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## Institute for Workplace Studies

A newsletter on  
workplace issues  
and research from  
the School of  
Industrial and  
Labor Relations at  
Cornell University

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## China's Rocky Path to Modernization

**F**OR THE WESTERN BUSINESS COMMUNITY, the allure of an economically developing country is hard to resist. Opportunities for investment. An untapped consumer market. Labor at the ready. China would seem to be the biggest prize, with 1.3 billion people hungry to taste what capitalist enterprises can deliver in the way of goods, jobs, and the open-ended possibilities of a brighter future.

Doing business in China certainly promises long-run rewards. But, cautions Sheryl WuDunn (AB '81), anchor of the Discovery Times Channel's *Page One* nightly newscast, Pulitzer Prize winning-correspondent for the *New York Times*, and Cornell trustee, China is facing an interwoven set of economic, political, and social challenges that could affect the pace and direction of its transformation. Ms. WuDunn was the featured speaker at the last session of the *Institute for Workplace Studies*' Spring 2004 Workplace Colloquium Series.

The most critical issue she identified concerns China's ability to maintain its rate of economic growth, now averaging 10% a year. The country attracts ample foreign investment and its output represents 12% of the world gross domestic product (GDP), which accounts for one-third of the growth in world GDP. Such triumphs have lifted 100 million Chinese out of poverty, but millions more, especially in the countryside, barely eke out a living. The income gap is among the widest in the world, Ms. WuDunn said, and feelings of inequity abound in a society reared on norms of equality and humility. Faster expansion is needed to improve the economic lot of those left behind. "China is a bicycle economy,"

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## Parents + Schools = Success

**I**T'S THE PARENTS, STUPID.

Teacher quality – who's doing the teaching and how the teacher was trained – certainly matters when trying to assess why so many students fail to learn. But something else matters more, said former New York City Schools Chancellor Harold O. Levy (ILR '74, JD '79) during the first session of this year's *IWS* Workplace Colloquium Series. And that something, Mr. Levy continued, is attendance. "We have a crisis of truancy," he declared. "If you don't come, you don't learn."

This is where the parents come in. Simply put, parents' expectations for their children (including attitudes about going to school) and parent involvement in the schools affect student performance. Mr. Levy cited the work of Laurence Steinberg, a psychology professor at Temple University, who in international comparisons found a correlation between children who scored well on reading and math tests, on the one hand,

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## *IWS Announces New Forum for Teachers*

High school teachers are engaged in education. College professors are engaged in education. These two discrete faculties might seem to have much in common, but in fact, they rarely meet. Now *ILR's Institute for Workplace Studies* is planning to facilitate some high quality face time.

As part of its mission to forge links between *ILR* and the wider New York City community, the *IWS* next year will host an ongoing informational forum for high school teachers. Members of the Ithaca-based faculty whose research and expertise is relevant to public school educators and young adults will be invited to present on a topic of their choosing and to open up a dialogue with participants.

"What we're proposing is an intellectual experience," says Samuel B. Bacharach, *IWS* director and McKelvey Grant Professor of Organizational Behavior. "We'll be tapping into an intellectual tradition among New York City teachers that goes back many years. This forum will be at the highest academic level."

*ILR* faculty will focus on any number of topics. Job loss among autoworkers, the call to action by an African-American Baptist preacher from Detroit during the politically charged 1960s and 1970s, two-tiered workforces in economically developing countries, and the use of mediation to resolve workplace disputes are just a sampling of the issues that might be discussed.

A stimulating afternoon of heady  
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## Schools

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and parental expectations and the amount of time students discuss school matters with peers, on the other.

During his tenure as chancellor (2000-2002), Mr. Levy ordered a review of attendance in the city's schools. The data revealed that 70% of the students had a 90% attendance record; i.e., slightly less than one-third of the students were missing a month of school each year. "If you're out that much," he said, "you're not engaged in education."

Mr. Levy, now senior vice president at Kaplan, Inc., asserted that attendance is a measure of parents' interest in their children's education and of students' interest in their own education. He noted that children in schools run by the U.S. Department of Defense invari-

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## China and Modernization

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Ms. WuDunn said. "You have to keep pedaling just to stay in place."

Problems in the banking system could sabotage economic performance. Bad debt is a substantial share of GDP and state-run banks do not use their money productively, Ms. WuDunn noted. The potential for depositor runs on these institutions is a constant worry, and foreign banks are winning over Chinese customers. Ms. WuDunn predicted that national pride and the likely negative impact of a weak financial infrastructure would eventually impel government leaders to repair the system.

