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Introduction

This, the third ICL Journal, is notable for its outreach to academics outside ICL, as far away as Florida, but also sits well in our tradition of eclecticism, albeit with a leaning towards Education. Papers cover essays on innovation in higher education and in children's literature, Ako in a bi-cultural tertiary environment, an insight into the International Financial Reporting Standards that impact on all businesses these days, and a study in Malaysian foreign policy.

Our two new graduate diplomas in International Hospitality Management and International Tourism Management were approved in 2015 and we have recently gained approval from NZQA for a Postgraduate Diploma in Business. This is a generalist qualification, and consequently we expect our research to continue to be diverse, but increasingly to focus more on the business environment.

A Level 8 Postgraduate Diploma is a mighty leap forward in the development of ICL, and we propose in a corporate restructure shortly to move the lower-level qualifications to one of the other schools in the Group, and retain ICL as a Graduate Business School. Research will be a significant feature of ICL Graduate Business School, and we will be recruiting more doctoral-qualified staff this year.

Our Research Advisory Board has also recently grown, with the addition of Associate Professors Thor Besier and Martin East, from The University of Auckland, whom we welcome at this critical phase in the growth of our research programme.

And finally, as we move towards a fully peer-reviewed journal, I extend a warm welcome to our newly-appointed consulting editors.

Ewen Mackenzie-Bowie

Chairman

ICL Education Group

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1 – Innovation in Higher Education Institutes through the Adoption of Academic Entrepreneurship

Dr Siham El-Kafafi & Mr Olkan Guler
ICL Business School Whitireia, Auckland

Abstract

Purpose

To investigate how innovative Higher Education Institutes (HEIs) are through the adoption of Academic Entrepreneurship (AE) and provide a suitable performance measurement model to assist HEIs in measuring the efforts of entrepreneurship.

Design/Approach

This is an investigative research aiming at identifying the concept of AE and the required measurement tools to ensure that the HEIs' objectives are being met while satisfying the expectations of every involved stakeholder in the education system. Accordingly, an extensive literature review has been conducted tracing the AE development concept to assist in the development of a performance measurement model.

Findings

One of the main findings is that despite of the increasing interest in looking for solutions to develop entrepreneurial behaviour within higher education institutions, HEIs lack specific information and tools to monitor and evaluate the overall entrepreneurial performances.

Originality/Value

This research is valuable to HEIs in New Zealand to have a robust measurement model to follow; to be able to acknowledge efforts and support entrepreneurship activities; to encourage skills development; and to encourage both academic and industry interactions.

Research Limitations

The research investigation is in its infancy stages i.e. testing the performance measurement model is required on actual real-life cases in New Zealand HEIs, which will be a follow up from this research paper.

Key Words

Academic Entrepreneurship, Innovative Higher Education Institutes, Performance Measurement and Industry Engagement.

Introduction

The growing need for Higher Education Institutes (HEIs) to develop linkages with industry and to serve a mission of contributing to local economic development has challenged their traditional missions and opened the way to Academic Entrepreneurship (AE). For over two decades, higher education institutions were subject to close scrutiny by New Zealand governments. There is an increasing emphasis on output-based research and there are efforts to directly link public funds to these research outputs.

There is a considerable amount of literature on academic entrepreneurship, but there is a conspicuous lack of research on performance measurement systems for academic entrepreneurship efforts by higher education institutions.

Academic entrepreneurship has not been looked into by New Zealand researchers and there are few consistent attempts made to establish a culture of entrepreneurship in HEIs as a means of becoming innovative in their approaches. The aim of this research paper is to develop an effective performance measurement model for HEIs to assist them in designing, trialling and fine tuning it.

This research paper starts by setting the scene through explaining the importance of HEIs in establishing the right tone for innovation through entrepreneurial activities. The definition of academic entrepreneurship is provided before explaining how HEIs relate to the academic entrepreneurship concept and purpose. This is followed by tracing the rise of academic entrepreneurship in HEIs. The paper then proposes a performance measurement model for entrepreneurship in HEIs that would be useful for adoption in the New Zealand setting. Finally the paper concludes by providing the research findings, discussion and recommendations.

Setting the Scene

Higher education institutions have always played a central role in the development of towns, regions and nations. Furthermore these have become progressively more important to innovation as knowledge becomes increasingly significant in new product development (Etzkowitz, 1998). While it is common knowledge that HEIs are an integral part of creating innovations, what is not so well known is how these innovations make their way to commercialization (Carrick, 2014; Bienkowska & Klofsten, 2012; Novotny, 2008; Laukkanen, 2003). Research shows that entrepreneurial activities are expected to improve regional or national economic performance, as well as the HEI's financial advantage and that of its faculty (Serbenica, 2012).

What is Academic Entrepreneurship?

Before explaining how HEIs relate to academic entrepreneurship (AE), the authors believe that they should start by providing the definition of entrepreneurship in general and more specifically the AE concept. Entrepreneurship is defined as the act of exploiting opportunities and transforming innovations into social and economic value. This definition is encompassing and does not restrict entrepreneurship to only new venture creation, but it includes any outcome that has social or economic value. AE is a sub-field of entrepreneurship; in order for that to be the case AE should possess certain aspects that make it unique yet confirming to the general concept of entrepreneurship. Because academic institutions are a basin for generating intellectual property (IP), and because the “entrepreneurial exploitation of IP” AE should be clearly distinguished from other academic entrepreneurial events that do not exploit IP (Osiri et al., 2014). However, there is no obvious consensus on the meaning of AE in the literature (Gartner, 2001).

Davies (2001) describes academic entrepreneurs as spanning from the “pure academic” pursuing entrepreneurial endeavours to the hybrid individual with both science and business qualifications. HEI scientists pursuing venture creation have been found to experience a more commercial identity rather than that of a “true” academic. Brennan and Wall (2005) describe four types of academic entrepreneurs – i.e. heroic, maverick, broker and prospector – where typology is dependent upon the individual’s knowledge base and relationship to the HEI. Lockett et al. (2003) found that the more common roles for HEI scientists in a venture based on their research were as senior manager, advisor, or technical director. To have the role of managing director (i.e. the lead entrepreneur) was less common and often not encouraged by the HEI.

Most studies of academic entrepreneurship focus on technology transfer through patenting and licensing, of which licensing to new spin-out ventures is a subcategory (Bercovitz & Feldman, 2008). Compared to the original study of Louis *et al.* (1989) and Etzkowitz (2004), which ranged from attracting large research grants to venture creation, the majority of current research thus has a more narrow understanding of AE, focusing on the commercialization of HEI inventions (Osiri et al., 2014; Lundqvist & Williams Middleton, 2013; Secundo & Gianluca, 2014; Serbenica, 2012).

AE can significantly contribute to increase the competitiveness of national economies, by providing an effective channel for technology transfer and a quick application of innovative discoveries in society (Gurau, Dana & Lasch, 2012). AE is of increasing importance due to the changing role of HEIs in knowledge-based economies. In particular, the mechanisms by which knowledge is managed in a HEI setting are central to the perceived new role of HEIs in knowledge-based economies. That premise is centred on the idea that knowledge production and creation lead to organisational competitive advantage, mediated through continuous innovation (Brennan & McGowan, 2006).

How Higher Education Institutions Relate to Academic Entrepreneurship

This section analyses the concept of AE and how it is being viewed from various positions in the HEI's set up. Such a perception affects how HEIs relate, interact with and provide the opportunities for the increase of entrepreneurial activity in their facilities.

For example, HEIs' managers are facing a dilemma i.e. how to engage with the phenomenon of academic entrepreneurship. The dilemma centres on how best to promote and facilitate academic entrepreneurship within an institutional context whilst not creating barriers or disincentives for both academics and students.

The dilemma can be characterised as two alternative approaches. The first one is where individual academics are left to pursue opportunities at will, as an adjunct to their research and teaching responsibilities. The second is where institutions create organizational infrastructures and mechanisms that serve both to encourage and indeed (attempt) to manage entrepreneurial processes – for example through technology transfer offices, the creation of science parks and innovation centres (Brennan & Wall, 2005).

Furthermore, in order to create a climate of entrepreneurship Higher Education Institutes' administrators should focus on the following organizational and managerial factors:

- reward systems,
- staffing practices in the technology transfer office,
- flexible university policies, and
- additional resources.

Those factors will facilitate HEI technology transfer and work on eliminating cultural and informational barriers that impede the transfer process, assist decentralized operating structures to provide greater autonomy to research teams and centralized staff of experienced technology transfer personnel (Siegel et al. 2004; Debackere & Veugelers, 2005).

In spite of the assertion that academic entrepreneurship is not inexorable, in reality the number of academics involved in entrepreneurial activity continues to increase. Academic entrepreneurship redefines the purpose of HEIs through taking on a new mission of economic development. It involves both wonderful opportunities and dire risk. The effort to have more control over the future of higher education begins with understanding the phenomenon. It is an obligation of all of us who care about higher education to offer what we see from our standpoint, experience, and knowledge to help with navigating in the right direction (Zheng, 2010).

Academic Entrepreneurship Purpose in Higher Education Institutions

This section discusses the vital purpose of academic entrepreneurship in HEIs as a means of facilitating knowledge transfer between both the academic world and the external world e.g. the various stakeholders who have vested interests in this knowledge.

Guerrero and Urbano, (2014) posit that entrepreneurial HEIs are required to fulfil simultaneously three missions which might be at odds with one another: teaching, research, and entrepreneurship. The authors' personal beliefs are that those three missions are actually interrelated to each other and serve the same purpose in the globalized world that we live in. In the long term, the outcome of those activities could be transformed into a determinant of economic development and that later could produce positive impacts on the economy and society of a specific region. To be successful in this mission, the entrepreneurial HEI needs to become an entrepreneurial organization, its community needs to become entrepreneurial, and its interaction with the environment needs to follow an entrepreneurial pattern (Guerrero & Urbano, 2014).

The central drive of AE is linked to the transfer of knowledge in a more direct way between the academic world and the external environment in which it is active. In the case of commercial entrepreneurship the emphasis is placed on the economic returns provided by a certain activity, whereas in the case of AE the accent is on producing knowledge for the external partners and academia through a meaningful dialogue. The knowledge producing dialogue can lead to commercial or social opportunities, or a combination of both, but as long as it remains a mutual exchange of knowledge between academia and external partners, it will fit under the definition of AE (Cantaragiu, 2012; Renault, 2006).

Furthermore, Brennan and Wall (2005) believe that the stated policy objective of moving to a “third stream of funding” (i.e. enterprise funding in addition to traditional teaching and research funding), will involve much greater numbers of academics and students becoming involved in entrepreneurship through, for example:

- Consultancy
- Public sector contracts
- Private sector contracts
- Joint ventures
- Intellectual capital management

Brennan and Wall (2005) contend that the increasing prevalence of entrepreneurship in a higher education setting will create significant challenges for both HEI policy makers and managers, and for those who aspire to academic entrepreneurship. Furthermore, they are of the opinion that academic entrepreneurship is different from independent entrepreneurship in terms of the nature of discipline knowledge and academic-HEI relationship. Moreover, Lundqvist and Middleton (2013) assert that venture creation can be more compatible with the role of the HEI scientist due to more

collective entrepreneurial activity at tertiary institutions. Furthermore, tertiary scientists, in synergizing between different entrepreneurial roles, are important for venture creation without taking the lead venture entrepreneurial role. Involving students in venture creation together with scientists should also be considered in this effort.

As shown above, it could be concluded that the HEI scientist and academic entrepreneurship have been studied from different angles, ranging from the characteristics of the individual scientist, to environmental influences, to the economic impact and performance measurements of the phenomenon as a whole, which happens to be in agreement with Lundqvist and Middleton (2013).

The Rise of Academic Entrepreneurship in Higher Education Institutions

This section reports on the rise of academic entrepreneurship in HEIs. As a result of extensive research conducted by HEIs the following five types of academic entrepreneurship emerged (Louis et al., 1989):

- a) Engaging into large-scale science through externally-funded research projects,
- b) Consulting or knowledge transfer in supplemental income,
- c) Gaining industry support for research,
- d) Generating intellectual property, and
- e) New venture creation.

At an individual level, academic engagement is pursued by scientists who are well established and well connected in the academic community. Individuals who are more senior have more social capital, more publications and more government grants, and also work most prolifically with industrial collaborators. Particularly the positive correlation between engagement and government grants, and the engagement and scientific productivity found by most studies, suggests that academic engagement and scientific goes hand-in-hand with academic success (Perkmann et al., 2013).

At an organizational level, academic engagement is negatively associated with research quality. This is in contrast to its positive association with high individual research quality and positive relationship between engagement in commercialization and HEI department-level research quality. This means academic engagement is pursued by highly motivated and successful individuals who are, however, not necessarily affiliated to higher quality research institutions. Furthermore, support at an organizational level appears far more relevant for commercialization activities than academic engagement, which tends to be driven by individuals and teams with little central support. In addition, at an institutional level, engagement is strongly associated with affiliation to engineering and applied sciences (Perkmann et al., 2013).

HEI administrators who will encourage and reward AE must be chosen. However, even if the communication within an institution supports AE, failing to generate an

infrastructure which aids in the AE process will hinder the ability of researchers to generate successful spin-off ventures. However, institutions cannot merely develop such an infrastructure; they must continue to invest in talented personnel to ensure that researchers are given both effective and knowledgeable help in aiding in the complex process of AE (Osiri et al., 2013; Sassmannhausen et al., 2011).

Shibayama and Walsh (2012) contend that a growing emphasis on AE may have adverse effects on material sharing even among scientists that are not directly engaged in entrepreneurship. However Renault (2006) finds that an individual's personal beliefs about the appropriate role of HEIs in commercializing technology are the single most important predictor of their actual behaviour. His research also shows that academic quality, as measured by publications, was also critical factor in technology transfer participation.

Meyer (2006) finds that large firms are the most frequent users of university-invented technology. Some HEIs are clearly drawn to large firms as the most exclusive utilization partners of academic inventors, whereas inventors in other HEIs report a higher degree of start-up activities. The latter group of HEIs is more associated with the natural and life sciences fields than engineering. Meyer (2006) asks the question whether genuine entrepreneurial intent or rather the "necessity" to become entrepreneurial given the lack of 'industrial demand', is the driving motivation of academic inventor-entrepreneurs.

Klofsten and Jones-Evans's (2000) research on Sweden and Ireland indicates that there is a considerable entrepreneurial experience among academics in both countries, and that this translates into a high degree of involvement in "soft" activities such as consultancy and contract research, but not into organizational creation via technology spin-offs. These researchers also claim that one of the greatest challenges facing European economies is their comparatively limited capacity to convert scientific breakthroughs and technological achievements into industrial and commercial successes.

According to a National Endowment for Science, Technology and the Arts (NESTA, 2007) report a typical entrepreneurial HEIs have the following seven attributes:

- a. A free-standing, subject-focused module aimed at delivering knowledge and skills for and about entrepreneurship that permeates the entire university curriculum.
- b. The learning within these courses is part of the core curriculum. Learning outcomes are developed in practice-based modules.
- c. Entrepreneurial behaviours, attributes and skills are developed through direct engagement with industry. The form of engagement is wide ranging and may include work placement, contributions to curriculum delivery and assessment, and industry-based assignments by industry professionals.

- d. Pedagogies and faculty development that support deep-learning approaches by focusing on situated and project-based learning and have high currency for students.
- e. Recruitment, development and retention policies that accommodate entrepreneurial faculty and supplement other more standard policies that focus on research and clinical productivity, and which seek to recruit applicants with broad industry experience.
- f. Promotion and tenure policies, key performance indicators and other performance measures that reward faculty entrepreneurial accomplishments with the same weight given to other accomplishments in research, clinical productivity or teaching.
- g. A culture that rewards the scholarship, teaching and practice of entrepreneurship in all disciplines; not just in isolated units within the university, like technical disciplines or the business school.

However, Meyer and Pruthi (2011) have come up with five attributes of an entrepreneurial HEIs:

- a. Top-down vision, strategy and leadership.
- b. Clearly-defined entrepreneurship learning objectives that drive the curriculum. These include the development of entrepreneurial behaviour, attitude and skills; creation of empathy with the entrepreneurial life-world; encouragement of self-employment as a career; inculcation of the processes of the business entry, ‘how-tos’ and business survival; development of generic entrepreneurship competencies; and the management of one’s self and one’s relationships. The most important goal of the curriculum is to build the level and rate of human capital investment at the HEI level.
- c. Robust internal and external networks – to facilitate interaction and the information flow to disparate members of the stakeholder body.
- d. A culture of innovation. Davies (2001) identifies the characteristics of entrepreneurial academic cultures in the following four points:
 - i. HEI-level strategic thinking
 - ii. Open and quick decision making
 - iii. Open communication and frankness
 - iv. Ability to take risks and learn from mistakes

- e. Experiential learning and knowledge-transfer opportunities. Entrepreneurial HEIs are led by someone with some industry experience. Entrepreneurs learn best by doing and working on projects that are relevant to their interest and lives. Educational and training programs should thus include such endeavours as internships, knowledge exchange schemes, faculty-industry exchange mechanisms and industry sabbatical opportunities as a way to cross-fertilize industry with academia. Students should be offered the opportunity to work on project-based assignments, addressing real-world entrepreneurial challenges.

