KOBE GAKUIN UNIVERSITY

Kobe Gakuin University East Asian Industry and Economy Research Center News Letter

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ERC
East Asia Industry and Economic Research Center

518 Arise, Ikawadani-cho, Nishi-ku, Kobe 651-2180 TEL +81-(0)78-974-4829 FAX +81-(0)78-974-5856
E-mail : asia@eb.kobegakuin.ac.jp
http : //www.erc-kobegakuin.prg

Contents

July 2005 Kobe Seminar
Hosted by East Asian Industry and Economy Research Center, Kobe Gakuin University

I hope this News Letter finds you well and prospering.

The East Asian Industry and Economy Research Center (ERC) was selected as an open research center by the Ministry of Education, Culture, Sports, Science and Technology (MEXT). Through the ministry's 5-year grant program starting fiscal 2002, we have proposed industrial policies in the ASEAN region and China, and provided companies with useful information. (Survey and research activities already started in fiscal 2000.) As a part of such efforts, we also staged annual seminars for the four consecutive years from fiscal 2000 in Bangkok, as well as in Kobe after fiscal 2002 with grants from MEXT, to which business leaders and government officials were invited and some very useful things were said and done. Also, in September last year, a seminar was held in Shanghai as our first-ever seminar in China.

As a continuation of these activities, we also held a seminar on campus at Kobe Gakuin University this past July 9 (Sat.), on the subject of "Globalizing Asia and Competitiveness of Local Manufacturing Industry". The seminar focused the spotlight on the growing presence of local firms in Asian countries, China in particular, featuring three speakers who then talked about how such firms could demonstrate their international competitiveness amidst the waves of globalization and FTA (free trade agreement) that are sweeping across all of Asia.

About the resent remarkable performance of private companies in China, two leading Chinese researchers were invited to make speeches. Also, Moriki *OHARA*, who is our research staff as well as a member of the Japan External Trade Organization's Institute of Developing Economies, reported on the motorcycle industries of China, Taiwan and India from his most recent field studies. The reports delivered by the three guest speakers were full of extremely significant information. Therefore, the minutes of the presentations will be circulated so as to convey that information to a greater number of people. I hope that the information will prove useful to readers everywhere.

Megumi *NAKAMURA*
Professor, Faculty of Economics
Director, East Asian Industry and Economy Research Center

Kobe Gakuin University
East Asian Industry and Economy Research Center

Kobe Seminar Program
"Globalizing Asia and Competitiveness of Local Manufacturing Industry"

Date/Time:July 9 (Sat.), 2005/13:00 ~ 17:30
Place:No. 11 Bldg., Conference Room, Kobe Gakuin University
518 Arise, Ikawadani-cho, Nishi-ku, Kobe

1st Report "Current Situation of Private-Sector Business Development in Shangdong Province, China"(in Chinese with sequential interpretation)

LIN Hong, Director, Shandong Province International Technology and Economy Research Center

2st Report "Privatization of Chinese Companies in Terms of Complementary Relationship between State-Run and Private-Sector Businesses"

YAN Bin, Assistance Professor, Faculty of International Business, Nankai University

3st Report "Development History of Local Manufacturing Firms: Case of Motorcycle Manufacturers in China, Taiwan and India"

Moriki *OHARA*, Researcher, JETRO Institute of Developing Economies

Moderator Yasumasa *TAKEJI*, Professor, Faculty of Economics, Kobe Gakuin University

Commentator Kenichi *HIDAKA*, Asst. Professor, Faculty of Economics, Kobe Gakuin University

Kai *KAJITANI*, Asst. Professor, Faculty of Economics, Kobe Gakuin University

Current Situation of Private-Sector Business Development in Shangdong Province

LIN Hong, Director, Shandong Province International Technology and Economy Research Center

1. Basic Concept of Private Sector-Driven Economy

A non-public ownership economy, private sector-driven economy, sole proprietors, private companies, xiang-zhen companies (medium and small-sized companies in towns and villages), etc.