Meanwhile, uneven economic development and widespread corruption are undermining social stability. Key bankers and government protégés have been implicated in scandals or sentenced to jail, party leaders at all levels are known to engage in illicit practices, and local vigilantes often impose their own versions of rough justice. "Government by rule of man rather than rule of law," Ms. WuDunn said, fosters anger towards the state and destroys public

ably perform well. The reason? When a child is struggling, Mr. Levy explained, the commanding officer calls in the parent and implies career repercussions if the situation does not improve.

While that tactic is a non-starter in civilian life, Mr. Levy expressed confidence that parents can be enticed into the schools. One New York City principal sent parents a mock official summons form, using phrases such as "you are hereby ordered to appear...;" the method worked. Other principals have visited students' homes, sponsored community dinners, worked the telephones, and the like. The point, Mr. Levy said, is to make the schools both more inviting and more demanding of parents.

In the 21<sup>st</sup> century's knowledge-based economy, he concluded, the cost of educational failure for students and society is enormous. ■

confidence. In such an atmosphere, she commented, political demonstrations are likely to erupt.

Not surprisingly, the government is struggling to regain legitimacy. As the hold of communism on the country loosens, the leadership is promoting patriotism cum nationalism as the new glue. But this new nationalism threatens to run amok. The populace is more anti-American than the government, Ms. WuDunn observed, and a more democratic China may prove to be a difficult business partner.

The unnatural shortage of girls could also hamper China's development plans and further fray the social fabric. In a society where boys are preferred and a one-child policy holds sway, female fetuses are frequently aborted. Boys outnumber girls by 20% in some regions, and problematic practices such as kidnapping peasant girls to be bought and sold as brides have evolved. Moreover, Ms. WuDunn noted, fewer women could portend slower economic growth because women are the workhorses of light industry, and light industry typically jumpstarts economic development.

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## Teachers' Forum

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conversation is only one of the goals. In addition, Prof. Bacharach hopes teachers will become excited about the diverse and interdisciplinary field that encompasses the world of work. Learning about issues in labor history, labor and employment law, labor economics, organizational sociology, human resources management, and social statistics with ILR faculty will ideally prompt teachers to bring new knowledge back to their classrooms and induce students to debate about and develop an interest in the social, political, and economic aspects of the workplace.

Each of the sessions will be held at the ILR Conference Center on East 34<sup>th</sup> St. in Manhattan. Remaining logistics, including dates and times, will be announced shortly. For up-to-date details, contact Katie Briggs at kb41@cornell.edu or (212)340-7931.

*News note...* ILR's Master of Professional Studies program, designed for working adults, has revised its application process to emphasize work experience. For more information about this part-time, two-year program based in New York City, check out [www.ilr.cornell.edu/mpsnyc](http://www.ilr.cornell.edu/mpsnyc) or contact Sara Edwards at sre2@cornell.edu or (212)340-2808.

And finally, environmental and health risks could also lead to social and economic crises. Specific challenges Ms. WuDunn cited include carbon emissions from a growing industrial sector, animal waste and other effluents dumped into water sources, and an increasing number of AIDS cases and AIDS orphans.

All together, these challenges might reasonably deter would-be foreign investors and entrepreneurs. But Ms. WuDunn said she was confident the Chinese people's can-do spirit, so apparent in their immigrant communities in the United States, will prevail at home. If she is right, China may yet be the next economic powerhouse. ■

# Statistics Explain the World

**P**ROFESSOR MARTIN WELLS OFTEN REGALES HIS STUDENTS with stories about life as a statistician. This is no ordinary life, mind you, but one that involves testifying at death sentence reviews where the victim's family is crying and the convicted murderer is big and scary. It is one that enables him to explain what kind of egregious acts prompt juries to award blockbuster punitive damages, to follow the trail of plant pathogens toward the inevitable demise of their host, to prove the beneficial effect of nutritional supplements on the motor development of children in isolated parts of Africa. In short, it is a life that relies on numbers to shape a novel, compelling, and precise picture of reality.

Critical problems and reams of data are the two necessary conditions for Prof. Wells to take on a project. "I like interesting questions where there are many things going on at once," says the chair of Cornell's Department of Statistical Science and the Department of Biological Statistics and Computational Science and a member of ILR's Social Statistics department. Moreover, Prof. Wells adds, the practical application of his research has an impact on students: "They believe statistics are important."

Indeed. Pioneering research nearly a decade ago by Prof. Wells and colleagues from Cornell Law School on instructions to juries in death penalty cases led to the release of a man from South Carolina's death row; the paper has since been cited frequently in cases argued before the United States Supreme Court. Just-completed work on the racial composition of death row populations disproved some common misperceptions about capital punishment. Again working with co-authors from the law school, Prof. Wells found the proportion of black inmates on death row is less than the proportion of black murder offenders. And yet, black offenders are sentenced to death more frequently when the victim is white than when the victim is black.