Serbanica's (2012) research reveals the following determinants and descriptors of academic entrepreneurship (Table 1). According to Serbanica (2012) in addition to internal characteristics such as organizational determinants, research productivity etc., external determinants such as networks and other external determinants are worth investigating.

Table 1: Determinants of Academic Entrepreneurship

Determinants	Descriptors
Characteristics of the HEI	Size Status: public vs. private Mission: research vs. teaching oriented Policies and strategies (rewards & incentive systems) Location Scientific disciplines
Organizational determinants	Establishment of technology transfer offices (TTOs) TTO age, size, etc.
Resources	Research staff (including PhDs) R&D expenditure (including public funding) Research funding from industry resources etc.
Research productivity and quality	Faculty productivity Individual and institutional research quality
Networks	Number of partnerships with private institutions Number of partnerships with other R&D providers Number of networks
External determinants	Governmental policy Industry conditions Regional conditions etc.
Type of outputs	Patents Licences Graduates Spin-offs

Incomes
Licensing income
Spin-off income
Contract research income
Consultancy income etc.

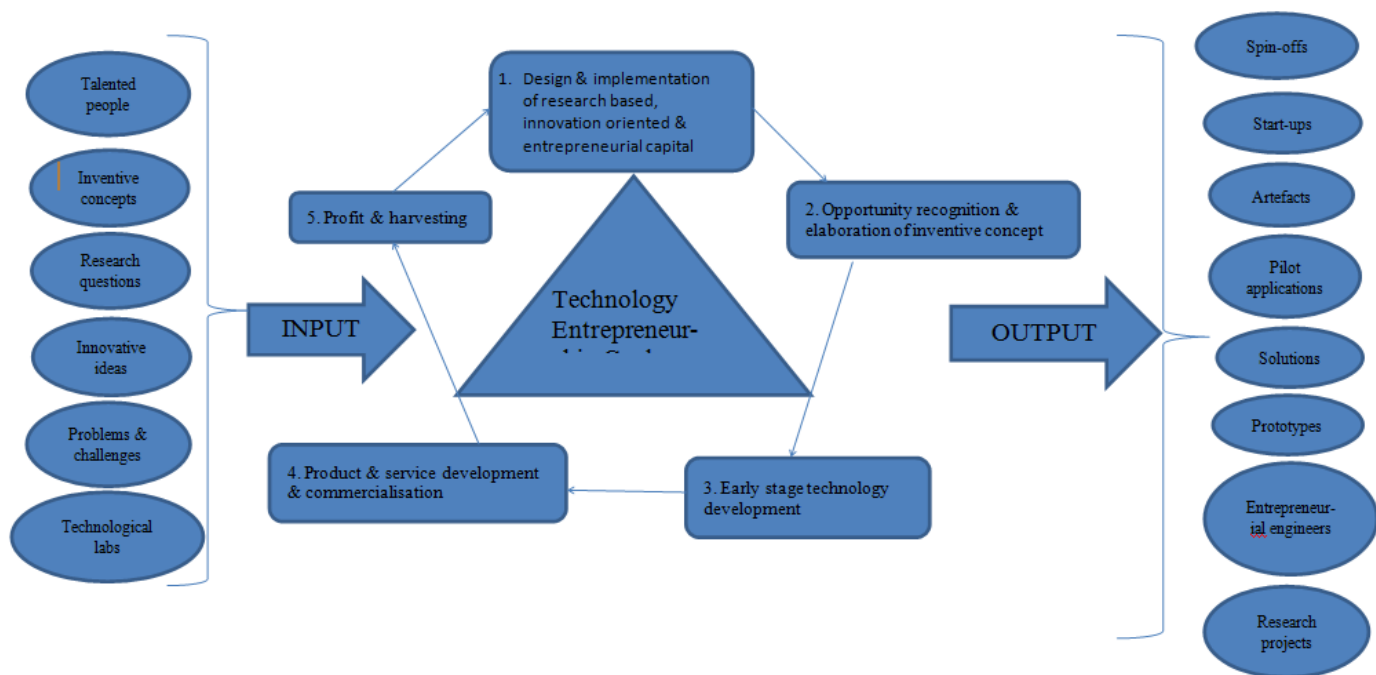
Source: Serbanica, 2012, p. 665.

The ability of business schools to fill knowledge gaps in the development of academic entrepreneurship is constrained by the institutional structures of HEIs which influence: the strategies of the HEI and the business school; links between business schools; TTOs and scientists and process issues relating to differences in language and codes, goal differences, incentives and rewards, expertise differences and content of interactions (Bienkowska & Klofsten, 2012; Wright et al., 2009).

Developing a Performance Measurement Model for Entrepreneurship Efforts in Higher Education Institutions

The literature review reveals that the only notable contribution to the Performance Measurement Model (PMM) for academic entrepreneurship came from Secundo and Gianluca (2014). They present a PMM based on input-output model for AE (Figure 1). This model is based on a multi-dimensional framework for measuring technology entrepreneurship together with a set of key performance indicators (KPIs). They claim that this model could be used by both HEIs which are interested in measuring their entrepreneurial capital and by other stakeholders who are interested in evaluating the value generation performances of HIEs. This model also allows for evaluation of the HEIs' pivotal role in the social and economic development of the region where it is located, especially in terms of new employment and new technology-intensive firms.

Figure 1: Process-based Model for Academic Entrepreneurship Performance



Source: Secundo & Gianluca, 2014, p. 29.

Furthermore, Secundo and Gianluca (2014) propose a set of KPIs for academic entrepreneurship (refer to Table 2). With reference to these KPIs, the researchers provide the following five stages for consideration:

Stage 1 - Entrepreneurial capital development initiatives: this area includes KPIs related to those initiatives realised in education and research contexts where technology entrepreneurship is incubated.

Stage 2 - Opportunity recognition and elaboration of inventive concepts: this area refers to the KPIs for evaluating and assessing the technological feasibility and the market acceptability of the business ideas, thus identifying and monitoring those initiatives that can become the early main inputs of the entrepreneurial process.

Stage 3 - Early-stage technology development: this area presents the KPIs to evaluate the state of the potential valuable items, including the development of business plans, the implementation of prototypes and applications and the foundation of spin-offs and start-ups.

Stage 4 - Product and service development and commercialisation: this area contains the KPIs to evaluate the launch on the market of new technology-intensive products and services.

Stage 5 - Profit and harvesting: this area presents KPIs to evaluate the business and social value created by the entrepreneurial opportunities, respectively, measured by indicators related to the market share and turnover of the new generated companies and by new jobs created.

Table 2: KPIs of Academic Entrepreneurship Performance Measurement Model

The Stage	The KPI
Stage 1 - Entrepreneurial capital development initiatives	<ul style="list-style-type: none"> • Average years of experience of research personnel • Number of international publications • Number of master's students • Number of students involved in training programmes for industrial research • Number of entrepreneurial education programmes launched

- Number of local companies involved in research and education activities
- Number of international companies involved in research and education activities
- Number of research institutions involved in research and education activities
- Number of governmental institutions involved in research and education activities
- Number of R&D projects submitted for financing
- Average budget for R&D project
- Number of researchers involved in the research activities

Stage 2 - Opportunity recognition and elaboration of inventive concepts

- Number of business concepts generated
- Number of project proposals accepted by stakeholders to be jointly investigated and developed
- Number of agreements signed with national stakeholders
- Number of invitation to participate in research projects or public initiatives
- Number of technological solutions or methodologies adopted by the involved stakeholders

Stage 3 - Early-stage technology development

- Number of business plans prepared
- Number of requests for patents submitted
- Number of patents incorporated into the new products/solutions developed
- Number of prototypes developed
- Number of real demonstrations performed (proofs of concept, installations)

- Number and typology of stakeholders involved into the development of new prototypes
- Number of meetings held with financial providers (public and private)
- Number of financial operators who are investing in the new venture
- Number of people hired by the new generated venture
- Number of people hired by the stakeholders involved

Stage 4 - Product and service development and commercialisation

- Number of products and services developed
- Number of collaborations and partnerships signed for developing new products/services
- Number of collaborations and partnerships signed for commercializing new products/services
- Number of new products or services launched as a commercial offerings
- Level of customer satisfaction related to the new products or services launched
- Number and typology of users participating in innovating the new products or services
- Length of time the customers have been involved

Stage 5 - Profit and harvesting

- Market share and turnover of the newly-generated companies
- Percentage of revenue generated by newly-developed products/services on total revenue

- Number and geography of targeted markets
- Total number of new jobs created
- Percentage of increment in local gross domestic product
- Number of financial sequences performed
- Level of financial sequences performed (founders, family, friends, venture capitalists, private equity)

Source: Secundo & Gianluca, 2014, pp. 31-32.

As demonstrated above, there is a need for a multi-dimensional framework to assist in setting the right KPIs to develop a robust performance measurement for academic entrepreneurialship within a HEIs setting.

Findings and Discussion

This section provides the research findings, discussion, future research implications and the final recommendations for a performance measurement model to be adopted by New Zealand HEIs for evaluating and enhancing AE concept in their respective institutes for a more successful knowledge transfer and for joining in the innovation movement of HEIs worldwide.

The authors are in agreement with Perkmann, et al., (2013) that academic engagement is a multi-level phenomenon, in the sense that it is determined by both the characteristics of individuals as well as the organizational and industrial context in which they work.

Furthermore, it has been posited by Wright et al. (2004) that despite the increasing interest in looking for solutions to develop entrepreneurial behaviour within higher education institutions, HEIs lack specific information and tools to monitor and evaluate the overall entrepreneurial performances.

Accordingly, AE needs an overall evaluation that goes beyond the specific aspects such as the financial returns to a given intellectual property portfolio; to consider wider social and economic benefits such as the diffusion of knowledge, the creation of intangible assets behind the new venture process, and the contribution to employment for social, cultural and economic development (Secundo & Gianluca, 2014). Therefore, a system devoted to measure overall academic entrepreneurship should contemplate the different views and expectations of every involved stakeholder, by considering both the strategic dimension (e.g. data and information concerning the development of university policies and strategies for medium and long term planning) and the operational dimension (e.g. data and information concerning the development of joint

initiatives and programmes) (Agostino *et al.*, 2012). In such a way, the resulting performance measurement system of AE would represent a valuable support in assessing the value-generation process of HEIs and, thus, defining the limited and reduced public budget for financing research (Arena & Arnaboldi, 2013).

There are still competing perspectives around whether venture creation activity at HEIs should be seen as primarily an activity of the HEI scientists or whether it is something more systematic involving multiple HEI actors. There is reason to assume that higher education environments which are more resourceful with respect to venture creation have an effect on the role of the HEI scientist (Lundqvist & Middleton, 2013).

Future Research Implications and Recommendations

HEI leaders need to create organizational environments that acknowledge the value of the market, especially that of academic entrepreneurs, provide support for their endeavours, and reward the success that the universities enjoy as a result of the entrepreneurs' efforts (Glassman *et al.*, 2003).

Among all HEIs stakeholders and actors, technology transfer directors should have the most favourable attitudes towards commercialization, as this what they are hired for and expected to do as professionals (Goldstein, 2010).

From a policy perspective, further attention needs to be given to supporting indirect entrepreneurship by encouraging entrepreneurial skills development and industry and industry interactions for students and alumni. But these mechanisms need to take account of the dimensions of complexity of value-creation processes, rather than simple one-size-fits-all business start-up advice (Wright, 2014).

The co-operation between HEIs and industry needs to be intensified at national and regional levels, as well as geared more effectively towards innovation, the start-up of new companies and, more generally, the transfer and dissemination of knowledge (Novotny, 2008).

Assessing AE is strategically relevant, especially for HEIs moving towards the entrepreneurial model, thus contributing to economic and regional growth. Secundo and Gianluca's (2014) performance measurement model can be used not only to measure the performances of academic entrepreneurship but also to assess the impact of actions (in terms of efficiency and effectiveness) on the stakeholders of the organization whose performance is being measured. This model should be tested in the New Zealand environment and developed and adopted in the contexts of local and national realities and requirements.

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Bios

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2 – Infusing Bi-cultural Ako Wananga Discourse Strategies with the Multi-literacies Framework in Teaching International Students in Aotearoa New Zealand

Dr Shahul Hameed & The late Mr Anthony Raman

Abstract

Purpose

The article attempts to explore the possibility of the application of Ako Wananga ontological discourses against the bi-cultural framework teaching perspective requirements in Aotearoa, New Zealand.

Design/Approach

The article draws more from the theoretical descriptive and normative historical approach that attempts to:

- (a) De-construct the complexity of being literate in a variety of contexts, and develop understandings of what literacy is about; both the cognition (i.e., thinking) and behaviour of being literate within the multi-literacies framework and Ako Wananga; and
- (b) Determine whether the application of the bi-cultural Ako Wananga discourse assists international students in acquiring the skills, competencies and practices which are culturally conducive to their learning needs.

Findings

The stakeholders may have to explore alternative pedagogies to meet the diverse cultural needs of learning. It may be through entrepreneurial attempts to imbibe the generic concepts of indigenous pedagogy like Ako Wananga to develop an edge in attracting international students.

Originality/Value

This research explores the possibility of creating a culturally-embedded ‘model of practice’ in teaching international students. This model will help the facilitators/teachers to acknowledge the significance of cultural grounding whilst teaching international students within the increasingly competitive tertiary educational industry in developed countries. This may create grounds towards fine tuning and infusing some elements of indigenous pedagogical discourses.

Research Limitations

The research is at its preliminary stage of ‘exploring the possibility’ of applying an alternative discourse within the Private Training Establishment (PTE) sector, which is used in existing pedagogical discourses such as the multi-literacies framework in Aotearoa, New Zealand. Nevertheless, it paves the way towards developing ‘unique pedagogical alternatives’ in accommodating the various cultural elements of the learning journey of international students.

Key Words

Private Training Establishments (PTEs); Ako Wananga (Māori-based ontology); Kaupapa Māori (Māori Philosophy); 3 Ps: protection, partnership and participation.

Introduction

The current learning environment within the Private Training Establishments (PTEs) in Aotearoa, New Zealand is driven by the mainstream educational environment settings and lacks consideration of ‘cultural elements’. But the paradox is that the ‘students’ enrolled in these PTEs generally originate from developing parent countries like India, China, Philippines, Nepal, Bangladesh etc. and are traditionally grounded with the elements of their respective cultural discourses in earlier learning environments.

The absence of a culturally-conducive learning environment, especially within the private training establishments (PTEs), becomes an obstacle towards the international students’ optimal learning process. Whilst no doubt, the general view in academia is about taking account and acknowledging the learner’s cultural identity as an international student, seen as a ‘vital element’ towards their educational success in the competitive international tertiary market, there is a possibility that the culturally-friendly learning environment may enhance the “culturally relevant adult education and eventually support the ‘learners’ to validate their cultural identity and use their cultural bodies of knowledge as a basis for personal and social transformation” (Guy, 1999, p.5). There appears to be ignorance among the private training establishments (PTEs) with regard to the benefits of infusing these cultural elements in their teaching practices.

The teaching discourses within the PTEs in Aotearoa, New Zealand are mainly driven “from an intercultural perspective which does not include a systematic focus on both the theoretical implications and empirical evidence of cultural diversity as a central feature of higher education” (Edwards & Hewitson, 2008). Further, McLoughlin and Oliver (2000) argue that one of the limitations in contemporary classroom instructional models “is that they do not fully contextualize the learning experience, and are themselves the product of particular cultures” (p.58). This is apparent among the PTEs.

In an attempt to understand and acknowledge the student identity “knowledge of who [they] are and what groups [they] belong to”, Sheets (2005, p.50) comments that it may

prove to be seen as a crucial factor to the learners as well as to concerned stakeholders (educational providers, crown entities etc.). In reality and contrast, the current existing mainstream ontology-driven framework environments virtually dominate the delivery aspect of PTEs in Aotearoa, New Zealand.

One may notice that there are many gaps in the current mainstream ontology-delivery discourses in terms disseminating the content and intent of the programme being delivered in PTEs. This may be due to the continuity and existence of mono-cultural paradigms in the domain of education in the developed world; and also it may be due to the very interpretation of the epistemology of education within the mainstream paradigm. Generally, (it) may be seen as the ‘theory of knowledge and pedagogy’ which involves the processes by (which) the learners come to learn or know about the things around them. McLoughlin and Oliver (2000, p.62) further propose that the “instructional design models include cognitive, social and pedagogical issues, but do not necessary acknowledge the need for “cultural conceptuality” of the learners.