2. Policy Environment of a Private Sector-Driven Economy

Since 2002, Shangdong Province has released policy documents including "Decisions to Accelerate Development of Private Sector-Driven Economy" and "Supplemental Regulations on Minor Problems in Promoting Private Sector-Driven Economy". The province completed a basic service system across the region over the past 3-5 years, where streamlined intermediary services are monitored and managed. Shangdong Province also created six key services—financing assurances, credit evaluation, human resource development, technical information, legal services, and trading associations—and proposed establishment of a series of concrete measures to help the development of intermediary services organizations.

3. Development of Private Sector-Driven Economy Over Past Two Years

Sole proprietors and private companies in Shangdong Province have developed in terms of production scale, business domains and developmental stage, and became part of the most robust economic area in Shangdong. At the end of 2004, there were 1.66 million sole proprietors, employing 3.445 million people and attaining capital of 30.67 billion yuan. These figures constitute a 4.6% increase, 0.7% decrease and 14.8% increase respectively from the same period in the previous year. Private companies numbered 276,000, employed 3.902 million people and registered 319.64 billion yuan in capital. Compared to the end of 2003, these figures increased 20.8%, 6.5% and 47.1% respectively. The total production output of sole proprietors and private companies in Shangdong Province came to 312.04 bullion yuan in 2004, while total sales, or sales revenue, amounted to 426.17 billion yuan. Retail sales of consumer goods totaled 270.55 billion yuan. Against the previous year, the figures increased 14.2%, 12.7% and 23%, respectively.

4. Current Important Issues

On the whole, competitive strength is not high. Compared to state-run companies and private companies in other provinces and cities, business scale is still small, the level of development is low, and scientific technology level is not high. A major issue within companies is the shortage of human resources, and among the main external issues are insufficient capital, rising prices of raw materials and stringent land markets

5. Outlook on Future Development

Within a set period of time beyond 2005, Shangdong Province will develop a strong non-public sector-driven economy, calling for "free thought, equal treatment, improved environments, improved services, standards based on law and their observance, protection of rights and interests, better guidance and enhanced corporate constitution". The province will seek greater freedom of thought, promote innovation, eliminate obstacles to the development of a non-public sector-driven economy, and ensure fair competition. State laws and policies will be better tuned and the legal rights and interests of private companies and their employees will be protected by the law. Governmental monitoring and management as well as services will be stepped up to create an environment favorable to the development of a non-public ownership economy. Guidance will also be provided so that non-public ownership companies operate under the law, honor credit, build sound managements, relentlessly develop their corporate constitutions and attain sustainable and sound growth. Comparing the firm policy of promoting non-public ownership business within a publicly-owned system to the advancement of socialism modernization, the province will create a framework in which each ownership economy will demonstrate its respective superiority under market principles and ensures "reciprocal enhancement and development".

Privatization of Chinese Companies in Terms of Complementary Relationship between State-Run and Private-Sector Businesses

YAN Bin, Assistance Professor, Faculty of International Business, Nankai University

Introduction

I have studied primarily Japanese companies and their management styles. However, today I would like to talk about Chinese companies. The Chinese economy has been on steady growth for the last 20 years. What is the best way to look at the Chinese companies that have fueled this economic growth?

Most of the past studies on Chinese companies have focused on state-run companies. There is a preconception that a Chinese company means a state-run company. In the latter half of the 1980s, University of Tokyo Professor Ryutaro *KOMIYA* made a research on state-run companies in China and concluded, “No businesses exist in China”. His reasoning was that the state-run companies were like miniature societies and that they did not represent any economic activities. A business should serve not only as a place for exchanges like a market, but also as a social entity that delivers benefits, such as purpose of life and social security, to workers.

The recent growth of private companies in China has been remarkable. However, I don’t believe this means that private companies are outpacing state-run companies. I myself worked for a state-run company from the late 1980s to the early 1990s. My company had dealings with some private companies, and I found the quality and management efforts of these private companies inferior to those of the state-run companies. Then, how did those private firms grow so rapidly? I will discuss later the mystery behind high growth of private companies.

