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# Expansion and Application of Mencius Decision-making Thought in Industrial Decision

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**Abstract** Applying Mencius decision-making thought and combining dialectical theories such as the relationship between intrinsic and extrinsic factors and relationship between primary and secondary contradictions and between primary and secondary aspects of contradictions, at the same time analyzing the decision-making factors which based on the industry point of view, this paper presents Mencius decision-making circle and countermeasure classification chart. It takes brief analysis by SWOT method, and studies development strategies of cut roses industry in Hainan Province using Mencius decision-making circle. This method shows stronger and clearer hierarchy, so it will be favorable for decision classification.

**Key words** Decision circle, Hierarchical analysis, Dialectical relationship, Off-season, Countermeasures

## 1 Introduction

To study industrial decision and plan by SWOT – AHP model, we need inviting many experts, so the workload is heavy and amount of calculation is heavy. Mencius (Meng Tzu), the second sage in the Confucian school, once stated that "Opportunities vouchsafed by Heaven are less important than terrestrial advantages, which in turn are less important than the unity among people" (*Gong Sun Chou II of The Works of Mencius*). This statement mainly focuses on state administration, but it is also applicable for industrial management and industrial development plan. Many scholars consider such idea as people – oriented thought <sup>[1]</sup>, or apply it to study public and interpersonal relationship <sup>[2,3]</sup>. From comparison of with "opportunities vouchsafed by Heaven, terrestrial advantages and unity among people" of famous Chinese military strategist Sun Bin, this idea has deep decision-making connotation, but mainly emphasizes layout and implementation of decisions.

In combination with actual development situations of new agricultural industries, "opportunities vouchsafed by Heaven" can be interpreted as development trend, general situation and timing, including domestic and foreign industrial development trend, industrial scale, industrial transfer trend, market demand situation, and national policies and regulations, *etc.* "Terrestrial advantages" refer to direct extrinsic conditions of the implementation site, including climatic and natural environment (sunshine, temperature, water conservancy, and land), administration, industrial policies, and infrastructure (such as traffic, and logistics, *etc.*). "Unity among people" is intrinsic factor and includes cost benefit, suitable variety, supporting technologies, management personnel, specialized personnel, and specialized farmer household, *etc.* This thought of Mencius is well arranged and prominent in key points.

With the aid of these three aspects and in combination with SWOT method, we can have brief analysis and study.

## 2 Study on application of Mencius decision-making thought

**2.1 Guiding thought** Mencius decision-making thought is consistent with materialist dialectics. Intrinsic factor is the basic cause, determines property of thing and regulates development of thing; extrinsic factor is condition of changes, acts through intrinsic factor and can speed up or slow down progress of thing development, and partially change property of thing. Both intrinsic and extrinsic factors mutually promote movement and changes of things <sup>[4,5]</sup>. Intrinsic contradiction is the power source of its development, primary and secondary contradictions and primary and secondary aspects of contradictions are cases of particularity of contradictions and regulate particularity of things and their development process, reflect unbalance of contradiction existence and development, thus they should not be treated as the same <sup>[6,7]</sup>. Therefore, to study industrial development countermeasures and recommendations, we should make hierarchical analysis, focus on key points, seize primary contradiction and primary aspects of contradiction, and develop Sun Bin 3 – dimensional model <sup>[8]</sup> of new planting industry into Mencius decision-making circle, for government and industrial competent authorities promoting development of new industries. "Unity among people" belongs to intrinsic factor and is situated in the core circle, while "terrestrial advantages" and "opportunities vouchsafed by Heaven" are classified as extrinsic factors and situated in the second and third circle respectively. The influence of "terrestrial advantages" is more direct than that of "opportunities vouchsafed by Heaven", as shown in Fig. 1. Through priority selection and strengthening foundation and expanding sources, it is possible to convert drawbacks of intrinsic factor into development potential and enhance appropriate allocation of manpower, capital and natural resources.