It becomes imperative to the research community as well as to the educational providers like the PTEs to consider the infusion of other ‘perspectives and worldviews’, apart from the usual dominant western discourses in the context of adult learning. And if such innovative consideration and adaptation is not forthcoming in the domain of adult education, then the results may be “cultural mismatch and ineffective outcomes” (Phuong-Mai, Terlouw, Pilot, & Elliott, 2009, p.2) in the competitive international student market.

Reflecting upon the importance of the cultural capital which international students bring to the classroom, one is reminded by Bourdieu & Passeron (1990) where the essence of the cultural capital (which comes in from various distinct types) may be compared to economic capital. Moreover, the ‘cultural capital’ is the body of knowledge that the individuals and families have accumulated: various resources, wealth and knowledge/practices which position them at a much higher level than others. Di Maggio (1982) who explored ‘cultural capital’ argued that the different aspects of culture also have impact on cognition and educational achievement. The richness of the cultural elements must be explored and refined and applied as a teaching strategy in the learning environment of the tertiary institutions thereby motivating the students to learn.

Boekaerts (2002) stated that culture does have an impact on the way learners go about their learning, which may lead to different learning methods, but the commonality is about having a universal cultural link in understanding the conceits. In the case of Asian students, the cultural context in education is influenced and derived from the teachings and practices by essence of scripts of Hinduism, Christianity, Islam and Buddhism. Culture is a complex set based on knowledge and practice, but can be understood in broad universal terms, regardless of the field of discipline, as “the repository of values, customs, and achievements, which one generation leaves as a ‘testament’ to its descendants” (Palaiologou, 2009, p.189). This includes a collective

“sharing of knowledge, beliefs, values and meaning, as well as norms and behaviour” (Salili, 2007, p.4). Further, no doubt, as Zhao (2007) cautions that it is dangerous not to accommodate students’ cultural differences in their learning environment.

The essence of this research paper is to articulate and highlight that ‘learning and teaching practices’ must take account and acknowledge the differences in ‘culture’ and to allow the learners to “maintain the integrity of their cultural identity as they succeed in their educational goal” (Salili, 2007, p.4). This can be possible if only the ‘learning environment’ is made more culturally conducive and there is a sincere attempt to apply some of the traditional elements and concepts of culture within the delivery of the content and intent in the classroom. It is significant to consider the different socio-cultural learning, cultural capital (Bourdieu, 1997) of the diverse learners (international students) especially originating from different developing countries.

Accordingly, the research explores the possibilities of inducing the culturally relevant ontology like Ako Wananga which is seen as bi-cultural teaching strategies within the Aotearoa New Zealand academic institutions such as Wananga(s). The use of Ako Wananga as an ontological framework incorporates and acknowledges the cultural elements and becomes integral to the identity of the learner(s) who happen to be international students. Our rationale is that there is a strong link between adult learners and a cultural-conducive environment setting. On the other hand, it justifies the notion that “culture pervades learning”, reminding us of the argument by McLoughlin & Oliver (2000, p.59) that there is the possibility of “a wide range of ‘cultural influences’ that will affect adult learning” (Sparks & Butterwick, 2004, p.279). To make the reader familiar with the Ako Wananga discourse, we attempt to articulate and compare the multi-literacies ontology framework with Ako Wananga within the delivery aspects for adult education. And further, to ensure that students are given the best possible chance to succeed in their learning environment with the application of relevant ontology, it is essential that the curriculum in the classroom and the teaching methods reflect the values and standards of the students’ home cultures (Au, 2002).

Review of Literature

While reflecting upon the Executive Summary of *Quality Teaching for Diverse Students in Schooling: Best Evidence Synthesis* (2003), Alton-Lee highlights the importance of ‘quality teaching’ as a key influence on high quality outcomes for diverse students, which aligns with the requirements of the New Zealand curriculum (MOE, 2007). Alton-Lee (2003) argues that it depends upon the teachers to “manage simultaneously the complexity of learning needs of diverse students” and identifies the educators with the ten research-based characteristics that can be used as principles to apply to teaching practice in order to maximize outcomes for learners.

Reflecting on the recommendations of McAnany (2009), research work which highlights the principles of the discourses in ‘multiculturalism’ in order to educate and broaden the worldviews of the learners, the conclusion is that instructional design must incorporate global concepts and images, must not be offensive and that the teacher

must know the learner in order to design their instruction for each specific culture. The research done by Joy and Kolb's (2009) on the 'impact that culture' plays in the learning styles of students from various cultures, confirms that culture indeed "significantly influences learning style, particularly the extent to which individuals rely on concrete experiences versus abstract concepts in the way they learn" (p. 84).

Academics like Sheets (2005) highlight that the desire to have positive outcomes for students of different cultures will "depend on the teacher's ability to conceptualize the role of culture and apply it in the teaching-learning process" (p. 12). This view reinforces the dire need for teaching approaches to be responsive to the cultural diversity in the classroom. Aotearoa New Zealand policy encourages the bi-cultural framework of practices in teaching, social services and health domains (Meredith, 1999). That the Ako Wananga ontological framework is all about placing the 'learner' at the centre of the teaching/learning process within the cultural environment, is accepted bi-cultural ontology.

The meaning of Ako Wananga ontology in the current teaching framework in Aotearoa New Zealand

This article explores the benefits of applying and infusing some of the bi-cultural Ako Wananga strategies within PTEs. The traditional ontology framework, namely 'Ako Wananga', has been developed and extensively used as a 'teaching strategy' by the three main Wananga, namely the (a) Te Wananga o Aotearoa, (b) Te Wananga o Raukawa and (c) Te Whare Wananga o Awanuiarangi. The application of Ako Wananga has been a very successful teaching strategy, which has resulted in a phenomenal increase in the number of students enrolling in these institutions to acquire qualifications from Certificates to Doctorates during the last few decades.

Relative to other mainstream academic institutions, Ako Wananga are the 'traditional bodies of practice frame work' practised by the Maori people through the millennia and have worked very well in the above Wananga as bi-cultural teaching strategies. The traditional discourses and transformation of the knowledge are mainly done through the Ako Wananga framework, which incorporates culture in education. The Crown was not successful in empowering the Maori community through western-style education nor able to meet national targets in transformation of the Maori people within the mainstream environment, due to their rigid monocultural paradigms and practices.

This may be due to the neglect of the cultural components of the Maori kaupapa like Ako Wananga discourses in the delivery framework within the mainstream classrooms. The subsequent results of literacy rates of the Maori people in particular were appalling and have been far below average literacy rates in the country for the last 170 years. For example the arguments put forward by Bishop (2003): "current educational policies and practices, in Aotearoa/New Zealand, as in most western countries, were developed and continue to be developed within a pattern of power imbalances which favors cultural deficit explanations" (Bishop, 2003, p. 221).

In the education sector, the Crown, under pressure from the protests by the Maori people during the 70s and 80s, made amendments to the existing Education Act, added section 36 and recognized the existing Wananga in section 162 (4) (b) (iv) with status on a par with other educational providers in Aotearoa New Zealand. The amended clause defined Wananga as: “A Wananga is characterized by teaching and research that maintains, advances and disseminates knowledge and develops intellectual independence, and assists the application of knowledge regarding ahuatanga Maori (Maori tradition) according to Tikanga Maori (Maori custom).” The amendment of the Education Act 1989, allowed the three Wananga access to capital funding in the same way as any other educational providers in Aotearoa and allowed more innovation towards the adaption of Ako Wananga as primary teaching ontology within their delivery environment. Other educational providers like the polytechnics initiated some of the aspects of the Ako Wananga as teaching strategies.

Meaning of Multi-literacies in the teaching framework

In 1996, a group of leading literacy researchers from the United States, United Kingdom, and Australia coined the term “multi-literacies” (The New London Group, 1996). They proposed a reconceptualization of literacy that attended to increased cultural and linguistic diversity due to changes in migration in the context of a global economy. Also, they took into account the rapid changes in communication technologies that have resulted in wider access to multimodal texts; that is, texts that draw not only upon linguistic codes and conventions, but also visual, audio, gestural and spatial modes of meaning (Cope & Kalantzis, 2009). Reconsidering literacy as multi-literacies encourages us to shift our thinking about literacy acquisition from a global mental process acquired according to a developmental, hierarchical timeline to a conceptualization of literacy as “a repertoire of changing practices for communicating purposefully in multiple social and cultural contexts” (Mills, 2010, p. 247). In short, a multi-literacies view encourages us to broaden our understandings of literacy.

The multi-literacies concept incorporates varied multiplicities of communication channels and media towards the learning processes of the learners within the wide spectrum of existing literacy frameworks towards enhancing the student learning techniques. It also provides a framework of teaching strategies that allow the learner opportunities to develop ‘multiple skill sets and competencies’ in the classroom. Reflecting on the interpretations of the New London Group, “Multi-literacies describe new and different forms of literacy in the educational industry.

Whilst it provides the providers/educators with compelling reasons to teach to multiple, non-traditional literacies, The New London Group (2000) perspective framework looks at the need to re-contextualize human knowledge within the domains from where it originated i.e. “embedded in social, cultural and material contexts” (p.30). Their multi-literacies framework revolves around four components, namely: “situated practice” or immersion; “overt instruction” or analysis; “critical framing” or interpretation; and “transformed practice”, the transfer of those meanings (New London Group, 2000 pp.

30-36). The rationality of reorienting pedagogy around the above components is part of a “larger agenda focusing on Situated Practices in the learning process, which involves the recognition that differences are critical in workplaces, civic spaces, and multi-layered life worlds” (New London Group, 2000, p.36). By recognizing that meaning may take many different formats and designs, the New London Group challenges the provider/educator to consider other student-oriented pedagogical frameworks.

Lankshear (1997) argues that the multi-literacies pedagogy is used in the learning environment as an addendum to existing literacy pedagogy rather than transforming antiquated modes of pedagogy and classroom organizational and social patterns, through new social practices associated with the production and processing of digital texts. The New London Group (2000) argues for the need to re-contextualize human knowledge within the domains from where it originated: “embedded in social, cultural and material contexts”. Kalantzis, Cope, & Fehring (2002) further reiterate that the multi-literacies pedagogy now accounts for and incorporates the increase of emergent text forms associated with information and multimedia technologies, which draw upon these multiple modes of communication. These text forms may include activities such as interpreting environmental print, critiquing advertising, oral debating, using machines (fax, photocopiers, voice-mail), writing memos, using directories, itineraries and maps, internet transactions, SMS messaging, emailing, digital photography, dramatic and vocal performance, interpreting body language, and many other culturally and linguistically diverse textual practices for a multiplicity of cultural purposes.

Policy makers and academia have argued that multi-literacies have increasingly become a curricular and professional development issue(s) for stakeholders in Educational Institutions. They argue that students today are entering a competitive labour market that is *fast becoming globalized*, in which the students may have to negotiate *linguistic and cultural differences* against the background of a profusion of networked and multimedia communication channels, across a broadening range of meaning-making systems (Cope & Kalantzis, 2000b). From this, pertinent questions arise about the student’s learning process such as:

- Do the students have to be inducted into a versatile and flexible multi-literate competency framework in comparative terms?
- How will these competences enable students to contend with diverse texts in various media, including print, oral, electronic, and visual, and in various social and cultural contexts for varying cultural purposes?
- How will the tutors/facilitators enhance their skills to engage the emerging multi-literacies pedagogy, curriculum and assessment in their delivery?
- How will the international students fare and cope in a multi-literacies pedagogy framework?
- To what extent will indigenous pedagogies like Ako meet the student’s minimum competencies and skills in the labour market within the framework of multi-literacies?

While we attempt to see through the lens of multi-literacies, some of the characteristics as highlighted above will impact on the student learning process. One of the major arguments justifying the concept of multi-literacies pertains to the increasing importance of cultural and linguistic diversity (New London Group, 1996). The multi-literacies framework incorporates many modes communication and meaning-making with the diverse practice (socio-cultural) situation of the individuals, families, communities and workplaces. Each situation an individual encounters may involve values, beliefs, attitudes and opinions which may affect their learning or sense making (Barwind & Piecowye, 2005).

The advocates argue that the scope of literacy pedagogy needs to be extended to account for greater cultural and linguistic diversity in the contemporary context of modern society; which includes both the inter-relation and mix of cultures and the demand of culturally-appropriate textual practices in the learning environment. While society is becoming more connected through globalization and migration of human/investment capital, the composition of the demography towards the multi-cultural diversity of the society within the context of the learning environments has altered. For instance, the usage of English language as a *medium of instruction* in the learning environment has increased due to English being considered a major global language. Since the usage of English language has been broken into multiple and increasingly differentiated “Englishes”, marked by accent, dialect, national origin, or sub-culture, differences are becoming more apparent in ethnicities/groups such as professional, recreational, sporting, or peer groups (Cazden, 2000).

Many international students come from a background that is formerly British colonial, such as India, Pakistan, Nepal, Bangladesh etc. How will the English language as ‘literature’ or a medium of instruction be taught when the very usage of the language has been differentiated according to the cultural learning process in classrooms? Kress (2000) states that teaching the English language as literature to different ethnicities now requires the use of effective interaction through the use of multiple ‘*Englishes*’ and communication patterns that cross cultural and national boundaries. Hence, the growth and importance of multi-literacies pedagogy and its proliferation of texts is partially attributed to the diversity of cultures and sub-cultures.

Comparison of the Ako Wananga and the Multi-literacies framework

The impact of teacher expectations, which are not only informed by their knowledge of the students and their expected progress in learning areas, but also by their intrinsic personal beliefs and values (MOE, 2006), have a substantial influence on the achievement of diverse students. Deficit theorizing by teachers is regarded as a major barrier to Māori student academic achievement (Bishop, 2003). Likewise, the process of “learning is also seen as a central way of combating cultural domination and oppression” (Guy, 1999, p.12). Students are encouraged to express their identities through cultural symbols and practices as well as being open to the presence of cultural hybridity in the classroom. A more holistic approach in learning and teaching is preferred by many minority cultures.

Edwards & Hewitson (2008, p.98) discussed “creating tertiary educational programmes based on indigenous epistemologies and worldviews as well as adopting systems that normalize Māori epistemologies” as a way of countering hegemony through education. No doubt this is the “culturally preferred pedagogy” for Māori which promotes principles for “teaching. Ako Wananga teaching strategy was to manage cultural components like co-operative, reciprocal and obligatory for the benefit of the learners as well as the tutors/facilitators. For instance, Metge (1986) refers to the all-encompassing nature of *ako* as “education through exposure” (p. 3). She describes teaching and learning as “informal, semi-continuous, and embedded in the on-going life of the community, open and inclusive” (1986, p.3). Ako Wananga is a manifestation of wider cultural practices, determined by the teacher-learner relationship, the context, and the knowledge and resources of the group. It incorporates the cultural diversity of the learners. Ako Wananga is more compatible with those characteristics of a multi-literacies framework and infused within the Private Training establishment teaching environment.

Some recommendations on the application of the bi-cultural Ako Wananga teaching strategies in PTEs

The New Zealand curriculum (MOE, 2007) compels the providers /educators to consider “Teaching as Inquiry”: the “process that goes on moment by moment (as teaching takes place) day by day and over the longer term” (MOE, 2007, p.35) i.e. teaching is a continuous phenomenon which must be reflective and innovative, aiming at providing the students with the best learning experience. We would like to recommend the following:

- The facilitator/tutor role becomes one of creating the contextual environments towards learning environment where the students can ‘co-construct’ the learning and the learning outcomes in accordance to the content and intent of the programme (Bishop & Glynn, 1999). It does not matter what the content and intent of the courses being taught is, but the ‘co-construct’ element has to be taken in consideration. Reflecting upon the New Zealand Curriculum (MOE, 2007) identifies the importance of co-constructed learning within the phrases, “Teacher as facilitator” and “shared learning” (MOE, 2007 p.34). These ‘concepts’ of teaching and learning co-relate to the Māori principle of “Ako” (reciprocity) which acknowledges that one can be both a teacher and a learner during the discourse.
- The term ‘Ako’ literally means to teach and to learn and Wananga means different forms of discourses. Co-operative and collective learning is practised (Smith, 1995). The education process is seen as both student and teacher centered, and the result is a unified co-operation between the learner and teacher in a single enterprise (Metge, 1983). The roles of the teacher and the student have been traditionally clearly defined in the mainstream classrooms of New Zealand schools and only recently have they changed to adopt and value the

principle of “Ako” in classroom teaching and learning contexts. The New Zealand Curriculum (MOE, 2007) highlights this type of learning under the heading of *Effective Pedagogy*, “In such a community, everyone, including the teacher, is a learner; learning conversations and learning partnerships are encouraged” (MOE, 2007, p.34).