"There's a lot of political spin in these kinds of cases," Prof. Wells notes. "It's all about what people feel and think. We go beyond emotion and analyze the data."

The use of statistics as a tool for understanding the legal system is a relatively new practice whose application is limited to a few academics. By studying thousands of cases related to one particular

question, researchers generate a description of the legal system that generally remains hidden behind the precedents upon which American law is based. The story that emerges from the data can be used to craft new law and inform new policy. "I tell my students this is computational civics," Prof. Wells says. "We shouldn't rely on lobbyists who promote one side of the issue or another."

This emerging field of law now has its own academic publication: *The Journal of Empirical Legal Studies*, a partnership among Cornell Law School, Rand Institute for Civil Justice, and Blackwell Publishing. Prof. Wells and his co-editors wanted a forum for high-level

empirical analysis, which has been difficult to promote in existing law journals because the student editors typically do not know how to handle papers that mention *p* values, null hypotheses, estimates of filtering failure, and other statistical methodologies.

As his official titles suggest, Prof. Wells's facility with data ranges beyond the legal domain. He has helped ILR faculty with a study of alcohol abuse among retirees. He works with plant pathologists to discover how genetic defenses change over time, and with geneticists to identify protein sequences that are replicated across plant and animal species. "It's amazing, the unity of life," Prof. Wells marvels.

Meanwhile, Prof. Wells is trying to unify the dispersed statistics faculty on campus. Offices are being moved around, and many statisticians are now or soon will be in close physical proximity. The real challenge will be breaking through the intellectual silos that discourage cross-disciplinary interaction. Prof. Wells is a walking advertisement for the benefits of doing just that. ■

## Joint Tasks Help Forge Group Ties

**M**ILITARY OFFICERS, ATHLETIC COACHES, ADVENTURE GUIDES, and enlightened employers long ago learned that when people work together on a task, they invariably evolve into a cohesive unit with a shared sense of solidarity and mission. What Edward J. Lawler, Dean of the ILR School and professor of organizational behavior and sociology, has discovered is that the emotional uplift people feel from successfully completing an assignment transfers to positive feelings about the group itself, which in turn explains the emergence of cohesion.

"The relationships begin on an instrumental basis and then become valued in and of themselves," Dean Lawler notes.

Using a laboratory setting with college students as volunteer subjects, Dean Lawler sets up bilateral negotiations between "organizations" that trade for what they each need to jointly produce a "product." Each pair works through 20 offers and counteroffers and ideally reaches a successful conclusion. At some point, that continuous interaction, coupled by the affirming outcome,

evolves into an "expressive" relationship that binds the individuals more tightly to the group. The underlying research question is, when and how does this occur?

The traditional academic answer focuses on cognition: The more people negotiate, the more they learn the other parties' preferences and thus can predict behavior. In other words, a tacit understanding of how to get to agreement evolves as negotiators seek to reduce uncertainty in their exchange.

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## Group Ties

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Dean Lawler's approach centers on the feeling and emotional tone of the interactions. The laboratory experiments suggest that emotions serve as a mediator, transforming the joint performance of a repetitive task into individual commitments to a group that has now become cohesive. Shared responsibility is the key variable here, Dean Lawler says. When group members engage in joint tasks and jointly bear responsibility for the outcome, the positive feelings that emerge from the repetition and the success give intrinsic value to the group relationships. The ties appear to weaken if the group fails in its assignment.

The workplace implications of this research are still being developed. Nonetheless, Dean Lawler is ready to point out that his results provide an "emotional explanation" of why programs such as employee involvement positively affect productivity, retention, absenteeism, and other measures. He cautions employers, however, that clearly defined individual tasks, even for workers who are part of a team, may

get the job done but are unlikely to strengthen affective attachment to the work unit or organization.

This particular line of research also leads to the general matter of emotions in the workplace. Most workplace theory, Dean Lawler says, removes emotion from the workplace and delegitimizes it. Taking the opposite point of view, he posits the importance of emotional expression, be it explicitly celebrating accomplishments or developing mechanisms for venting negative feelings. At the very least, he continues, emotions should be a topic open to discussion. Failing to accommodate that need risks ignoring managers' and workers' humanity.

So go ahead, rejoice in your success and give your group a hug. ■

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[www.ilr.cornell.edu/iws](http://www.ilr.cornell.edu/iws) for updates about  
Institute for Workplace Studies events.