The Chinese industry has complexity specific to its country. Traditional industry and modern industry coexist, and so do planned economy and market economy. In terms of form of management, different styles, such as state-run, private and foreign management, exist. Under such circumstances, it is difficult to say that a private company is synonymous with an advanced company. The statistical data from Zhejiang Province, where privatization is most advanced in China, showed several characteristics among the region’s private companies. More than 70% of the entrepreneurs were found to have only a middle school education. Most private companies in the province were medium- and small-sized firms, including family-owned ones, and belonged to the labor-intensive industry sectors. Many of the companies are not independent or innovative, and rather dependent on imitation activities. Their business philosophy is also conservative. Nevertheless, supported by such congregation of private companies, which we can call even “pre-modern”, Zhejiang Province has recorded the largest production with 56 out of the nation’s 543 industrial product items, and the second largest with 109 and third largest with 154. We can say that these small companies showed outstanding economic performance.

How to Look at Chinese Companies

I would like to present the basic perspective of my business research. I define “market”, “business” and “society” as “places” where human economic and social desires are materialized. I consider “market” as a “place” where individuals can excise their independence and thus their economic desires are materialized, while “society” as a “place” where individuals can satisfy their social desires by belonging to a community. Figure 1 shows that “business” serves as both an economic organization and social organization and that “market”, “business” and “society” have complementary relationships with one another.

“Market”, “business” and “society” constitute a single socioeconomic system, which has a dynamic balance and provides mechanisms for the coexistence of differing elements and self-regeneration. The

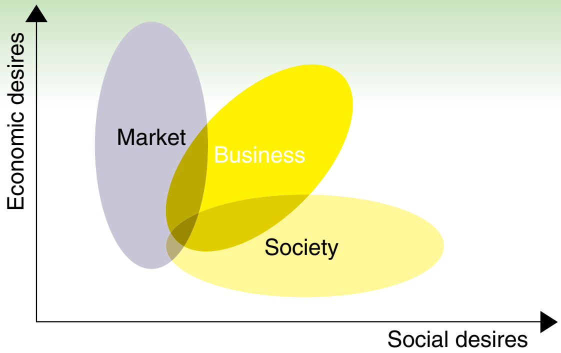

Fig. 1

issue is how “market”, “business” and “society” balance out. The United States places disproportionate weight on “market” among the three, whereas in Japan and China, “market” and “society” are weakening (especially China’s state-run companies), and companies there internalize a great portion.

Like in Japan, the functions of “market” and “society” have been weakening in China. In the postwar era, under unusual international circumstances, China chose a path of economic development based on planned economy and self-sufficiency. Companies were not just economic organizations but also played roles as economic, social, administrative and political entities. Companies were also unified regardless of its size. As a result, they suffered diseconomies of scale and a heavy social burden. China’s state-run companies are big in size, but are not managed as a business, experts say.

Unless complementary relationships among “market”, “business” and “society” recover, a fundamental reform at state-run companies cannot be realized. State-run companies are making efforts to get away from the excessive internalization of “market” and “society”. I believe that companies need to dismantle the “market internalization” and “social internalization” through the recovery of their market competitiveness and the society’s “mutual assistance” function.

Roles Played by State-Run Firms in Economic Development

China’s state-run companies are currently under harsh criticism, and the independence of state-run companies is in question. The legacy of state-run companies has become a heavy social burden. Yet, we cannot overlook the important role that these companies played in promoting the growth of private companies. First of all, the technologies, capital, human resources, as well as management assets including marketing and management know-how, at state-run companies, have contributed greatly to the development of xiang-zhen companies, directly or indirectly. “Sunday engineering” was a phenomenon peculiar to China. The state-run companies were usually off on Sunday, but their engineers went over to private firms to provide engineering know-how to the workers. In the 1980s, engineers and skilled operators from state-run companies worked 3-4 days a week at private companies as a second job. Some even transferred to the private sector. Private companies also received technology transfer, subcontracting, and outsourcing from state-owned companies. In the latter half of the 1980s, “ren-ei,” a phrase indicating cooperation between state-run companies and private companies, became popular. State-run companies transferred technologies, licensed brands, and more to private firms. For example, a private company in Tsingtao produces bicycles under the famous brand of a state-owned firm in Shenyang.