- The concept of ‘reciprocity’ in teaching refers to situations where facilitators/tutors are part of the learning process and there may be opportunity for teachers and students to learn from each other in the classroom, thereby creating synergy in the learning environment. This type of learning discourse may encourage in-depth thinking and ensures that students are aware of the process of learning and not just the product. The significance of participation in reciprocal learning discourse reflects the ‘engagement in the process’ by placing the learner at the centre of the learning and justifying its being more student centered. For instance, as Boud and Feletti (1997) state, reciprocity eventually uses continuous evaluation through self and peer reflection by the teacher and the learners.
- Facilitators/tutors tend to know their students well and are in position to find out what their ‘cultural beliefs are about learning’ since these beliefs are formed and are very resistant towards change. Good & Brophy (2000) argue that the one of the most important principles in addressing student motivation is the ability of the teacher to create learning situations that ‘enable the student to re-establish’ a link between learning and positive outcomes within the learning environment. In essence Ako Wananga tends to incorporate the cultural beliefs due to its very nature of discourse (Boekaerts, 2002).
- Effective facilitators/tutors need to have good understanding of the subjects that they teach and the process in which they deliver the content and intent towards meeting the learning outcomes. Take for instance, the research conducted by Codd, Brown, Clark, McPherson, O’Neill, O’Neill, Waitere-Ang & Zepke, 2001, which “.... has shown that there is dynamic interaction between teachers’ knowledge of the discipline and their knowledge of pedagogy” (cited in Alton-Lee, 2003, p.10). Darling-Hammond (2006) argues that subject matter knowledge is important for basic competence in teaching but isn’t necessarily important when it comes to assessing the students’ ability to understand the content.
- Generally, the roles of facilitator/tutor and students have been traditionally ‘clearly defined’ in the mainstream classrooms of New Zealand tertiary institutions, apart from the policies and procedures of the concerned institutions. The delivery aspects which infuse the cultural components can be tried by the tutors/facilitators as part of the ongoing ontology framework. They have to have elementary knowledge in order to adopt and value of the principle of “Ako” in classroom teaching and learning contexts. For instance, the New Zealand

Curriculum (MOE, 2007) reiterates the significance of the type of learning under the heading of 'Effective Pedagogy': "In such a community, everyone, including the teacher, is a learner; learning conversations and earning partnerships are encouraged" (MOE, 2007, p.34). Metge (1984) argues that Māori pedagogy, like the Ako Wananga, can be defined as the process by which knowledge, attitudes or skills are deliberately conveyed. The education process is seen as both student and teacher centered and the result is a unified co-operation of learner and teacher in a single enterprise.

- The development and the application of the traditional pedagogy Ako Wananga within the existing three Wananga as 'teaching strategies' has set the precedent for other mainstream polytechnics and private training establishments towards the attempt of exploring the possibilities of applying the Ako Wananga strategies in the classroom. According to Pere (1982) the Māori pedagogy known as Ako Wananga can be broadly understood as the process 'to learn and to teach' which derives its mana (significance) from a Māori epistemological base.
- Some scholars equate Māori pedagogy with the Māori term "Ako", possibly because of its use as a generic term by writers such as (Pihama, Smith, Taki, & Lee, 2004). Bishop (2001) summarizes the concept by saying "this term metaphorically emphasizes reciprocal learning, where the teacher does not have to be the fountain of all knowledge, but rather a 'partner' in the conversation of learning" (p. 205). It may appear to be simplistic, however, to say that Ako Wananga as a pedagogy consists of 'one teaching/learning strategy'. It may be seen as a discourse from the cultural perspective with the facilitators/tutors maintaining professional quality relationships with students who have to develop skills such as listening, and caring to enable students to share their experiences and cultural knowledge (Hattie, 2009).

Conclusions

Recognizing the significance of the cultural capital that international students bring to Aotearoa New Zealand, PTEs may have to develop bi-cultural teaching strategies to enhance the learning environment. This may place the student at the centre of all the activities within the classroom. Being culturally responsive while teaching is critical in the enhancement of the quality of learning in a multi-cultural classroom. Utilizing time-tested indigenous pedagogical practices no doubt validates the bi-cultural polity of the Aotearoa New Zealand aspirations, but also strengthens the cultural identity of international students. Blending indigenous bi-cultural teaching strategies like Ako Wananga with mainstream strategies like the multi-literacies framework gives a decisive edge to attracting international students. But the challenge in the application of Ako Wananga is about reducing the distance between the euro-centric paradigms of learning and recognizing the cultural elements. The New London Group claims that the multi-literacies pedagogy combines the strengths of existing approaches to literacy practice.

“Diversity must be addressed rather than transcended” (Freedman & Daiute, 2001, p.86). This is a key pedagogical strategy, where effective teaching is built upon the language practices of diverse students. Honouring the diversity of students is central to quality teaching (Brophy, 2001), something PTEs cannot ignore.

It is time for educational theorists to incorporate selectively those pedagogies to suit their interpretations, to acknowledge and re-examine the accepted current definition of multi-cultures in terms of pedagogies, and thereby meet the diverse cultural needs of the classrooms. It may be appropriate if these theorists actually imbibe the generic concepts with indigenous (time-tested) pedagogy. They may have to incorporate the time-tested pedagogies which are constantly used in indigenous worlds, like Ako Wananga. For instance, as Mills (2006) argues in her doctoral thesis, many times the different culturally-diversified groups find it difficult to access the multi-literacies. This may be due to the practice of dominant discourses in terms of delivery/medium of instruction held by particular ethnic groups within the power structure of polity. Pedagogies can be extended and combined without compromising students’ access to multimodal and culturally diverse forms of literate practice within PTEs.

Tutors and facilitators must continually re-evaluate their practice in order to ensure that international students have access to the multi-literacies framework along with the infusion of the bi-cultural teaching strategies which appears to be ‘central’ to participation in the learning process.

Finally, the essence of the multi-literacies framework may have to take into consideration existing bi-cultural practices like Ako Wananga strategies, since it validates the respective cultural underpinning of international students in terms of the delivery of the content and intent of the programmes. PTEs can be more innovative and exhibit their leadership by infusing and recognizing the ‘cultural capital’ of international students, thereby adhering to the Aotearoa New Zealand bi-cultural framework in teaching.

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Bios

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3 - The Implication of 14 Critical Aspects Evaluating the Relationship between EMH and IFRS

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Abstract

Purpose:

To discuss in-depth 14 critical aspects the Securities and Exchange Commission (SEC) should evaluate prior to the adoption of International Financial Reporting Standards (IFRS) in the U.S. market.

Design/Approach:

The researcher utilized a qualitative research method design study and a phenomenological research approach by examining the efficient market hypothesis (EMH) which helps the researcher evaluate the financial crisis from 2007 to 2009 as related directly to the comparability and transparency of IFRS.

Findings:

One of the main findings that IFRS can be classified into three groups: Anglo-Saxon, Continental European, and emerging economies. Presently, 138 countries had officially adopted IFRS as a singular reporting accounting language.

Research Limitations:

Participation in the study was limited to the eligibility of knowledge about the adoption of IFRS. The data collected in the study were limited to the responses provided by the participants in the interview open-ended question analysis and transcribing the answers related to the topic.

Key Words:

International Accounting, SEC, FASB, USGAAP, IFRS, Efficient Market Hypothesis, Financial Crisis, Revenue Recognition, Lease Accounting

Review of the Literature

The literature review includes 14 critical areas that explain the resistance to the change from GAAP to IFRS. The efficient market hypothesis (EMH) was examined to help the researcher evaluate the financial crisis from 2007 to 2009 as related directly to the comparability and transparency of IFRS. Empirical research studies suggest IFRS can be classified into three groups: Anglo-Saxon, Continental European, and emerging economies.

Efficient Market Hypothesis (EMH) and IFRS

In 1965, Paul Samuelson formulated a rigorous theory known as the efficient market hypothesis (EMH). According to Bodi, Kane, and Marcus (2014), EMH suggests:

The prices of securities fully reflect available information. Investors buying securities in an efficient market should expect to obtain an equilibrium rate of return. Weak form efficient market hypothesis asserts that stock prices already reflect all information contained in the history of past prices. The semi strong-form hypothesis asserts that stock prices already reflect all publicly available information. The strong form hypothesis asserts that stock prices reflect all relevant information including insider information. (p. G-4)

Bodi et al. (2014) further attested that EMH creates arbitrage opportunities and competitors are driven by the dollar value, and defined arbitrage as “a zero-risk, zero-net investments strategy that still generates profits” (p. G-1). Accountants and financial practitioners understand that psychology heavily affects the decision-making process in the market. The EMH appears to be consistent in the U.S. market, but inconsistent in the emerging economies market. Madura (2015) stated that some emerging markets are new or small and as a result are unlikely to be as efficient as the New York Stock Exchange (NYSE).

The IASB, prior to the 2007 and 2009 financial crises, found inconsistencies in the accounting standards. The credit crisis from 2008 to 2009 in the United States allowed the IASB to adjust International Accounting Standards (IAS) and IFRS applicable to small and medium sized businesses (SMEs). The capital requirement and contribution to GAAP continued to escalate. For example, pro-cyclical accounting is attributed to the fair value measurement and to the treatment of impairment assets. The pro-cyclical accounting effect helped reduce the volatility in the financial statements and triggered the IASB to reclassify the IAS under IFRS (Ojo, 2010).

The credit crisis from 2008 to 2009 revived the harmonization process between the FASB and the IASB, because over the past 10 years the globalization of accounting standards and corporate governance had been important elements in the accounting industry. The United States during the credit crisis found systemic risk. Madura (2015) defined *systemic risk* “as the spread of financial problems among financial institutions and across financial markets that could cause a collapse in the financial system” (p. 19). The United States has resisted change from GAAP to IFRS because the SEC does not want to encounter another systemic risk in the Anglo-Saxon financial market. Political considerations reshape the infrastructure of IFRS as a global accounting reporting language and the IASB proposed roadmap guidance.

The top four auditing firms (Kranacher, 2012) indicated that adopting IFRS in the United States was an effective decision as long as the principles-based standard ensured financial comparability and compliance among publicly traded companies. Therefore, China and India continue to raise questions in the world financial market about their

IFRS adoption status (Ramanna, 2012). The financial credit crisis from 2007 to 2009 uncovered substantive accounting differences across the global financial market, especially countries reporting under principles-based and rules-based (Madura, 2015).

The substantive accounting differences are found under the fair value accounting method. The IASB and the EU started reshaping the accounting practice under fair value accounting measurement. For example, in 2003, French and German banks protested with regard to the market-to-market accounting treatment under IAS32 and IAS39. Five countries in the EU (i.e., Belgium, France, Italy, Portugal, and Spain) also resisted the adoption of IFRS and expressed concerns about IAS39. On the other hand, the UK maintained its faith for the capital market institution and continued to support the fair value measurement under principles-based. Therefore, the fair value accounting method under principles-based continued to raise questions in the emerging economies market (Ramanna, 2012).

Principles-Based Historical Approach

In 1904, as noted by Hui-Sung Kao (2014), the International Federation of Accountants (IFAC) held its first meeting in St. Louis to discuss the possibility of adopting a universal accounting standard. By 1973, representatives from the IASC began to develop the foundation of IFRS. The main objective of the IASC was to create one singular accounting language to act as the main iGAAP. The new era of globalization in the financial market caused a wakeup call in sectors such as business regulators, investors, finance, multinational corporations (MNCs), and the four top global accounting firms (Poon, 2012).

In 1998, the IASC completed the first portion of a comprehensive IAS. The SEC, in 2002, recommended publicly traded companies that were registered under the International Organization of Securities Commission (IOSC) to present comprehensive financial reporting guidance under IAS to prepare their financial statements in accordance with the same (Poon, 2012).

The IASC understood the importance of creating the IASB and brought the IFRS project as supportive road map guidance in the global financial market. An IFRS timeline is to demonstrate the important chronological events related to IFRS being adopted optionally in the United States. In 2010, for the first time in the accounting history, the IASC changed its name to IFRS where amended its own accounting constitution. The FASB and the IASB issued a Memorandum of Understanding (MoU) known as the Norwalk Agreement with the intent to help local multinational enterprises meet their financial reporting needs (Poon, 2012).

The convergence process from GAAP to IFRS reshaped the similarities and differences that exist between the two standards. For example, in 2005, IFRS were incorporated in the EU. By 2007, the SEC permitted publicly traded companies in the United States to follow IFRS financial reporting principles-based guidance. In 2008, the SEC

granted permission to foreign companies trading on the NYSE to consolidate financial results under IFRS and not to consolidate their financial statements under GAAP. As a result, in 2008, the SEC proposed a road map to guide publicly traded companies in the United States to comply with IFRS reporting guidance. More than 120 countries have adopted IFRS and publicly traded companies have begun to explore the benefits of the same (Poon, 2012).

Figure 1 illustrates a chronological event entitled, “The Road to IFRS,” as in 2002, the SEC began road map plan guidance toward the harmonization process from U.S. GAAP to IFRS (Lemus, 2014, p. 2; Warren et al., 2014).

Figure 1: The road to IFRS

The Road to IFRS

2002	IASB and FASB jointly agree to work toward making IFRS and United States GAAP compatible.
2005	EU adopts IFRS for all companies engaged in international markets. SEC and European Commission jointly agree to work toward a "Roadmap for Convergence".
2007	SEC allows foreign (non-U.S.) companies to use IFRS financial statements to meet U.S. filing requirements.
2008	SEC issues proposed "Roadmap" with timeline and key milestones for adoption to IFRS. SEC reiterates milestones in the proposed "Roadmap."
2010	
2013	Target date for FASB and IASB convergence on major standard-setting projects. Target date for SEC's tentative decision regarding IFRS adoption.
2015	Earliest date the SEC would require IFRS for U.S. public companies.

(Warren, Reeve, & Duchac, 2014, Appendix D-3)

SOURCE: (Lemus, 2014, p. 2; Warren et al., 2014).

IFRS and Corporate Governance

Corporate governance has gained tremendous importance among shareholders and stakeholders. According to Brigham and Ehrhardt (2014), “Corporate governance can be defined as the set of laws, rules, and procedures that influence a company’s operations and the decision its managers make” (p. 528). For the past 2 decades the adoption of IFRS has received a great deal of attention from the SEC and the FASB. For instance, due to the numerous financial scandals in the financial market, the SEC and the FASB attempted to prevent another Enron scandal in the United States, because IFRS had more flexibility in terms of financial reporting than GAAP. The financial scandals in the global financial market were guided by internal weak accounting reporting processes. Local and global companies that adopt corporate governance help prevent accountants from manipulating the financial statements (Ajina, Bouchareb, & Souid, 2013).

For example, the aim of IFRS as a singular accounting language is to improve financial transparency and improve the working relationship among markets. Since the IASB created the IFRS and constructed the conceptual framework of IAS, the reporting disclosure among global companies improved. Therefore, the main goals and objectives of IFRS are to promote transparent financial responsibility among accountants and regulators and promote economic stability without borders (Ajina et al., 2013).

IFRS and Investors

Global investors claim that IFRS as a universal accounting language would improve the comparability of financial statements. Investors are expected to understand the functionality of IFRS. Despite the convergence effort from GAAP to IFRS, technical accounting differences persist between the two accounting standards. For example, under IFRS, property, plant, and equipment are revaluated but under GAAP compliance needs to be followed under historical cost. As a result, IFRS do not allow different accounting treatments for different industry sectors as compared to the GAAP specific accounting standards guidance provided per each industry sector (Poon, 2012).

The importance of IFRS in the Anglo-Saxon market would require more education for investors to facilitate understanding of the financial reporting standard guidance. For instance, empirical research studies suggest that foreign investors hold a high degree of knowledge under the local GAAP and IFRS. Therefore, the SEC would present a work plan that suggests the level of understanding toward the IFRS work compliance requirement (Poon, 2012).

In the global financial market the portfolio holdings under IFRS are important because countries around the globe are communicating using one singular accounting language. IFRS act as a universal accounting language (Aggarwal, Klapper, & Wysocki, 2005;

Covrig, DeFond, & Hung, 2007) and relate directly to mutual funds and institutional investors that allocate more capital with efficiency across borders and create a solid market for private equity investment. Beneish and Yohn (2008) promulgated that accounting systems in the convergence process from GAAP to IFRS play a vital role. Therefore, practitioner accountants have indicated the capital investment flow under IFRS is likely to be less than under GAAP (Hail, Leuz, & Wysocki, 2010).

IFRS and Global Stock Markets

In the European stock market IFRS created three important principles: (a) information efficiency, (b) market stability, and (c) adjustment to price. In a literature review conducted by Lambertides and Mazouz (2013) of 20 European countries, results indicated IFRS are used as financial reporting guidance for 1,187 different stocks and were expected to provide sustainability. Also, the researchers noted that IFRS enhances information efficiency and contributes to market stability.

Lambertides and Mazouz (2013) found that across the European market the adoption of IFRS would not affect stock performance. Each country around the globe that had adopted IFRS as a singular accounting reporting language was expected to adjust the equity cost of capital. Therefore, IFRS in common law countries were expected to increase the betas of stocks. On the other hand, civil law countries that adopted IFRS were expected to decrease the betas of stocks (Lambertides & Mazouz, 2013).

