weaknesses, the preferred treatment of others and the purpose and goals of organizations.

Some business schools have started offering leadership laboratories to develop leadership skills that involve practice, feedback and reflection on the part of students, exercises and situations that push the participants to come out of their comfort zones and reflect. Assessment tools before they join the laboratories give information on participants' style and approaches to problem solving. Leadership Laboratories train in "doing" and "being" capabilities more than the traditional classrooms. Self awareness helps them provide pitfalls as they enter practical scenarios.

The presentation also discussed various learning programs by business schools as a result of the demand in changing the MBA curriculum. These programs were aimed at "leadership in action." Some schools design outdoor experiences involving teambuilding exercises; others make students work on real-world projects for business clients or that involve interaction with employees, staff and salespersons, etc. These interactions help them develop empathy and teach how motivation would work.

Experiential learning requires more commitment and time from the faculty and management and substantial financial resources.

An innovative example quoted was Stanford's Critical Analytical Thinking Course (CAT). A first-quarter course, includes topics that have no right answers such as: Should K-12 education be publicly provided? publicly financed? or rules vs. discretion in the context of torture? in the context of key employee retention? But the "real" content is how to attack questions with basics of deductive/inductive arguments and causative and analogical reasoning. How do you reason and argue? How do you read/listen critically? How do you present your arguments? (clarity and soundness rather than persuasion) **Students are taught in the seminar format. It helps students infer, ask questions, be critical, and use logic and reasoning. A writing coach will grade on style whereas the faculty member on content.**

Another example is Creating Infectious Action: Stanford Design School emphasizes learning by doing and focuses on preparing future innovators to be breakthrough thinkers and doers, using design thinking to inspire multidisciplinary teams, fostering radical collaboration between students, faculty, and industry, tackle big projects and use prototyping to discover new solutions and enabling students to deduce principles through their own projects by observing themselves and team. Students work on "open-ended" problems and create a demo, test it in the market, iterate and test again.

"Gaining a Global Perspective: Stanford's Global Context of Management" course is yet another example. The course covers political, economic, financial, and cultural drivers of the global marketplace, helps students understand global and individual markets, prepares students to ask questions and take action when entering a new market. It develops experiences around

location or industry. During a weekly class in the fall, faculty lead discussions on the country or the focus of the winter trip, and students hear perspectives from outside speakers. This is followed by small group projects and presentations on industry, political situation, or general economic issues in the country where students will travel. Groups of 25 students travel to different countries during winter break to meet business executives and local leaders.

The emphasis on experiential learning in MBA programs is gaining strength as the faculty, deans and executives realize/recognize that the most important and critical aspects of leading and managing are learned through practice rather than through traditional classroom based pedagogy. The business schools that have already started the increasing the content of experiential learning are Michigan, MIT, Cornell, Case Western and Harvard. This approach can be traced back to scholars like John Dewey, Kurt Lewin, Jean Piaget. David Kolb further built on the work of these scholars.

Designing the New Course: “Design and Strategic Management”

Dong-Sung Cho

Professor of Strategy, Seoul National University

The presentation described how the course of “Design and Strategic Management” was designed and taught. The objectives of the course were to help business students understand the importance of design and to help them realize they can “create.” The course involved self-introduction, lectures on course design theory, out-of-box experimentation (performance in a theatric play) and project work with company designers. The first class was held in Fall, 1996 at Seoul National University. Since then, it is conducted every year in the Fall

semester (uninterrupted until 2010) and since 2011, every semester (twice a year). The projects included:

1. Designing management of a nation (Korean Peninsula for Tourism Industry). The content included coordination of locations, size, and other aspects of natural parks, amusement parks, museums and monuments.

2. Designing management of a manufacturing company: Kia Motors

One co-teacher and Vice President in Design, Kia Motors + 5 designers/managers were involved in training students. The content included 10 issues in R&D, production, marketing, physical distribution, HR and financing in auto industry.

3. Designing management of a computer game

It involved Nexen (the global leader in the on-line computer game industry) One co-teacher and CEO, Nexen were involved and the content included 10 design ideas proposed by Nexen.

4. Designing management of physical distribution

The company students worked with was Lotte Department Store (1st in Korea, and 8th largest in the world in the physical distribution industry). One co-teacher & CEO, Lotte Department Store were involved. The content included 10 design ideas proposed by Lotte. The major lessons learned were that young people are neither opportunistic/ egoistic, nor conservative.

To quote the presenter, “If we judge young people as such, it is because we did lead them to become opportunistic, egoistic and conservative. When young people are set free, and provided with the stage to play in, they become their own selves and creative.

Focused Redesign: Managing in a Global Context

a. The Asia Pacific Business Course Within The NUS MBA

The presentation detailed the course of Asia Pacific that studies the evolution of the Asia-Pacific business environment in the context of industrialization and modernization. It presents the trends of political and social change as well as economic development, while emphasizing the economic, political and social institutions of the region. The course includes projects on specific open ended research questions.

b. Focused Redesign: Managing in a Global Context ANINDYASEN

Indian Institute of Management, Calcutta

The presentation listed a number of courses offered with an international dimension as a part of diploma and post graduate diploma in management. The courses are designed to enable students gain an in-depth understanding of the processes of globalization, the international context and the international rules and learn the skills and global mindset so that they become “global managers.” Special emphasis was given on companies from emerging markets that are trying to globalize their operations. The courses included global marketing, institutions, markets and firms: growth and structural change in China and India, International Economics, law and Policy of International Trade,

Country Risk Analysis, HR management in multinational corporations and many more.