On a career front, many entrepreneurs once worked for state-run companies before starting businesses. From the late 1980s to the early 1990s, engineers and executives at state-run companies went into business, and such phenomenon was called “xia hai”. Among the private companies founded after 1999, about 25 % were those created by ex-executives from state-run companies. Such companies are relatively large in size and capital.

Revolution of State-Run Companies

As you can see, state-run companies contributed to the development of private companies. However, today, the growth of the private sector has become a prerequisite to the success of reform at state-run companies. Private companies are expected to offer potential employment positions to those who lost jobs due to restructuring at state-run companies. The workforce at private companies increased 3.5 times over the 10 years from 1992. Also, private companies are inversely playing a part in streamlining state-run companies. About 26% of all private companies are those converted from state-run or group management to the private sector.

There are several patterns in which private companies contribute to the conversion of a state-run company to the private sector. Among them, I would like to present a case of privatization realized through the acquisition of stock in a state-run company. It’s a maker of a famous brand of herbal medicine, which was nationalized after the New China, the People’s Republic of China, was created. The company suffered consecutive years of losses, and its management assets had fallen into a dire state. In 2001, entrepreneur *ZHANG* Yansen purchased some of the company’s shares. Even after the entry of private capital, the state remained the top shareholder with a 40% equity stake, but *ZHANG*, who acquired 34%, was appointed president.

In some cases, state-run companies were bought out or transferred to the private sector by auction. One conspicuous example was the acquisition of a food company group based in Tianjin. This past February, the Center for trade of property rights in Tianjin auctioned off the food company and the abovementioned pharmaceutical company bought it for 106 million yuan. This is a very interesting case, because an entrepreneur used assets of a state-run company to acquire yet another state-run company. But, this is not a rare case. Many private companies have increased their asset holdings by taking advantage of the state-run company restructuring policy.

Problems in Privatizing State-Run Companies

The privatization of state-run companies has been going smoothly, but a few problems have come to the surface. One problem drawing people's attention is MBO (management buyout). The privatization scheme has been often seen over the past 2-3 years. One peculiarity about MBOs in China is that company executives acquire a controlling share of a state-run company at an extremely low price by utilizing the difference between outstanding shares and non-outstanding shares, and transferring non-outstanding shares through negotiations. Such MBO scheme could cause damages to a wide range of the shareholders of outstanding shares. Under the original MBO method, people purchase a company by putting up their own capital. However, the widespread practice in China is to acquire ownership without paying face value, by colluding with concerned bureaucrats. The executives of state-run companies are bureaucrats "appointed by the government" and have been granted extensive authority. This MBO maneuver for acquiring state-run companies is being used as a means for converting power into capital.

Non-mainstream economists have aggressively pointed out the problems of such MBO practice. Professor *LANG* Xian Ping of the University of Hong Kong criticized those manipulations of financial assets by state-run companies, including MBO, stock listing and capital increase, as depredation of state-owned assets. He directed his attacks at such well-known companies as Haier, TCL and Greencool Technology Holdings. The professor argues, "The larger the corporation, the more active role the government should play, rather than leaving everything to the private sector. It is only a myth that state-run companies are less efficient than private companies. In fact, many state-run companies have registered sizable profits. Some economists believe that privatization is the only breakthrough toward corporate overhaul. However, their arguments are not based on logic or facts." Concerning MBO-related fraud, China's Ministry of Finance has actually issued the following statement; "large state-run companies, companies controlled by the state and subsidiaries in charge of core operations of these companies must not sell their assets to the companies' executives."