The research paper written by Bekaert and Harvey (1995), reports on studies conducted in the finance literature and pointed out that global market integration could be attributed to the correlation of market indices. IFRS bring high correlation and efficiency between two stocks by moving in the same direction and applying a high degree of integration. Bekaert and Harvey (1995) tested the market integration in 12 emerging economies markets that utilized IFRS finance correlation and results indicated the move to be efficient. Recent research studies that support the previous method were found in the literature review of Heston and Rouwenhorst (1994), Aydemir (2004), Chambet and Gibson (2008), and Eiling and Gerard (2007). Therefore, those who invest in the NYSE should be aware of the existing market regulations under GAAP (Cai & Wong, 2010).

IFRS and the Accounting Profession

Since 1904, professional accountants in the United States have expressed concern about the implications of adopting IFRS. Certified Public Accountants (CPAs) in the United States need to be trained under IFRS accounting system guidance because the level of understanding and knowledge about IFRS is limited. The SEC indicated IFRS professionals who practice accounting under a principles-based system may elect accounting policies for better business practices. As a result, IFRS practicing

professionals are expected to possess strong governance and leadership. IFRS are expected to be the future for professional accountants (Dulitz, 2009).

The acceptance of IFRS continues to expand at a rapid pace. CPAs need to be knowledgeable about IFRS, although they are resisting learning the principles-based standards of the iGAAP. On the other hand, as soon as foreign companies commence filing their financial reports under IFRS, professional accountants in the United States will feel the pressure of learning the same and institutional investors will demand financial reporting clarity beyond GAAP standards. Therefore, the IASB suggests that in order to ensure a smooth transition in the convergence process, four sectors should commence the early adoption of IFRS: the business sector, information technology, the Internal Revenue Service (IRS), and the NYSE (“International financial reporting standards,” 2008).

IFRS and Higher Education

The adoption of IFRS in the United States will create a demand for education and training because CPAs will need to be trained under the new accounting reporting language. For instance, publicly traded companies, auditors, investors, and rating agencies argue that they will use IFRS if they have been fully trained under the same. Also, specialists from management who are responsible for measuring assets and liabilities need to be trained under IFRS. All parties from different industries and sectors need to undertake comprehensive training preparation under IFRS.

The majority of professional accountants are trained under rules-based accounting, not principles-based. As a result, the IASB suggested including IFRS in the AICPA website publications, certificate programs, and training material. As the convergence process from rules-based to principles-based continues to advance, leaders of colleges and universities are beginning to incorporate IFRS into the accounting curriculum. The SEC suggests that CPAs should be knowledgeable in the principles-based accounting practice guidance (“International financial reporting standards,” 2008).

The iGAAP encourages four fundamental principles of high quality financial reporting standards, credible source of information, reliability, and consistency (Kieso et al., 2013). The IASB indicated that through IFRS acting as one singular accounting language, the main purpose is to surpass market efficiency across the globe by fostering financial sustainability among emerging economies markets and facilitate international integration. Education in international accounting is relevant to the changes that are expected to come in the accounting industry. For example, professional accountants are constantly challenged to maintain high levels of competence and integrity in the market as well as serve the public interest. The vision and mission of the International Federation of Accountants (IFAC) is to promote a solid and universal accounting language among emerging economies markets versus developed economies. Therefore, the main objective of IFRS is to promote four principles: financial reporting quality, reliability, transparency, and consistency (Hall & Bandyopadhyay, 2012).

Figure 2 illustrates (Bates, Waldrup, & Shea, 2011, p. 41) the top 20 undergraduate and graduate programs in the United States adopting IFRS into their accounting curricula (Rivero & Lemus, 2014, p. 48).

Figure 2: Top 20 undergraduate and graduate programs in the United States adopting IFRS in the accounting curricula

<i>Table 1: International Accounting Course Offerings At Top Accounting Programs Undergraduate Programs</i>	
Undergraduate Programs	
Required Courses:	
University of Georgia	Accounting Information in a Multinational Setting (3 credit hours)
University of Illinois	Introduction to Internal Accounting (3 credit hours)
Miami University (Ohio)	Survey of International Accounting and Reporting (1 credit hour)
Notre Dame University	International Accounting (3 credit hours)
Texas A & M University	International Accounting (3 credit hours)
University of Virginia	International Finance and Accounting (3 credit hours)
Wake Forest University	International Accounting (3 credit hours)
Master's Programs	
Required Courses	
Michigan State University	Management Accounting in Global Enterprises (3 credit hours)
Texas A & M University	International Accounting (3 credit hours)
Elective Courses	
Brigham Young University	International Accounting and Multinational Enterprises (3 credit hours)
University of Florida	International Accounting Issues (2 credit hours)
University of Georgia	International Accounting (1.5 hours)
University of Illinois	Multinational Enterprise Accounting (4 credit hours)
Michigan State University	Management Accounting in Global Enterprises (3 credit hours)
University of Mississippi	International Accounting (3 credit hours)
University of North Carolina at Chapel Hill	Global Immersion (3 credit hours)
Notre Dame University	International Financial Reporting Standards (2 credit hours)
University of Southern California	Accounting for the Global Business Environment (3 credit hours)
University of Texas – Austin	International Accounting Policies and Procedures (Variable credit hours)

(Bates, Waldrup & Shea, 2011, p.41)

SOURCE: (Bates, Waldrup, & Shea, 2011, p. 41).

The SEC indicated that in the convergence process from GAAP to IFRS, accountants, auditors, financial analysts, and investors need to reinforce their accounting and financial skills related to a principles-based language. Professional associations (Kroll, 2009), colleges, and universities have started providing training material about IFRS. College professors have suggested attending international accounting seminars on a yearly basis. The top four auditing firms have arranged seminars that last from 1 day to several days on the subject of the convergence process from GAAP to IFRS. For example, Grant Thornton has international accounting seminar courses and also brings in subject matter experts from Canada. Deloitte Touché Tohmatsu offers free learning seminars online about IFRS. PricewaterhouseCoopers (2010) in 2009 gave \$700,000 in grants to 26 colleges to expedite and support the learning process of IFRS. The

AICPA announced that after January 1, 2011, students majoring in accounting who were seeking to sit for the CPA exam would face one section solely based on IFRS (Moqbel, Charoensukmongkol, & Bakay, 2013).

IFRS and Accounting Standards Setters

In 2008, the SEC presented a plan to guide publicly traded companies in the United States holding at least \$700 million to commence consolidating their financial reports in accordance with IFRS. The SEC proposed that the top 500 publicly traded companies in the NYSE would adopt IFRS as early 2014. Small companies were expected to adopt IFRS from 2015 to 2016. Therefore, the optional official adoption of IFRS began in January 1, 2014 (Liu & Hildebeitel, 2010).

The SEC issued five key principles within the IFRS road map guidance. The first key principle was the transparency and clarity of IFRS acting as one singular accounting language. The second key principle was the quality of audit reports and financial reporting under IFRS. The third key principle was fund availability by the IASB to support the principles-based adoption process. The fourth key principle was to compare publicly traded companies that consolidated their financial reports under rules-based versus principles-based. The fifth key principle consisted of global accountant regulators supporting the convergence process.

Accountant regulators need to offer comparability and consistency under IFRS. Auditors have noted that because the United States will in the near future adopt the IFRS, accountant regulators need to provide more auditing guidance under principles-based assurance. The governance of IFRS plays a vital role in the adoption process and the IASB needs to disclose the financial mechanism to the SEC. As a result, the top 500 publicly traded companies in the NYSE will provide a consistent approach toward the convergence process. Therefore, the SEC is expected to create the necessary educational training programs to educate accountants in the United States about IFRS (Jamal et al., 2010).

Arguments for and Against IFRS

Cathey, Schauer, and Schroeder (2012) presented 10 arguments that support IFRS in the U.S. market:

- The majority of publicly traded companies in the United States want to adopt IFRS.
- IFRS will restore public trust in the global financial market.
- GAAP and IFRS present similar points of view in terms of reliability and quality assurance.
- The majority of countries around the world prefer to adopt IFRS and not continue with their local GAAP.
- The SEC demands that the IASB ensure the IFRS offer a degree of financial compliance in the Anglo-Saxon market.

- The adoption cost of IFRS could be spread in different future payments.
- The United States would not lose its sovereignty over the accounting standards.
- The United States needs to adopt IFRS voluntarily.
- The United States, by adopting IFRS, would help to promote the global economy.
- The majority of nations around the world share a mutual sentiment toward the adoption of IFRS acting as one singular language.

According to the SEC (2011), the FASB should focus its authority efforts as follows:

- Able to add disclosure requirements under IFRS to achieve greater financial consistency.
- Recommend that the IASB add under IFRS two or more alternatives of accounting standards treatment.
- Issues that were not fully resolved under GAAP or IFRS need to be resolved prior to the convergence accounting process.

Cathey et al. (2012) indicated that the adoption of IFRS would improve the financial reporting standards across the globe by providing strong corporate governance and international markets would be more capital oriented. On the other hand, researchers have found there are arguments against IFRS. The 12 arguments against IFRS are as follows:

- IFRS will not adequately represent the world financial market.
- The convergence process from GAAP to IFRS will decrease financial reporting quality in rules-based territories.
- Possible lack of uniform accounting mechanism throughout the world.
- IFRS are more opinion oriented rather than following rules.
- Empirical research studies indicate IFRS in the United States would encounter the same cost adoption problem as Sarbanes Oxley Section 404.
- Small companies that adopt IFRS will suffer a high financial burden.
- Accountant regulators argued that IFRS are more flexible than U.S. GAAP.
- The GAAP is not superior to IFRS, indeed both accounting standards present pros and cons.
- There are accounting similarities and differences between GAAP and IFRS.
- IFRS proposes a different set of corporate governance guidance as compared to the GAAP.
- The United States will lose influence over GAAP.
- The resistance in the United States to accept a radical accounting change such as adopting IFRS as a singular accounting language.

Accountant regulators and researchers in the accounting industry have indicated that once the SEC fully adopts IFRS it is likely that the financial reporting quality in the

United States will decrease. As a result, IFRS will bring opinions from the principles-based accounting position and increase earnings management. Therefore, IFRS in the United States are expected to face the same acceptance challenge as Sarbanes Oxley Section 404 (Cathey et al., 2012).

CPAs' and CFOs' Attitudes Toward the Harmonization of International Accounting

CPAs and CFOs have presented their professional points of view as to whether it would be beneficial to adopt IFRS in the United States. Research studies indicate there is a high acceptability of IFRS around the world. The overall professional attitudes of CPAs and CFOs toward the harmonization process are positive. For instance, CPAs from other countries are more optimistic than CPAs and CFOs from the United States. CPAs in the United States appear to be more receptive than CFOs with respect to the financial reporting process under IFRS (Barniv & Fetyko, 1997).

McEnroe and Sullivan (2012) compared the attitudes of auditors and CFOs in the United States and found that auditors would rather continue with rules-based than move to principles-based, because under IFRS there is room for ambiguity that could lead to potential litigation. On the contrary, CFOs appear to support IFRS more than auditors, because IFRS offer more financial reporting flexibility as compared to GAAP. CPAs and CFOs in the United States agree that there are accounting technical differences between GAAP and IFRS. Also, there is strong support for GAAP and IFRS among professional accountants.

For example, results of the McEnroe and Sullivan (2012) survey study revealed that 38% rules-based would be cost effective. On the contrary, the second part of the survey study illustrated that 50% principles-based would be cost effective. The remaining 12% of respondents appeared to be somewhat neutral and have faithful representation regarding the two standards. In terms of commercial reality, 91% of the respondents indicated IFRS appear to be consistent, while 56% mentioned that rules-based appear to be acceptable. Therefore, the majority of CPAs and CFOs attest that the harmonization process would be beneficial for the United States because it would help to attract more foreign investors and raise more capital within international markets (McEnroe & Sullivan, 2012).

The SEC is likely expected to accept IFRS voluntarily and have in place two different accounting standard settings. The rationale for having in place two different accounting standard settings is to support the accounting profession in the United States and reduce the adoption cost for publicly traded companies. In 2010, the SEC restructured the conceptual framework of the two accounting standards acting as one singular voice in the Anglo-Saxon market (McEnroe & Sullivan, 2012).

FASB and IASB Joint Project—Revenue Recognition

In 2010, the FASB and the IASB issued an exposure draft concerning the core principles of revenue recognition. The core principles of the revenue recognition address four critical steps:

Step Number 1. Allocate in the contract the performance and obligations.

Step Number 2. Explain the importance of transaction price.

Step Number 3. Allocate the transaction price in the contract.

Step Number 4. Understand the principle guidance of revenue recognition stipulated in the contract.

Dickins and Cooper (2010) identified major differences in the exposure draft issued by the FASB and the IASB. The major differences include contract completion percentage, changes in the sale of goods and services, the collectivity of revenue recognition, and the specific time to recognize the revenue. Therefore, the most important revenue recognition that exists under IFRS is IAS No. 1, IAS No. 18, and IAS No. 20 (Dickins & Cooper, 2010).

GAAP Revenue Recognition

The FASB defined revenue under Statement No. 6 as services rendered and related to other operational outcomes as inflows of cash producing goods. Revenue recognition under GAAP should meet two important criteria. The first is to meet the expectation of the FASB Concept Statement Number 5. The second is revenue must be earned and realized. For example, the most important statement under GAAP is SAB Number 104. It shows publicly traded companies should properly disclose the income recognition. Therefore, research shows that prior to the codification of the FASB accounting standards enactment in terms of treating revenue recognition, 100 pieces already existed under GAAP (Bohusova & Nerudova, 2011).

IFRS Revenue Recognition

The IAS and IFRS in the conceptual framework define income and expenses. The principles-based treatment of revenue recognition considers two standards: IAS No. 18. Revenue and IAS No. 11. Construction Contracts. The revenue recognition under IFRS provides a future economic benefit to enterprises. For instance, IAS No. 18 allocates gross income from ordinary activities created by economic events and the participants' equity increases. IAS No. 18 highlights that treating each revenue criteria is important, because sales and goods help create gain on interest, dividends, and royalties. IAS No. 11 indicates that revenue and cost should be incurred by the company. Therefore, the most relevant revenue recognition standards that exist under IFRS are IAS No. 11 and IAS No. 18 (Bohusova & Nerudova, 2011).

Differences Under GAAP and IFRS

The major difference that exists in terms of treating revenue recognition under GAAP and IFRS is the classification of the standards. Presently, many industries and sectors in the United States report company revenue under GAAP, while fewer industries appear under IFRS. Spiceland, Sepe, and Nelson (2011) noted that in order to recognize revenue under IFRS two events must occur: (a) the earnings process needs to be judged, and (b) a reasonable collection of the asset must be received. For instance, under GAAP, in order for revenue to be recognized four criteria must be met:

- The reliability of the cost must be associated with revenue.
- The economic benefit should flow through the seller.
- The seller must transfer ownership.
- Sale services need to be measured.

Therefore, the revenue recognition differences that can be found under GAAP and IFRS relate to how the two accounting standards interpret the accounting conceptuality guidance in recognizing revenue (Lin & Fink, 2013).

Lease Accounting Standards under GAAP and IFRS

The SEC, the FASB, and the IASB continue to make progress with the convergence process from GAAP to IFRS, and understanding the leasing activity under the two accounting standards is imperative. The operating and capital leasing presents an ideal context for research under GAAP and IFRS. CPAs indicate leases under GAAP should be classified as operating or capital leasing (Mergenthaler, 2009).

Scholars in the accounting arena (as cited in SEC, 2003; see also Collins, Pasewark, & Riley, 2012) have criticized the structure of leasing financial reporting under GAAP. On the contrary, IAS No. 17 is principles-based under IFRS and does not provide a specific structure for lease classification. Collins et al. (2012) mentioned in the literature review of their study that both accounting standards have provided extensive material in treating the aspect of leasing, which by its nature is complex. Also, it can be noted that the similarities and differences under GAAP and IFRS as to the reporting of capital and operating leases require the minimum payment for capital lease to be reported in the balance sheet and both standards require a minimum annual lease until both capital and operating lease mature in the fifth year (Collins et al., 2012).

The treatment of capital and operating lease in the financial statements is quite different. The lease accounting standards under GAAP and IFRS have significant distinctions. For example, lease accounting under GAAP follows the following treatment:

- Estimate the life of the asset.
- The present value is use at a fair value of the life of the asset.

For instance, ASC 840, formerly known as FAS 13, requires capitalization to estimate the life of the asset or 75% of straight capitalization. On the contrary, lease accounting under IFRS is IAS 17, which is less specific and only requires capitalization when the lease term is superior to the asset's useful life. Additionally, ASC 840 requires a lease payment when the lease payment equals or exceeds 90% of the asset's fair value. In this respect, IAS 17 continues and remains less specific, because the lease payment is substantially equal over the life of the asset. As a result, the strategy of the IASB under IAS 17 is to increase economic substance and at the same time discourage the lease transactions by being specific (Collins et al., 2012).