Focused Redesign: Leadership Development

**Lydia J Price Associate Dean and MBA Program Academic Director
CIEBS MBA Program**

CEIBS MBA students have worked on more than 60 projects over the last two years, that deal with sustainability in China as part of the Responsible Leadership Project (RLP). RLP is an integral part of the school's curriculum. Students work with top corporations, government agencies, social enterprises and NGOs on projects that explore economic, environmental, societal, and business sustainability. RLPs range from 'green' marketing to volunteerism, elderly care, and food safety issues. In fact, CEIBS is the first top-tier business school in the world to have included an exhaustive project on leadership in the curriculum. CEIBS has earned an excellent reputation in China as well as internationally, as an institution that has taken leadership and sustainability issues very sincerely. "The secret recipe", explains CEIBS Associate Dean and MBA Program Academic Director Professor Lydia Price, "is to provide students with the tools they need for their projects, and then give them free rein to be innovative enough to meet their clearly defined goals".

Leadership Development Programs at SPJIMR

**Abbasali Gabula
Professor and Deputy Director, External Relations and Administration**

The Institute offers a Post Graduate Program in Management (PGPM) which is an eleven month, residential program. The mission of the program is "to create and nurture

value-based future leaders taking on higher management roles in transforming organizations”. SPJIMR realized the need of the industry for responsible leaders at middle level management and, therefore, developed the PGPM course. The program which is in its sixth year, has challenged the traditional courses for working executives values and ethics. The courses are based on cases, discussion, activities and role plays. Students work closely with NGOs and the public sector during the course of study. No text books are prescribed. Students are given readings and activities material. The students also utilize the Personal Growth Laboratories at the institute designed to encourage the “being” component.

Focused Redesign: Critical Thinking and Communication Skills

Managerial Thinking Course Efforts of bringing “Rethinking MBA” into Practice

Xueli Wang

Associate Professor, Tsinghua University

The MBA program at Tsinghua is designed to focus on the core learnings to its students: “the theories and frameworks used by top managers to make decisions (the “knowing” component), the techniques and skills needed for students to become strong, effective managers (the “doing” component), and the values, attitudes and ethics that will guide them as future leaders in China and the world (the “being” component).

The objective of the Managerial Thinking Course is to help students to understand the basic principles of management and their roles as managers; facilitate students to develop the needed mindset regarding managerial issues, forming a whole picture of different mindsets and help students to strengthen their habit of comprehensive thinking when facing real managerial issues so as to improve their managerial skills. The course is

highly related to real business issues (especially in the class activities), more “managerial” instead of more “philosophical”.

‘Communicating Across Cultures’
Singapore Management University (SMU)
Instructors: Gregor Half & Ong Siow Heng

The main goal of this course is to introduce corporate communication as a business function of international and trans-cultural corporations. It helps students understand that culture is a pivotal basis once communication crosses borders. The grading is based on projects, participations and essays with open-ended situations with (cultural) ‘differences that make a difference’. SMU provides exceptional access to the business community as it has close ties with over 700 business recruiters. This network extends from Singapore across the region and around the world.

Experiential Learning: Vivek Chaudhri
Monash MBA Director

The objective of the course is to hone managerial skills and capabilities in real world settings. It involves a course Syndicate Community Research Action Project (SCRAP) that makes student syndicate teams engaged with a client organization in the community or not for profit sector so as to reinforce the importance of the individual and business being situated in the wider community.

Another course, Sponsors’ Consulting and Research Individual Project (SCRIP), focuses on the ability of students to hone managerial skills in an individual ‘in-company’ project. During SCRIP (4 weeks in company full time) students are matched with opportunities with host company input and once a project is allocated, both an organizational mentor and academic advisor are assigned. The scope of initial project is modified with client

input and assessed. The assessment includes weekly briefings to academic advisor and final written and oral deliverable to senior management and academics.

Your First Hundred Days

Professor Patrick Turner, INSEAD

This elective is intended to provide a taste of what it is like to assume managerial control of a company a student and his/her team of fellow managers have just bought. After a preliminary session during which students will sign all the contracts, covenants, etc. associated with their acquisition, the course really gets under way as they walk into their new company to take over the reins. It then takes them through a series of events and crises simulating what they might well experience in the real world.

This is not a 'simulation exercise' involving the taking of decisions and the feeding of those decisions into a computer program. It is more in the nature of a 'reality show', attempting to give participants the sensation that they are actually living through the first hundred days in their newly acquired company, and as such, there will be many surprises along the way.

Their mission will vary according to the event. Sometimes they will simply have to state what they as a management team propose to do. At other times, they will actually have to go and do it. Above all, they will need to react to each situation in such a way as to ensure that the buyout will succeed in the long run.

Redesigning the MBA Curriculum: Implementation Challenges
Srikant M. Datar

The concluding presentation summarized the theme of rethinking MBA and discussed the response of some universities as follows:

Curriculum change at University of Virginia, Darden School of Business was a result of continuous improvement approach with extensive faculty engagement, discussions between the Dean & faculty that revealed concerns which the Dean shared widely and the appointment of a faculty review committee by the Dean to lead a facilitated process of data collection and brainstorming. A two-day, off-site meeting with all faculty and staff resulted in unanimous commitment to propose 18 major changes, pilots, and new directions. The examples included a curriculum designed around competencies as well as integrated curricular and co-curricular activities.

Curriculum Change at Yale SOM

Large-scale planned curricular changes built around an overarching theme of Integration was recently brought about. Multiple committees of mainly faculty, especially key opinion leaders, and some students as well as the Dean's involvement resulted in a new curriculum. Large-scale planned curricular changes in sequence, structure, and content of courses were brought about.

Curriculum change at Stanford GSB was a result of consultation between faculty, alumni, and students. A proposal was developed and the Dean set up and chaired an oversight committee to guide implementation.

Further Reading

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