A state-run company shoulders heavy social responsibilities, including job security, social welfare, education and training, public works projects, and economic infrastructure. Private companies provide hardly any employee training, and do not hire new graduates. In that sense, state-run companies have played a major role in education and training of the workforce. Private companies in China are currently trying to reduce the cost of unemployment insurance and medical insurance, and are making it difficult for workers to form labor unions. The government should improve the social security system with the taxes that private companies paid off their profits.

Future of the Private Sector

The private sector has reached a big turning point. Since the start of private management in the 1980s, private companies have enjoyed a "systematic dominance", but the environment of competition is changing. One big change is that foreign companies are eating away at their market share, and another is that state-run companies are becoming more efficient reflecting efforts to streamline operations. Furthermore, the competition among private companies is accelerating. The business climate among private companies is not rosy either, and the effects of their systematic dominance are gradually thinning. Private companies need to revamp their corporate governance and improve their management practices. Let me mention something about governance in the private sector. At present, an increasing number of private companies are converting their management styles from sole proprietorships to limited liability companies. Ten years ago in 1993, sole proprietorships accounted for 63.8% of all private companies, while the current figure is just 22.5%. Inversely, limited liability companies have surged from 16.5% to 62.9%. Big changes are being seen in business configurations. Nonetheless, the corporate governance mechanism has not changed. The once-admired Wenzhou Model (small family business) is beginning to show the limitations. Growth rate in recent years has fallen below the national average and marked second from the bottom in Zhejiang Province.

I believe that the complementary relationship between private companies and state-run companies is important for the growth of private companies. Also vital are complementary relationships among private firms, state-run companies, and foreign companies. Through the complementary relationships, we aim for a balance in the socioeconomic system. The vitality of the private sector helps improve market mechanisms, but before a public social security system is fully established, the social functions of state-run companies are still in need. The balance of state-run companies with market, the balance of state-run companies with society, restructuring of state-run companies, as well as growth of private companies combine to build and develop a harmonic balanced society in China.

Development History of Local Manufacturing Firms: Case of Motorcycle Manufacturers in China, Taiwan and IndiaState-Run and Private-Sector Businesses

Moriki *OHARA*, Researcher, JETRO Institute of Developing Economies

Introduction

I have a theory that local manufacturers have a special competitive edge in the motorcycle industry and I would like to prove that. I will explain exactly what this competitive edge is and how it formed. Some might say that, if competition escalates, the industrial structures of a country, regardless of whether China, Japan or what have you, will homogenize. However, in recent arguments about competitive strategies, the competitive edge has shifted focus to the invisible unique management resources and abilities accumulated in a company. I would like to examine these unique management resources accumulated in developing economies, taking an example of the motorcycle industries of China, Taiwan and India. The reason I chose the motorcycle industry and the three countries is that local motorcycle manufacturers in those countries are the main players of competition. China has a distributed structure consisting of about 150 local and foreign companies. In Taiwan as well, local companies play the leading role in the industry. In India, the motorcycle industry is recently robust with local manufacturers being the key players. In other countries, few local companies exist as foreign companies like Honda, Yamaha and Kawasaki are the principle makers.

Characteristics of the Motorcycle Industry

According to the worldwide motorcycle turnout in 2003, production and consumption concentrated 90% in Asia. Except for China, Taiwan and India, products are mostly from Japanese companies. In other words, Japanese companies merely change their battlefield and compete with one another in each country. Honda, in particular, made 10 million or about one-third of the worldwide 33-million turnout in 2003. In the meantime, local companies in China, Taiwan and India are trying hard and compete aggressively.