Major corporations in the United States under ASC840, formerly known as FAS 13, exploit the possibility of structuring capital leasing by avoiding the classification of leases (as cited in Imhoff & Thomas, 1988; Lipe, 2006). Other scholarly accountants have indicated FAS 13 changed the financial structure of capital and operating lease. The IFRS presents four criteria of lease accounting under IFRS IAS 17:

- The asset specialization
- The cancellation costs
- The residual related risk value
- Negotiate the lease options

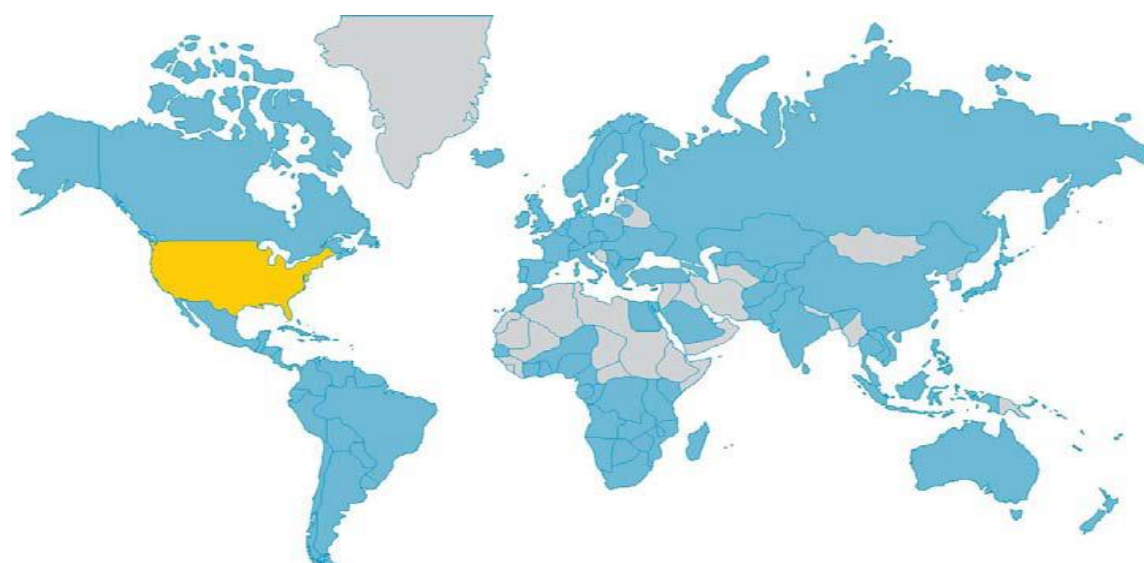
As a result, because IAS 17 is principles-based it does not contain bright-lines. According to Kieso et al. (2013), bright-line is defined as the “75 percent of useful life and 90 percent of fair value ‘bright-line’ cutoffs in GAAP” (p. 1334). The IASB, in an effort to stay at abreast with lease accounting in the convergence process from GAAP to IFRS, adopted the four criteria mentioned previously under IAS 17 to help prevent lease misclassification (Collins et al., 2012).

The classification of a lease is an important philosophical topic under GAAP. Cerutti, Nickell, and Young (2010) defined lease accounting. Also, Mergenthaler (2009, p. 9) supported the definition indicated previously as lease accounting bright-line thresholds. As a result, under GAAP, lease accounting presents four characteristics:

- The thresholds bright-lines
- The legacy expectation of the lease
- The lease implementation guidance
- The lease consolidation accounting work (Collins et al., 2012)

Figure 3 illustrates countries in blue that have officially adopted IFRS and the United States in yellow that has not adopted IFRS as of yet.

Figure 3: Countries that have officially adopted IFRS



Anguilla	Antigua and Barbuda	Armenia	Austria
Australia	Bahamas	Bahrain	Barbados
Belgium	Bosnia and Herzegovina	Botswana	Brazil
Bulgaria	Chile	Costa Rica	Croatia (Hrvatska)
Cyprus	Czech Republic	Denmark	Dominican Republic
Ecuador	Egypt	El Salvador	Fiji
Georgia	Ghana	Gibraltar	Grenada
Greece	Guatemala	Guyana	Haiti
Honduras	Hong Kong	Iraq	Israel
Jamaica	Jordan	Kazakhstan	Kenya
Kuwait	Kyrgyzstan	Laos	Lebanon
Lesotho	Macedonia	Malawi	Maldives
Mauritius	Mongolia	Montenegro	Morocco
Mozambique	Myanmar	Namibia	Netherlands Antilles
Nepal	New Zealand	Nicaragua	Oman
Panama	Papua New Guinea	Paraguay	Peru
Qatar	St. Kitts and Nevis	Saudi Arabia	Serbia (Republic of)
Sierra Leone	South Africa	Sri Lanka	Suriname
Swaziland	Switzerland	Tajikistan	Tanzania
Trinidad and Tobago	Turkey	Uganda	Ukraine
United Arab Emirates	Virgin Islands (British)	West Bank/Gaza	Zambia
Zimbabwe			

Source: <http://www.iasplus.com/country/useias.htm>.

SOURCE: (Warren et al., 2014, Exhibit 1, Appendix D-2).

Conclusion

In conclusion, this study reveals the important findings related to 14 critical areas that explain the resistance to the change from GAAP to IFRS. The EMH was examined because it helped the researcher evaluate the financial crisis from 2007 to 2009 as related directly to the comparability and transparency of IFRS. Empirical research studies suggest IFRS could be classified as Anglo-Saxon, Continental European, and emerging economies. Therefore, the financial credit crisis from 2007 to 2009 uncovered substantive accounting differences across the global financial market, especially countries reporting under principles-based and rules-based (Madura, 2015). The author of this article suggests that the following aspects should be considered for future studies when studying the relationship between Efficient Market Hypothesis (EMH) and International Financial Reporting Standards (IFRS):

1. Business entities in the U.S. need to understand the new financial reporting changes that exist under Subtopic 825-10.
2. The impact of optional IFRS on S&P 500 companies and financial statements sustainability report.
3. China plans to adopt IFRS and its implication on Corporate Social Responsibility (CSR) reporting.

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4 - *Rupert* – an innovative literary genre

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Abstract

Rupert first appeared in the *Daily Express* newspaper in 1920 and has continued uninterrupted for nearly a hundred years, mostly as a daily two-picture strip, subsequently compiled into a story and then, with three or four other stories and a handful of puzzles and origami models, an annual. From 1935, under the hand of Alfred Bestall, the *Rupert Annual* develops into an innovative literary genre, in that it operates at different levels of sophistication in narrative technique, tone and form, and presents a range of startlingly imaginative concepts and inventions.

In this paper I shall recount the effect of Bestall's appointment by the *Daily Express*, how his *Rupert* is innovative, how it works for both sophisticated and unsophisticated readers, and suggest why such a concept, so apparently old fashioned, has continued to succeed with little change for nearly a hundred years.

The paper should be of value to students of children's literature and graphic novels and social historians of the 20th century.

Key words

Rupert, Annual, Alfred Bestall, children's literature, strip cartoon, graphic novel, second world war.

Introduction

Rupert first appeared in the *Daily Express* newspaper in 1920 and has continued uninterrupted for nearly a hundred years, mostly as a daily two-picture strip, subsequently compiled into a story and then, with three or four other stories and a handful of puzzles and origami models, an annual.

Pullman (1998) says in his introduction to “Picture Stories and Graphic Novels” that while it is a widespread assumption that texts which rely on pictures are assumed to be directed at “young, inexperienced and unsophisticated readers”, in fact when one analyses them one can find that they are “often involved in radical experimentation and invention”. It is perhaps surprising to find such an example of invention in *Rupert*, essentially a conservative creation, firmly rooted in the Edwardian era. For thirty years, between 1935 and 1965, Alfred Bestall, the most celebrated author of *Rupert*, draws Mr Bear with his plus-fours, bow-tie and pipe, Mrs Bear in a polka-dot dress and apron, and a host of old-fashioned extras, including girl guides, sea captains and shopkeepers, all captured in an Edwardian snapshot of the idyllic English village of Nutwood. The values and traditions are constant, as is what Pullman elegantly describes as Rupert’s “gentle heroism”. It was this last quality perhaps that, according to Robinson (2010), led the Government to subsidize *Rupert*’s continuation in the *Daily Express* during the austerity years of the Second World War, “for the sake of public morale”, when the paper was reduced by rationing to one broadsheet, or four pages. And more than that, according to Robinson (2010) Lord Beaverbrook, the owner of the *Daily Express*, obtained supplies of paper for the *Annual* to continue throughout the War, and even developed it from two-colour into full-colour production in 1940. Remarkably, in the 96 years to date since his first appearance, according to Bott (2011), Rupert has only been squeezed out of the paper on three occasions: for one of Churchill’s wartime speeches, the assassination of President Kennedy and the death of Pope John XXIII.

How did Bestall recreate a Rupert that has survived, in spite of being so apparently frozen in tradition? There is not just contextual conservatism to overcome. Apart from the dated era itself, the format is arguably very dull: the four pictures per page are almost square (although as we see below, Bestall occasionally varies the shape), because they first have to appear in a daily paper with predetermined and constant space allocations. And that there are only two pictures in the newspaper strip means that Rupert himself appears in every picture (I have sampled 60 out of the 273 Bestall stories, and every story has Rupert appearing in every picture). Seldom in the history of literature can there have been such a ubiquitous, omnipresent hero.

And Bestall had even more constraints to manage: the original creator of Rupert, Mary Tourtel, from 1920, according to Perry (1985), was criticized for placing Rupert in increasingly unlikely and magical circumstances, surrounded by fantasy, dragons, goblins and the like. So when Bestall was recruited to replace her in 1935, according to Bestall himself, “Marshall [the children’s editor of the *Daily Express*] took me aside and urged that I used no evil characters, no fairies and no magic.” (Bott, 2011: 72).

While Sendak (1988) heralds Caldecott's innovative counterpoint as "the beginning of the modern picturebook", there is no such counterpoint in Bestall's *Rupert!* Far from counterpoint, there is reinforcement such as almost no other written work has. As Pullman (1998) observes, "*Rupert* isn't a comic"; nor is it a "graphic novel", a phrase coined by Eisner in 1978. In the same way the Dickens or Conan Doyle (Sherlock Holmes) novels developed from their provenance as magazine instalments, *Rupert's* structure reflects its daily newspaper provenance, and that is restrictive. As with the Victorian novels, the author must create tension at the end of each episode – to commit the reader to buying the next edition, or in the case of *Rupert*, to maintain children's interest in what happens next. With only two pictures it is hardly possible to create tension in every second picture, but if we analyse the Bestall stories, there is room to suggest that the right-hand picture of each pair has more of a "what's going to happen next?" element than the left-hand one.

Apart from the comic-style pictures, with no speech bubbles, there is a rhyming couplet, a prose accompaniment and running titles at the top of each page. Stylistically it is such a mix it arguably ought to have flopped completely, and it seems incredible that such an unusual and almost unchanged formula should endure through into the 21st century.

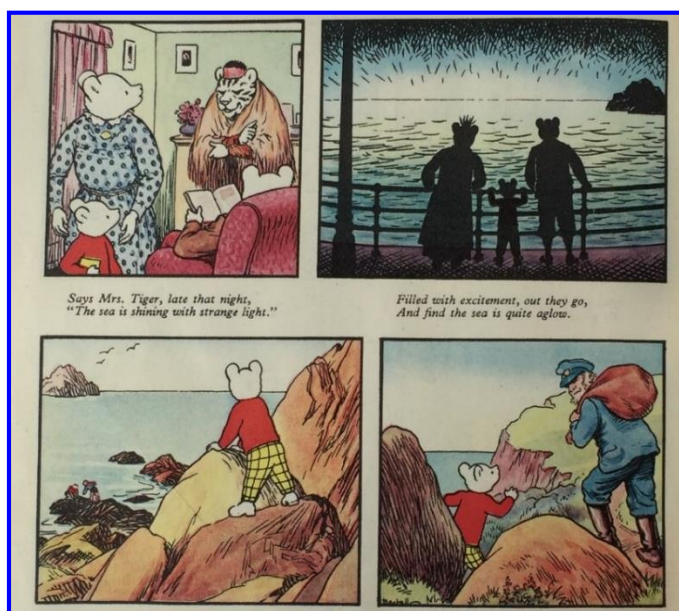
Therefore there seems, in summary, to be much against *Rupert's* success. So how has it happened? *The Hitchhiker's Guide to the Galaxy: Earth Edition* (2006) recounts the revolution Bestall initiated when he took over the role of Rupert illustrator.

New characters were invented and the plots and illustrations became more interesting and realistic, now that there was no magic. Bestall loved watching silent film and therefore made the illustrated strips more film like, nothing was monotonous and he broke away from literary tradition. These all helped secure Rupert Bear in the world of children's literature. Some people even felt the Bestall creations were better than AA Milne's Winnie the Pooh (<http://h2g2.com/entry/A13269486>).

The Followers of Rupert (2011) further recount that the move to Bestall had a "spectacular" effect, going on to say, "Rupert's iconic status expanded and he became one of the most fascinating, versatile and loved characters ever". Robinson (2010) observes that for much of the post-war period the *Annual* sold over 800,000 copies, with the 1950 *Adventures of Rupert* annual selling a record 1.7 million copies, a quantity almost unheard of for a single title in children's literature before the times of *Harry Potter*. So how did Bestall achieve this?

Sendak (1988) in his homage to Caldecott observes "No one in a Caldecott book ever stands still", and it is the same with Rupert. There is always action and neither Caldecott nor Bestall resorts to "action lines" in the way for example Hergé does for *Tintin*, or Uderzo for *Asterix*, to inform the dynamics. One knows Rupert is moving

because of his expression and the accurate positioning of his limbs; not because of some “splutter” around his head, or vigorous lines occupying the empty space about him. The code of position, size and perspective defined by Moebius (1986) is particularly apposite in Rupert. Most of the pictures are confined to a more-or-less square frame; artistically a problematic form, although Bestall experimented with varying shapes in the 1950s. In “Rupert and the Missing Pieces” (1953) and “Rupert and the Blue Moon” (1956), on most pages the four pictures are respectively square, landscape, and landscape, square, rather than four square. Also on three pages of the latter he has five pictures, with a “triptych” of portrait pictures (whilst retaining the four couplets per page). Probably as a consequence of such restriction, Bestall compensates by enormous and sudden changes in perspective and position. Rupert nearly always appears in a different position in successive pictures, for example on page 15 of “Blue Moon”, he appears respectively top centre, bottom left, centre and fully right. On page 32 of “Rupert and the Sea-Sprites” (*More Rupert Adventures*, 1952), shown below, he appears respectively bottom left, bottom centre, top right and bottom left.



And as observed above, Rupert is staggeringly present! Moebius (1986) says, “The more frequently the same character appears on the same page, the less likely that character is to be in control of a situation,” and indeed Rupert spends much of his adventures well out of control, while ultimately, always prevailing in the end.

Returning to Pullman (1998), I will now look at how Rupert operates at both unsophisticated and sophisticated levels.

The unsophisticated reader

One of my earliest memories as a reader is the *Rupert* annuals of the mid-1950s, most memorably “Rupert and the Blue Moon”, (*The Rupert Book*, 1956) and “Rupert and the Blue Firework” (*Rupert*, 1955). I suspect these two particular stories made such a deep impression because they both involve sudden and wonderful experiences of flight.

They were bought for my elder brother, and I really cannot remember how old I was when I was first gripped by them. I remember not progressing to the prose at the bottom of the page until well after I had become accustomed to the stories, probably at least a year. And although I cannot remember how old I was when the progression happened, I do remember the day it did! It was a revelation; almost a discovery of a new story, rather than just an amplification of an earlier version. In the way in which one wants a really good book never to end, even at that age I revelled in the extra length of time it took to complete each story.

Nodelman (1988) cites one of the picture book reader's dilemmas – whether to focus on word or picture. The word just begs the question “What next?” while the picture begs the reader to dwell on what is happening now. With Rupert the dilemma is exacerbated by the alternative text options. While one can “take in” the pictures whilst scanning the verse (much in the way one can watch a film with subtitles), the prose is too far removed from the pictures and one's eye repeatedly has to look up and down. I clearly remember, after “discovering” the prose, I would read the two columns completely and then look up to the pictures, almost as if to verify what I had read. Possibly I was asserting my new-found ability as a reader without pictures as a prop. It may be imagination with the benefit of hindsight, but I think even by then I read the prose without looking much at all at the pictures, or at least read the prose and then scanned the spread of pictures above for an overall impression to reinforce the words. Although I must have been captivated by the pictures, I think I was reaching a stage when I did not “need” them. Perhaps this is the stage at which I became a “sophisticated reader”. Pullman (1998) remembers “an eminent academic” who only selected her friends from those who read the prose!

In reading to my son Thomas (at the time of recording aged 3 years, 11 months), I was guilty of fudge! Because of his age and concentration span (in effect, his lack of sophistication as a reader) I needed to make the stories brief, but the verse is sometimes *too* brief, and not infrequently a touch obtuse in its search for rhyme. But the prose is too long for a 3.11 year-old; so I improvised and used verse when the action was explicit in the pictures, and jumped to the prose when more explanation was required.

Thomas liked Rupert and I read stories to him when he was younger than three. As the appended log shows from two Bestall stories, Thomas's interest is stimulated mostly by animals, birds and the moon. In “Mare's Nest” the first prompt for enquiry is the bird king, on the title page, even before I start reading the story. Thomas is fascinated by size, and the bird king's beak is a whopper! Then the king's messenger, the eagle, is also very substantial. He knows owls (and their wisdom), horses and unicorns, griffins and dragons, but this is probably the first time he has seen a winged horse. And, being interested in trains, he is of course highly stimulated by the station at the end. While he obviously enjoys the story, the sophistication of the concept is completely beyond him; especially the meaning of a mare's nest. There are arguably two levels of sophistication which he misses; the meaning itself of a mare's nest, and the wonderful idea that in order to find an actual one, one requires a winged horse; two

levels of word play. Such is Bestall's imagination! But there is no doubting the level of Thomas's interest, and the scale of questioning in "Mare's Nest" is as great as in the early readings of *The Three Little Pigs*, *Peter Rabbit* and *Where the Wild Things Are*, which I also logged at the time.

At 3.11 years, Thomas had already inherited his father's interest in the moon. We studied its phase whenever we saw it, and we discussed how close to being full it was. So "Rupert and the Blue Moon" was bound to catch his attention. Again he completely misses out on the "once in a blue moon" concept, but the level of his enquiry is just as great as for "Mare's Nest". The castle is a perfect fairy tale version of what Thomas is familiar with in his illustrated version of *Thorn Rose (The Sleeping Beauty)* and the Disney version of the castle of *Beauty and the Beast*. So the only enquiry it prompts is when it disappears. Most of Thomas's interrogation surrounds the role and form of magic and the blue moon itself; admittedly the most sophisticated elements of the story. Thus in both "Mare's Nest" and "Blue Moon" Thomas's focus is on the central, sophisticated plot, while at the same time the root and subtlety completely escape him. There is nothing wrong with this – one can enjoy a game of American football without having the slightest clue as to what is going on! Thomas responds to whatever timeless, captivating quality Rupert assumed in the 1930s and has sustained, against the odds, to today.

Therefore why does Thomas at 3.11 like Rupert? The animals and birds; the amazing transportations, mostly flight by all mechanisms; the land and seascapes; the machinery; a warm and comfortable family environment; being constantly surrounded by friends. These are not sophisticated values; they are basic and fundamental to a child's upbringing and security. While the complexity of the gridiron may escape us, the flight of the ball does not.

The sophisticated reader

Rupert still appears in *The Daily Express*. In October 2015 the story was "Rupert and Uncle Grizzly", first appearing in the newspaper in 1946 and subsequently in the 1949 Annual. On 7th November 2015 "Rupert and the Arrows" started, having first appeared in the newspaper in 1949 and then in the 1952 Annual. The newsprint quality is not particularly high, and as we can see, sometimes the colours change between newspaper and annual. But these two illustrations show how the rhyming couplet and prose work together in both the newspaper strip and annual. Nowadays, for some reason the newspaper crops the pictures, which is a shame as this considerably spoils the proportions and meddles with the code of position, size and perspective which Bestall implemented with such precision.

And in February 2016 the *Daily Express* continues with “Rupert and the Squire”, first appearing in the paper in 1959, and subsequently in the 1978 annual.

Although general opinion places Bestall as the master, not everyone agrees. The Followers of Rupert (2011) quote the respected reviewer of children’s literature, Margery Fisher in 1975:

The post-war suburban Rupert has ousted the amiable little bear who had one foot in Fairyland. ... Sadly the fairy tale world has now given place to a more commonplace one. Rupert is now involved with smugglers, petty crooks and old salts with treasure maps. ... he and his chums are involved as much with humans as with the denizens of Fairyland. (p.29)

But I suggest that it was the very lifting of that foot out of Fairyland that guaranteed Rupert’s survival. Children outgrow fairy tales, and like to read about “normal” folk with whom they can identify. Enid Blyton’s *Famous Five* are other celebrated, and contemporary examples of relatively ordinary children having extraordinary adventures. Rupert, in his cosy Nutwood environment, is actually quite “normal”, *pace* his privileged socio-economic position.

Although Bestall was charged with avoiding fairies and magic initially, he was quick to develop the frontiers of science, often well beyond most accepted theory and practice! Thus his stories tend to operate at a relatively high level of sophistication. Perry (1985) observes that “Rupert and the Rocket Plane” in the 1946 *Annual* uses an aircraft launch ramp which well pre-dates the Royal Navy ramps installed in the three *Invincible* class light aircraft carriers from 1975. And although Leonardo da Vinci sketched a helicopter, it wasn’t until 1942 that the first mass-produced version – the Sikorsky R-4 – flew, much the same time as Rupert was flying in a Bestall design to visit Uncle Grizzly in Arizona.



The Bestall version actually first appeared in the newspaper in 1941. And there is also a helicopter in “Rupert and the Flying Boat” (*Rupert*, 1973), which comes in at the end to rescue the Professor’s boat which is literally flying

Beyond “normal” flight, Bestall’s 1966 *Annual* cover has Rupert hovering over the Moon three years before Apollo 11 landed on it, and the endpapers to the 1968 *Annual* have a “Hoverboat Race.” One of the most intriguing flying machines is the cigar-shaped craft from the 1955 “Rupert and the Unknown Journey”. We have no idea how it works, and as is often the case with *Rupert*, it doesn’t really matter; what matters is the adventure, while we suspend our disbelief. And “Rupert and the Flying Sorcerer” (*The Rupert Book*, 1956) is not just word play; the Sorcerer has actually invented a flying saucer, and as we have seen above with “Mare’s Nest” and “Blue Moon”, whole stories and fantasies grow out of a well-known idiom. And in the 1968 *Annual* we have “Rupert and the Rolling Ball” which has all the characteristics of the Zorb, which according to Zorb.com (2016) was not launched until 1995 in New Zealand, a long way from Nutwood.

Possibly one of the most ambitious inventions appears in 1960 and later in the 1970 *Annual*, with the sky-metal factory in “Rupert and the Sky-boat”. Rupert and his friend Margot see strange things in the sky and are drawn to a factory which sucks clouds into its chimneys and condenses them into sky-metal. An eccentric scientist has invented metal lighter than air, and the story ends up with his entire factory taking off and floating away! The sky-metal theory is a development of the Fog-lifter from “Rupert and the Blue Firework”, 1950 (1955 *Annual*), which operates by way of blue fireworks expelling lifting gas, which spreads and takes all the fog with it. The complexity of Bestall’s science is impressive, his pictures of tubes and cylinders, taps, dials and sundry apparatus detailed and daunting, so that frankly the impracticality of it is of no real impediment to an inquiring mind, suspended in disbelief. And one of Bestall’s first stories, “Rupert’s Autumn Adventure”, 1936 both in the newspaper and *Annual*, and later reprinted in the 1983 *Annual*, has both a dwarf and Rupert wearing spring-heeled boots, a kind of auto-gyro, parachutes, an escalator, the first appearance of the Professor, a machine that turns yellow flowers and leaves into solid gold, and unsurprisingly a gang of armed robbers who want to steal the gold. If Mary Tourtel resorted to fairies for her stories, we have to admire Bestall for such a scientific take on Rumpelstiltskin!

Apart from inventions there are other varied and imaginative concepts to stimulate the sophisticated reader. In “Rupert and the Travel Machine” (*Adventures of Rupert*, 1950) one of the earliest Bestall stories, appearing in the paper in 1937, we meet a despotic inventor who imprisons Rupert and Bill and will only set them free if they test his new invention, which transports them to the South Sea Islands. In “Rupert and the Pine Ogre” (*Rupert*, 1957) we meet the Lord of Silence, megalomaniac and bent on replacing all the mixed woodland of Nutwood with pine trees. In “Rupert and the Fiddle” (*Rupert*, 1968), without any introduction or explanation, Rupert finds himself carried away by a mediæval knight, and introduced to Old King Cole, who is missing one of his “fiddlers three”. The fiddler has decided he needs a holiday, and the chastened king agrees to a new work routine for his fiddlers, to include holidays. In “Rupert and the Dover Sole” (*Rupert*, 1964), the Professor has invented a series of

scents that are so strong they can be smelled from miles away. When Rupert knocks over a phial of Dover sole scent, hundreds of cats arrive from all over Nutwood. The problem is only solved by the Conjuror's daughter Tigerlily's whipping up a hurricane to disperse the smell.

Conclusion

According to Robinson (2010) it was in 1970 that Rupert finally became merchandized, and went on TV created by the same producers as *Thunderbirds* and *Captain Scarlet*. Although the first two series were based on stories by Bestall, as is often the case when page meets film, the transition needed different source material and new writers were recruited. Then, in 1984 Paul McCartney made a film based on the Bestall 1958 *Annual* endpapers: "Rupert and the Frog Chorus". In spite of the newspaper's desire to retain Rupert's integrity as a character, gradually more and more merchandizing appeared, albeit in a rather haphazard way.

Late in life, attention and honours came to Alfred Bestall: an MBE which he was too ill to receive from the Queen, and interviews galore from the media at the time of the 50th anniversary of his inheritance of *Rupert*. According to Caroline Bott, his niece and god-daughter, Bestall was very much aware of his legacy, saying, "The thought of Rupert being in people's homes and in so many children's heads was a perpetual anxiety to me." (Bott, 2011: p.101)

After Bestall came a selection of writers and illustrators, notably John Harrold, and the current illustrator Stuart Trotter. Robinson (2010) recounts "the end of an era" in 2001, when the *Daily Express* was sold, new stories stopped appearing, and the paper relied solely on recycling the old stories of which there are, happily, many to choose from. As Robinson suggests, "the world of Nutwood is a long way from that of the Internet, iPods and twenty-four-hour television."

The rather touching picture below of "Rupert broadcasting for the first time," one of Bestall's last drawings, done when he was 90, presages what might have been had he lived a generation or two later, in a world of interactive media. But, on the other hand, maybe Rupert has "had his day" at the only possible time for him.



In many ways we can probably conflate Rupert and Bestall. The “gentle heroism” Pullman (1998) describes sits well with this English gentleman, born in Burma, passing his formative years in Edwardian times, serving for three years in the First World War on the Western Front, and finally ending up working for thirty years for one of the bastions of middle-class British conservatism. But ultimately, against all reasonable odds, Bestall dispenses the fog of conservatism, as if by using his machine with blue fireworks, and gives generations of children a vital spark of innovation that it is, for so many of us, unforgettable.

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Appendix: Thomas's Log

T = Thomas;

P = Papa.

More Rupert Adventures 1952: "Rupert and the Mare's Nest",

Read on 16th January 2005

Page 5 (title page of story)

T: Hey, look at this Papa!

P: That's the king of birds.

T: Look that one's got a big beak!

P: Oh yes, that's right.

T: Why?

P: Well, probably because he's the king. And you see, look, what's that?

T: I think that's a horse, but, well, it flies!

P: I know, and what are these?

T: These are penguins.

P: Yes it's amazing, isn't it! So, this is "Rupert and the Mare's Nest".

Page 7

P: Thomas, you know what a mare is? It's a mummy horse.

T: Where's the mummy horse?

P: We don't know yet.

Page 9

T: Hey, look Papa, look. You see this bird. What is this bird doing?

P: Well it's telling Rupert he has to be careful.

Page 11

T: No it's not a wise bird, it's a wise owl.

P: Well an owl is a bird, but, yes, you're right.

Page 12

T: Papa, what is Mrs Bear doing?

P: She's wearing her dressing gown and looking out of the window.

Page 15

T: Papa, what is that bird doing?

P: Well he's going to give Rupert a lift

Page 17

T: Papa, what is the bird doing?

P: Well he's talking to Rupert. He's the king of birds.

T: Why he's the king of birds?

P: Well that's his privilege. Everyone has a king or queen.

T: But what is that bird doing?

P: Well that's the chamberlain. He's like the king's private secretary.

Page 20

T: What's the horse saying to Rupert?

P: She's saying that she's the king's horse.

T: But what has she got on her head?

P: That's a medal.

T: But why she got a medal?

P: It's because she's the royal horse. The horse that belongs to the king of birds.

Page 23

T: Papa, what is the flying horse doing?

P: The horse is saying Goodbye to Rupert.

Page 28

T: What is this?

P: That's the little bird that's telling them where the nest was. That's the same tree and these are the sticks from the mare's nest.

Page 29

P: And that's the end of the story.

T: But where's the station?

P: This is the station

T: But where's the train?

P: We don't see the train her; that's another story.

The Rupert Book 1956: "Rupert and the Blue Moon",

Read on 20th January 2005

Page 6

T: Papa, where's the Mama one going?

P: She's going shopping.

T: Oh yes.

Page 7

T: Papa: what's this?

P: It's a vase.

T: Papa, where's the blue moon.

P: Wait and see.

Page 9

T: Papa, look – what’s the cat doing?

T: Why’s he crying?

P: Because he’s broken the vase; he’s dropped it.

Page 11

T: Papa, what are these?

P: Well, they’re lights and stars.

Page 12

P: You remember we put a fairy on the top of the Christmas tree.

T: But where is it?

P: Well there isn’t a fairy.

Page 15

T: Papa, what are they going to do?

P: Well they’re on his eiderdown, his quilt. It’s a flying eiderdown.

T: Why?

P: Because he wished. It was magic powder.

T: Why?

P: It was magic.

T: Why was it magic?

P: Because that’s what the spark man said; he said it was magic powder; so Rupert’s going on the eiderdown because it’s magic.

T: But where’s he going?

P: We’ll see.

Page 16

P: That’s the blue moonshine.

T: And this is a darker moon?

P: That’s right.

T: Why is there a blue one and a black one?

P: Well the black one is the shadow of another moon.

Page 18

T: Papa, look; the moon’s white

P: ‘Well no, it’s still blue, but it’s a paler blue.

T: It’s white now.

P: No, it’s blue; it’s setting. It’s a very light blue isn’t it?

T: But Papa, it’s white now.

P: I still think it’s blue, but it’s setting.

T: Why is it setting?

P: Because moons always rise and set.

Page 19

T: But why did the castle disappear?

P: Well, because the blue moon is setting.
T: But if it goes, they'll have to quickly away.
P: Yes they'll have to go quickly.
T: Why?

Page 20

T: What are they doing Papa?
P: Well, the teacher's fainted.
T: Why?
P: Because Rupert's asked if he could have an ordinary one, and nothing's ordinary in a blue moon.

Page 22

T: Where's the blue moon pot?
P: Here it is.

Bio

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5 – *Malaysia's Foreign Policy: Beyond Personalism*

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Abstract

Purpose

To put Mahathir Mohamed's contribution into perspective in order to assess the degree of fit between the Model of Harmony through Holistic Engagement and Malaysia's actual foreign policy.

Design/Approach

This study follows the grounded theory approach to qualitative research. The Model of Harmony through Holistic Engagement is tested for fit through a historical overview of the major events in Malaysia's foreign policy. Government documents and primary sources were used to complement respected secondary sources.

Findings

The Model of Harmony through Holistic Engagement provides a very strong explanation as to the most important events in recent Malaysian foreign policy. It shows that the role of a strong leader is not incompatible with the influence of norms and values. Rather than focusing on the isolation of the specific role played by Mahathir Mohammed, the leader was taken as part of the foreign policy making apparatus operating in a strong cultural and organizational context.

Originality/Value

Rather than focusing on the isolation of the specific role played by Mahathir Mohammed, the leader was taken as part of the foreign policy making apparatus operating in a strong cultural and organizational context. Through this approach the trap of personalism is avoided while at the same time taken into account the important role played by key figures in the regime.

Research Limitations

The qualitative and holistic nature of the study makes the findings difficult to generalize. Individual elements of the Model must be tested in order to reach more definitive conclusions.

Key Words

Model of Harmony through Holistic Engagement, Mahathir Mohammed, Malaysia, Foreign Policy, Personalism, Comparative Political Science

Introduction

Malaysia is a country known for its economic dynamism as well as for its difficult multiethnic relations (CIA, 2010). With a population with a very large Chinese and Indian population and a very slim majority of ethnic Malays, Malaysia's domestic politics are centered on the issue of ethnicity (Shuib, Saludin, Feigenblatt, Keling, & Ajis, 2010; UNDP, 2009). Historically, the Chinese have controlled most of the economy while the ethnic Malays have focused on the civil service and farming (Heidhues, 2000). After independence from the United Kingdom, the economic disparities between the Chinese and the rest of the population became an important point of contention (Shuib et al., 2010). Political parties were formed mostly based on ethnic lines and the Malays focused on protecting their perceived rights as the original inhabitants of the land (Dhillon, 2009).