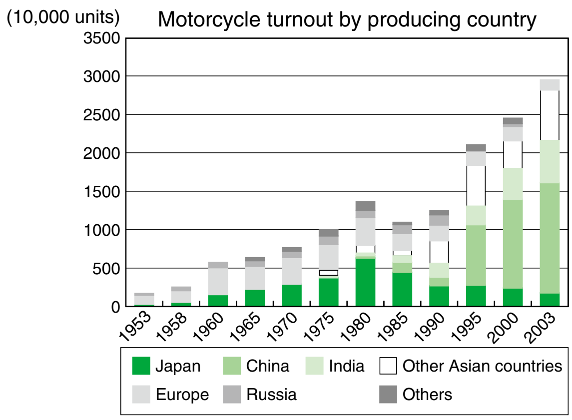

Fig. 2

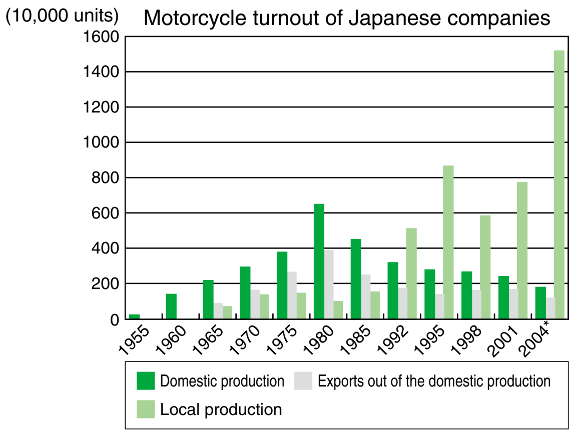

Fig. 3

Another reason to focus attention on the motorcycle industry is that the industry has become mature, and product technologies hardly change. Regardless of whether in China, India and Southeast Asia, a few models dominate the market. A limited number of models such as Honda's Super Cub (C100) and CG125 are the industry standards, and manufacturers add some minor changes to the models to distinguish themselves. Unlike the IT industry, the motorcycle industry sees no changes in makers' positions because of a change in technologies. Some products remain the same for 20-30 years. The Super Cub was developed 45 years ago, while the CG125 was developed 30 years ago and the technology has hardly changed. However, one thing I would like to point out is that, though the motorcycle production technology has progressed little, a motorcycle takes time to make if makers desire to create something of good quality. Adding just a minor change can greatly affect the performance, quality and durability of the overall product. A motorcycle is a product that has a great influence on the human society, and makers need to take into consideration potential problems related to safety, environment, noise and exhaust gas. Therefore, detailed knowledge of the whole product is required to maintain good quality. You need a company that can integrate all of that. It is not as simple as connecting a modem or CPU to a PC. Repeated technological innovation is important and efforts must be made to accumulate technologies. With a motorcycle, it is easy to make international comparisons about how technologies are accumulated, by analyzing the products of various countries.

Growth Process of Businesses in Developing Economies

I would like to provide you a perspective for viewing the characteristics of business development processes in developing economies. It serves to explain the diversity that complements the general idea or universal theory, about industrial development. I would like to focus on the diversity of development processes seen in the transition from price competition fueled by low-priced, low-quality imitations to differentiation competition. China, Taiwan and India have already passed a period of quantitative expansion and entered into a phase in which they need to distinguish themselves.

The following five indices can be used to gauge the development process: "quality improvement", "novelty", "mass-production scale", "overseas expansion" (adaptation to differing cultures) and "original brand" (strategies, services, etc.). Each individual company

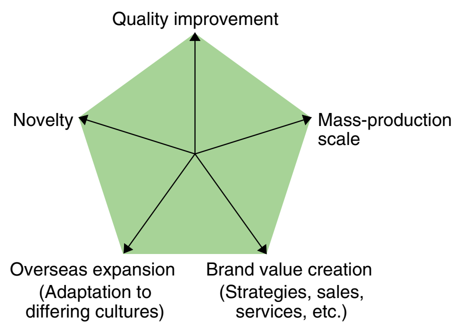

Fig. 4

strengthens these five performance fields. All companies are on the equal footing, but diversity is created amongst companies depending on the field and elements they emphasize in the quality improvement stage.

Differences of Local Industries in China, Taiwan and India

Companies in Taiwan and India are similar in how they both are highly conscious of quality. Japanese companies recognize “no big differences in quality” from their own products. When analyzing novelty as to whether they develop new engines or not, Taiwanese companies stand ahead. Sanyang Industry is developing an original large-size engine. Taiwanese companies get technical support from foreign companies and work jointly with governmental research institutes, but competition began among them to launch new models. The same thing is happening in India, too. In terms of overseas expansion, Taiwan exports half of its total production, while India exports only few and is more dependent on the domestic market. Both India and Taiwan have launched original brands, but overseas brand recognition is slightly higher for Taiwanese products than Indian products. In terms of mass-production scale, Taiwanese companies have less capacity, producing 60,000-70,000 units a year, while some Indian companies turn out one million units a year.

What is marked about Chinese companies is their rapid expansion of mass-production scale. The impetus to deliver scale and produce a lot can be seen as the intention of companies. As for quality and novelty, China is inferior to Taiwan and India. For overseas expansion, China exports about 25% of its products. Some Chinese companies have their own brands, but brand value is very low.

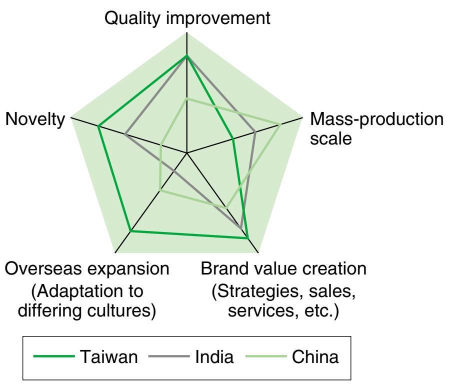

Fig. 5

Now, I would like to explain why such differences have emerged in the growth process of local manufacturers in China, Taiwan and India. One reason is the difference in market demand structure. Among other reasons are the difference in relations with rivals of the same industry and difference in factors that affect the supply structure, such as governmental measures. First, let’s analyze the difference in supply structure. In Taiwan and India, companies holding large market shares have a stable position and do not compete so differently than Japanese companies do. Those companies are competing over quality rather than price. However, the situation is different in China. The cumulative production share of the top seven companies in China comes to as low as 5-6%. As there are about 150 motorcycle manufacturers, a market structure is quite distributed. In short, companies of the same capacity make products of the same quality and compete over price.

Next, let’s examine the difference in demand structure. In India and Taiwan, particularly in the latter, cities are the core of the market. In Taiwan, one out of every two persons owns a motorcycle. The domestic market in Taiwan is small with about 800,000 units. India has a large population, but the motorcycle has yet to spread in a full scale. In India, one of every 33 persons owns a motorcycle. Like Taiwan, sales in India center on cities. A motorcycle carries a price of about 90,000 yen, which is considered expensive to a common worker. The main motorcycle market in China is farming villages. Motorcycles are prohibited in cities. Also, prices are as low as 50,000 yen for a 125-cc motorcycle. Regulations on safety and environmental friendliness have yet to fully spread in rural areas in China. The country has an inspection system and its environmental regulations are extremely strict. However, people in outlying cities do not always observe these regulations. Even the police do not interfere. From what I can tell, in Taiwan and India, consumers are quite conscious about quality and they obey the law.

Taiwan and India have companies like Sanyang Industry and Bajaj, which have a long history of motorcycle production dating back to the early 1960s, and their production has steadily increased over the years. In China, motorcycles for military use have been produced for a long time, but production for civilian only began in the early 1980s. Then, in the first half of the 1990s, China experienced a sudden, explosive growth in production. As a huge market, a scale never seen in Taiwan and India, emerged in such a short period of time, it was hard for China to become motivated into pursuing technological accumulation. There seems to have been a greater impetus for mass-production. Manufacturers directed a limited amount of resources to mass-production. For that reason, efforts to improve quality became secondary. Moreover, in the pursuit of mass-production, they concentrated on existing models of mass-production and forewent efforts to enhance developmental capacity that would have led to original models. The typical example is Jialing, a company that prioritized technical issues to keep production costs of existing models at a low level and eventually lost steam in the latter half of the 1990s because the company failed to keep pace with market changes. Jialing had received guidance from Honda on starting up this mass-production plant, and Honda suggested introducing equipment for flexible production. However, Jialing turned down the idea and opted to increase production scale instead.