This early ethnic cleavage presented the most pressing problem to all prime ministers following independence. At the international level, the Cold War and later on the rise of China presented important challenges to the Malaysian leadership (Shuib et al., 2010). More recently the Asian financial crisis of 1997 showed the influence of international economic factors on domestic development and shaped Malaysian views on the role of international investors and the functioning of the market system (Hew, 2008).

The following section provides a brief overview of Malaysia's history and foreign policy. While Malaysia's history is long and eventful, the scope of the present study limits the events that will be covered in this section.

Malaysian History and Foreign Policy: A Brief Overview

Malaysia is a country with a very complex history. Different parts of present day Malaysia followed different historical paths. Most of peninsular Malaysia was populated by Malay Sultanates by the 14th century; other areas such as Penang and Singapore were ruled as Crown Colonies of the United Kingdom (Means, 2009). Sarawak was ruled by the famous White Rajas for more than two hundred years (Feigenblatt, 2009; Payne, 1995). Some Malay Sultanates experienced Siamese rule, while others did not (Feigenblatt, 2010). As previously stated Malaysia was part of the British Empire and while different parts of British Malaya were ruled as protectorates while others were ruled as Crown Colonies they were all influenced by the United Kingdom during the colonial period. One of the most lasting legacies was the flow of people from different parts of the vast British Empire into Malaya (Mulder, 1996;

Neher, 2002). Indians were brought by the British to work on the rubber plantations and Chinese moved from Hong Kong to work on the private sector as peddlers and middlemen. Ethnic Malays continued their rural existence while their nobility continued to serve in the civil service.

The result of this was that the economy fell under the control of the ethnic Chinese and the British while the majority of the Malays lived in poverty and remained stagnant in terms of education and overall development (Dhillon, 2009). During World War II, Malaysia was conquered by the Japanese and several provinces were taken over by Thailand (Feigenblatt, 2010). This period was important for Malaya due to the Japanese practice of encouraging ethnic Malays to run the local government and to foster Asian pride. World War II was also pivotal for the region's independence since it depleted the coffers of the United Kingdom and made the colonial enterprise an expensive and superfluous luxury in the eyes of the average Briton. The result was that the United Kingdom was eager to grant independence to most of its Far Eastern territories; in other words all the territories east of Suez except Hong Kong (Lee, 2000).

Malaysia's independence followed several stages, it was first the Union of Malaya and then it changed its name to the Federation of Malaysia. Singapore briefly joined and the Union but was then expelled due to the ethnic balance, Sarawak joined the Union, while Brunei opted for its own independence and the protection of a British contingent (Lee, 2000). Independence was followed by a period of close cooperation and alignment with the United Kingdom, exemplified by the rule of the Tunku Abdul Rahman who was considered to be a perfect British gentleman (Dhillon, 2009). Therefore, a close alignment with the Commonwealth and with the United Kingdom followed this initial period of independence. It was also marked by the confrontation with Indonesia which further moved Malaysia's foreign policy towards an alignment with the West. Malaysia had a formal security pact with the United Kingdom and as well as a highly integrated economy. British companies continued to exert considerable control over the Malaysian economy after independence with close cooperation with Chinese companies (Dhillon, 2009).

The Suez Crisis and the subsequent British decision to roll back foreign engagements, in particular in East Asia, resulted in a reassessment of Malaysia's security priorities as well as of its overall foreign policy (Lee, 2000). Malaysia had to increase its procurement of weapons as well as to cement alliances with other countries, both regional and extra regional, in order to pursue its interests in the international arena. A rise in Nationalism and the subsequent decrease of dependence on its formal colonial power partly resulted in the rise to power of the man who would rule Malaysia for the next two decades, Mohammad Mahathir (Dhillon, 2009; Keong, 2006).

Mahathir's time in power has been interpreted in many ways by scholars. Some argue that his foreign policy was driven by pragmatism while others favour an interpretation of a foreign policy driven by ideology (Andriessse & Westen, 2008; Blythe, 2013; Chottmann, 2006; CIA, 2010; Dhillon, 2009; Hew, 2008; Keong, 2006). Nevertheless

most of the literature written on Malaysia's foreign and domestic policy during the Mahathir years emphasizes the important role he played in its development (Shuib et al., 2010). Mahathir's rule was marked by nationalism on ethnic issues, alignment with Japan and East Asia in terms of foreign policy and rhetorical support for third world issues such as Palestinian self-determination and the Non-aligned movement (Dhillon, 2009). On the other hand Mahathir was also known for his mega-projects and for his emphasis on fostering development and modernization (Keong, 2006). Hydroelectric dams, skyscrapers, and the National car, Proton, were also the brainchildren of Mahathir. Mahathir's tenure in office was also marked by his support for so-called "Asian Values" and for opposition to universal human rights (Tow, Thakur, & Hyun, 2000).

His successors have followed a very similar course to the one charted by Mahathir with the exception of his rhetoric (Weitz, 2011). Mahathir invested a greater amount of time and effort in promoting his role as the spokesman of the third world than his successors. This is important in that many scholars see a sharp break with Mahathir's more bombastic leadership style, however in terms of actual foreign policy goals, Malaysia's foreign policy has changed little over the years.

Applying the Model of Harmony through Holistic Engagement to Malaysia's Foreign Policy

The purpose of this study is to test the fit of the Model of Harmony through Holistic Engagement to Malaysia's Foreign Policy. In the case of Malaysia this is particularly necessary due to the widespread emphasis of the literature on the role played by Mohammad Mahathir on the development of Malaysia's foreign policy (Dhillon, 2009). The main challenge is to separate Mahathir's personal imprimatur on Malaysia's policy from the country's "organic" policy based on its interests, values, and norms.

It is clear that the period before Mahathir was marked by a close alignment with the United Kingdom. As a newly independent nation formed out of a vast array of minor formerly sovereign or semi-sovereign states, the first few years of the country's independent life were focused on security and on the threat of Indonesia (Heidhues, 2000). Thus, early Malaysian foreign policy was reactive rather than proactive. Nevertheless, Mahathir's rise coincided with a period of increased assertiveness as well as a more flexible diplomacy Malaysia's foreign policy shifted its focus on alignment with the United Kingdom to other newly emerging power centres such as China, Japan, and the United States.

The important question asked by most scholars interested in Malaysian foreign relations is whether the shift was due to the idiosyncratic preferences of a strong leader, in this case those of Mohammad Mahathir, or simply the natural result of an international shift in power away from Europe. Separating the causal variables in foreign policy is never an easy endeavour due to the confidential nature of the decision-making process as well as the complex interaction of multiple influential causes

(Ashizawa, 2008; Miyagi, 2009; Tickner, 2008; Vu-Tung, 2007). This study aims to circumvent this trap by starting from the assumption that Malaysian foreign relations follow their own internal logic resembling regional norms of interaction and competition, namely the Model of Harmony through Holistic Engagement. Thus, while not questioning the important role of policy makers such as Mohammad Mahathir, this study simply acknowledges that Mahathir is part of the policy making system and thus subject to the same rules, norms, and practices as the rest of the foreign policy making apparatus. Therefore, the rules that govern the rest of the policymaking team also apply to strong leaders such as Mohammad Mahathir. The premier's strong support for the discourse of Asian values further support this assumption due to his implicit recognition of a distinct cultural community in Greater East Asia (Dhillon, 2009; Keong, 2006).

Karminder Singh Dhillon identified the most important outputs of Malaysia's foreign policy in his magisterial book on the subject (2009). Some of the outputs that he identifies in his study include Malaysia's two "Buy British Last" campaigns, the country's Commonwealth Policy, the well-known "Look East" Policy, and finally Mahathir's Third World Spokesmanship (Dhillon, 2009). In this section we will try to interpret the policy outputs identified by Dhillon (2009) through the lens of the Model of Harmony through Holistic Engagement.

As previously mentioned, Malaysia's close alignment with the United Kingdom ended during the early years of the Mahathir administration (Stockwell, 2004). While Mahathir's background may explain his lack of an emotional attachment to the alliance with the British, there are other important factors to be considered (Dhillon, 2009). Britain's decision to remove its troops from most of East Asia and the Far East created a security vacuum and opened the possibility for instability in a region with many newly independent nation-states (Lockard, 2009). As a multicultural state composed of disparate parts of the former British Empire and formerly independent Sultanates, Malaysia was under the clear threat of both internal and external instability. This was further exacerbated by the militant foreign policy of their large neighbour, Indonesia, as well as by the establishment of the Communist Party of Malaya and the beginning of the insurgency (Feigenblatt, 2010; Funston, 2010; Means, 2009; Notar, 2008; Shuib et al., 2010). All of the previously mentioned challenges were compounded by the inexperience of both Malaysia's leaders in terms of foreign policy and diplomacy as well as those of other regional countries.

Interpreting Malaysia's decision to seek a more independent and flexible foreign policy after Britain's decision to cut back on military spending and on its responsibilities in the Far East, simply reflect Malaysia's wish for greater interaction with their newly independent neighbours in order to seek national growth and prosperity. This view is supported by Malaysia's considerable expansion of diplomatic missions to most regional countries and the conscious and concerted efforts to increase cooperation in both trade and security (Dhillon, 2009). Thus, Mahathir's decision to court other

powers can be attributed to more than just an ideological change of mind but rather simply reflects the need for flexibility in uncertain times.

Another way of interpreting Malaysia's more flexible approach to world powers is through the Model of Harmony through Holistic Engagement. According to this Model, the goal of Greater East Asian countries is to achieve harmony defined as stability and prosperity. As the name of the Model implies, this can be best achieved through holistic engagement with a wide array of regional and world powers. Thus, Malaysia's decision to deal with a greater array of regional and world powers rather than simply following the foreign policy of the United Kingdom simply reflects regional norms regarding the importance of engaging neighbours in constructive dialogue, negotiations, and competition in order to achieve harmonious coexistence and hopefully prosperity. This interpretation is strongly supported by Mahathir's decision to engage with both the United States and with the Soviet Union and by doing that attempting to position Malaysia to develop and to take advantage of a more globalized international system.

Mahathir's particular execution of this regional norm is his support and active leadership of the Non-Aligned Movement. While the Non-Aligned Movement has been criticized for its very superficial and at times ambiguous agenda, it clearly reflects the regional norms explained in the Model of Harmony through Flexible Engagement (Chang, Chu, & Park, 2007). In a period of sharp political and economic polarization NAM, was a valiant attempt to open some international space to more flexible and pragmatic forms of interaction based on the needs and interests of individual countries rather than based on international ideologies interpreted through the needs of the great powers. Mahathir, operating as he was in an environment characterized by Greater East Asian norms of interaction, attempted to find a way to operationalize the needs of his country and NAM was his answer. He did not have enough freedom of movement to completely overcome the constraints of the Cold War system at the Global level but he managed to circumvent most of its constraints at the regional and sub-regional levels. Examples of this include his cooperation with both countries aligned with the United States as well as with countries aligned with the Soviet Union. This allowed him greater freedom of action to seek greater regional stability and prosperity for Malaysia.

Another important policy outcome was the Buy British Last and the Looking East Policy (Dhillon, 2009). While these two foreign policy outcomes can be interpreted in a vast array of ways this study will attempt to explain them through the previously introduced Model of Harmony through Holistic Engagement. The most direct interpretation appears to lead to a simple manifestation of atavistic nationalism. Nevertheless a more nuanced interpretation must couple the two policies and their intended effect. Buy British Last on its own can be seen as a reaction to perceived British affronts to Malaysian policies such as those favouring Malay ownership of important enterprises, nevertheless the virtually concurrent promotion of Japanese investment and cooperation makes the nationalism argument untenable. While a certain sense of competition with the United Kingdom and with their business partners in

Malaysia, the Chinese was certainly an important factor, the policy also demonstrates a shift in national identity away from the Commonwealth and towards Greater East Asia.

Buy British Last was a policy that favoured doing business with other countries rather than with the United Kingdom; in other words, to purchase British products only if they could not be purchased from any other source. The Look East policy was the positive or proactive side of the previous policy in that it favoured looking for business partners and developmental models from the East rather than from the traditional West. The Model of Harmony through Holistic Engagement shows that regionalism is a growing force in Greater East Asia and that there is an increasing sense of a common identity among regional countries. While Malaysia was under Western influence for a long time, the country started to adopt a more Asian identity after its independence from Britain. Ideas of regional identity found resonance in the words of other regional leaders such as Lee Kuan Yew of Singapore and Shintaro Ishihara of Japan, *inter alia* (Lee, 2000; Togo, 2005). Practical reasons also encouraged greater regional cooperation with rising economic powers such as Japan and later on China. This is clearly explained and expected if one follows the Model of Harmony through Holistic Engagement which posits that harmony is sought in Greater East Asia through a mixture of negotiation, cooperation, and competition. Nevertheless, holistic engagement with regional players does not obviate a continued relationship with Western Powers. This was clearly seen when Mahathir relaxed the Buy British Last policy while at the same time strengthening the Look East Policy. Thus, the Buy British Last Policy can be seen as a way to set the stage for a more regionally centered foreign policy rather than as a clean break with the West. This interpretation is supported by Malaysia's continued trade with the West while also increasing trade with the Greater East Asian region, further supporting the notion of Holistic Engagement.

More peculiar was Mahathir's Third World Spokesmanship. Mahathir attempted to use his prominent role in the Non-Aligned Movement to become a leader of the Third World. This does not mean that he claimed either to provide solutions for the Third World nor to instruct them on how to develop or lead their countries but rather to voice their concerns and defend their common interest in international fora (Dhillon, 2009). Examples of this include Mahathir's vocal support for the end of Apartheid and for the African National Congress, at the time listed as a terrorist organization by many Western States. Another important cause that was espoused by Mahathir was peace in the Middle East, in particular the issue of Palestinian Statehood. Nevertheless, it should be noted that Mahathir's vocal support for the interests of the Third World did not result in cutting Malaysia's ties to the developed world. Thus, while Malaysia vocally supported important concerns shared by developing countries he continued to work together with developed countries in order to increase trade and security for his country. This shows that Mahathir and Malaysia were guided by more than simplistic ideological considerations but rather by a complex set of interests and norms leading to an active engagement with both the developed and the developing world. This mirrors the state-state interactions predicted by the Model of Harmony through Holistic

Engagement. Malaysia's competition with the West over issues such as the Palestinian problem did not hamper Malaysia from cooperating with Western countries on other issues. This conclusion can be reached through tracing Malaysia's actual policy actions rather than simply Mahathir's rhetoric. While Mahathir is well known for his strong criticism of the West and vociferous calls for Third World unity, Malaysia's actions show strong cooperation on technological transfer, regional security, and trade during this same period.

Finally, it is important to analyze Mahathir's developmental policy for Malaysia and his dream to make the country a developed one before 2020. Mega projects such as hydroelectric dams, the national car project (Proton), and mega skyscrapers all mark the external trappings of Malaysia's drive towards the goal of developed country status (Keong, 2006). Mahathir's ambitious vision for Malaysia was more than simply the accumulation of expensive infrastructure projects but rather a complex plan to make Malaysia a strong and advanced economic powerhouse (Hew, 2008). Malaysia's policy of supporting Malay owned companies and of intervening directly in their day to day operations is very different from the traditional Western model of development. Mahathir decided to emulate the Japanese model of development, also known as the developmental state model (Kingston, 2011; Sakamoto, 2008).

Conclusions

This research focused on Malaysia's foreign policy and how it can be explained by using the Model of Harmony through Holistic Engagement. Malaysia's foreign policy is difficult to analyze objectively due to the strong personality of some of its iconic leaders. It is very challenging to separate the role of the leader with the influence of other factors such as the international environment as well as other contextual variable such as norms and values. Nevertheless, this research provided a broad overview of Malaysia's modern foreign policy history in order to provide several possible explanations for foreign policy outcomes.

The Model of Harmony through Holistic Engagement provides a very strong explanation as to the most important events in recent Malaysian foreign policy. It shows that the role of a strong leader is not incompatible with the influence of norms and values. Rather than focusing on the isolation of the specific role played by Mahathir Mohammed, the leader was taken as part of the foreign policy making apparatus operating in a strong cultural and organizational context. Through this approach the trap of personalism is avoided while at the same time taken into account the important role played by key figures in the regime.

Malaysia's foreign policy shares many important characteristics with those of other regional neighbours and thus fits well with the Model of Harmony through Holistic Engagement. This is a clear sign that while the form of regional governments may vary their essence is very similar. In order to understand the behaviour, in this case policy

outcomes, of regional countries it is necessary to look beyond the form and focus on essential characteristics and values shared by regional governments.

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Notes

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