The reason why China tends to fall into price competition over products of similar qualities can also be found in the partnerships between motorcycle manufacturers and suppliers. In Taiwan and India, there are suppliers that have long relations with manufacturers.

However, that is not the case in China. For example, manufacturers do not offer any sort of guarantee against investment costs that suppliers must endure when a new product is developed. This apparently implies: “If you like, you can join the development process, but you should bear the risks yourself. We can’t help you if anything happens.” Under such a situation, few suppliers are willing to provide specific assets to specific manufacturers. Instead, they choose to deliver the same products to other manufacturers as well. Motorcycles have the strong incompatibility between parts. Therefore, to build a high-quality finished product, a company holding knowledge about the entire product needs to coordinate the production procedure. Nevertheless, in China, relationships between companies are unstable, and companies tend to purchase existing parts from outside sources and assemble them. As a result, little knowledge about the overall product is accumulated, although the situation is changing little by little.

Conclusion

China has made agricultural machinery, glasses, and sundries since the years of a planned economy, building a strong industrial foundation. Once a mammoth motorcycle market emerged and the business proved profitable, the country directed all the existing management resources to the production of motorcycles and related parts. Such tendency was accelerated by the advancement of China’s reform and liberalization policy. Attention must also be given to the amazing vitality of entrepreneurs who take the initiative in resource restructuring. During the 1990s, entrepreneurs, engineers, executives, marketers and other specialized human resources left the state-run companies for the private sector. During this period, many people had an aggressive spirit, seeking business opportunities and starting up companies without dispensing with the risks. The same can be said about Taiwan, but such vitality cannot be found among Indian companies. That is how I see it today.

International Symposium

Organized by Human, Resources Institute, Thammasat University
and
East Asia Industry and Economic Research Center, Kobe Gakuin University

"Cluster and Human Resources Development"

Part 1 Encouraging the Career Development of Manager Candidates
Part 2 Comparative Studies on Human Resources Management between Thailand and Guangzhou in China

Information

Date: 26th August, 2005 13:30-17:30
Place: Thammasat University, Tha Prachan Campus
Wanwailayakom Conference Room in Dome Building (Ground Floor)
Language: Thai, Japanese

Speakers and Subjects Part 1

Mr. Yoshimasa Tamura
(The Former CEO of Panasonic Group in Thailand)
"Human Resource Development in Japanese Perspectives"

Professor Dr. Chira Hongladarom
(Secretary General, Foundation for International Human Resource Development Lead Shepherd of APEC HRD Working Group)
"Human Resource Development in Thai Perspectives"

Professor Megumi Nakamura
(Kobe Gakuin University)
"Human Resource Development of Managers from the viewpoint of international comparison between Us, Germany and Japan"

Speakers and Subjects Part 2

Mr. Kittipoom Visessak
(Researcher, Human Resources Institute, Thammasat University)
"A Comparative Study of Social Mobility between Eastern Seaboard Industrial Zone in Thailand and Technology Development Zone in Guangzhou"

Mr. Sopon Thitasajja
(Faculty of Commerce and Accountancy, Thammasat University)
"A Comparative study on Human Resources Management between Thai Companies and Chinese Companies-A Field Work in Guangzhou, China"

Associate Professor Wai Chamornmarn
(Director, Human Resources Institute, Thammasat University)
"The Formation of Industrial Cluster and Human Resources Development in China"

Details are scheduled for the next newsletter.

East Asian Industry and Economy Research Center
e-mail chief@erc-kobegakuin.org
C/O Kobe Gakuin University 518 Arise, Ikawadani-cho, Nishi-ku, Kobe 651-2180
TEL +81-(0)78-974-4829 FAX +81-(0)78-974-5856