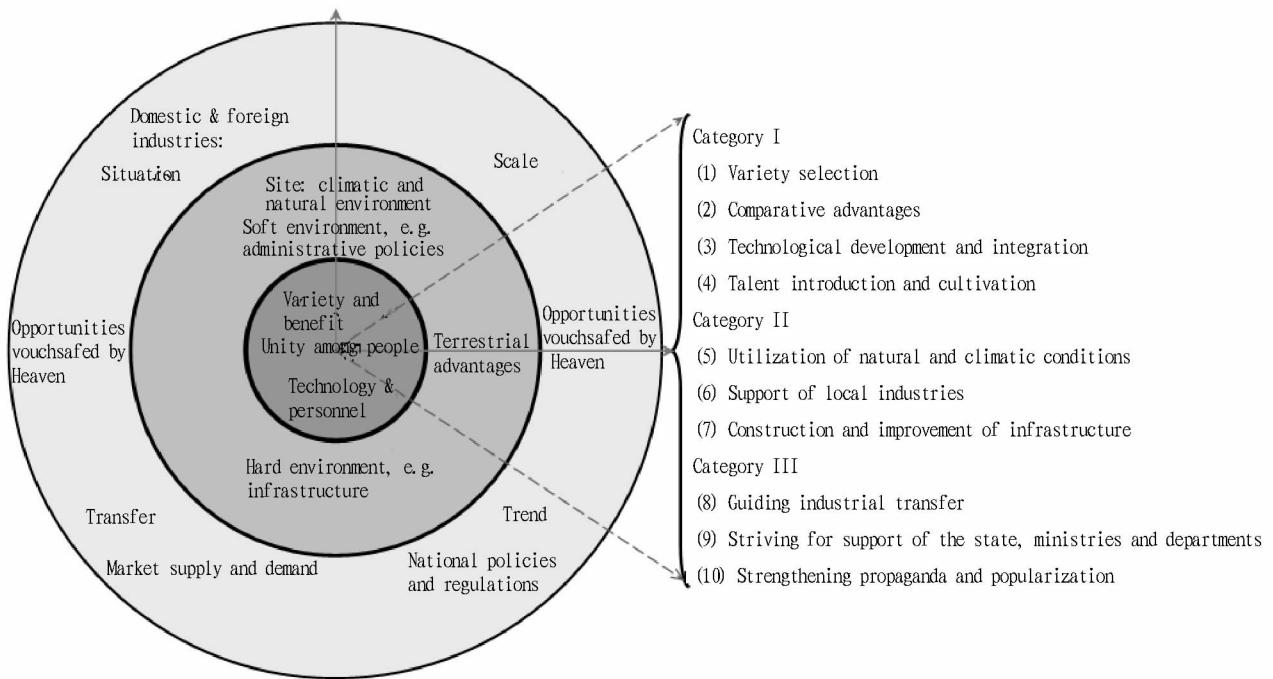


Fig. 1 Mencius decision-making circle and countermeasure classification model

**2.2 Countermeasure classification and combination** According to importance and characteristics of elements in Mencius decision-making circle and with the aid of SWOT analysis<sup>[9, 10]</sup>, we classify countermeasures into 3 categories and 10 aspects, to promote optimum allocation of manpower, capital and natural resources, and speed up cut roses industry in Hainan Province forming scale and competitive power, as shown in Fig. 1.

### 3 Analysis of countermeasure combination

**3.1 Speeding up variety introduction and selection experiment** With reference to development experience of American – European countries and Taiwan Province in flower, varieties can be commanding point and core power of sustainable development of agriculture. If varieties introduction and selection are successful, local agriculture, especially farmers, will be benefited. Thus, it is recommended to incorporate this work into public welfare project and provide financial support. Besides, it should enhance variety right protection and establish long-term mechanism, so as to screen or select varieties better suitable for climatic conditions of different cities in Hainan and enrich color system of cut roses. It is better to realize distribution of different varieties in different cities and counties, to avoid unhealthy competition between counties and cities of Hainan Province. Through financial support of government, it is also able to encourage scientific research institutions and enterprises to speed up variety selection and cultivation, provide constant variety support for industrial development, and guarantee sustainable development of cut roses industry.

### 3.2 Formulating talent introduction and cultivation policies

Problems of agricultural development bottleneck resulted from talent are too numerous to mention. Such problem also takes up a

high proportion in economic loss in agriculture of Hainan Province. Industrial development needs various kinds of talents, including specialized technical talents, skilled talents, industrial workers, management and marketing personnel, etc. Talents are not cultivated in several days. Instead, it should formulate talent introduction plan and cultivation program and relevant policies, and put forth effort to cultivate new generation agricultural workers and agronomy lovers. This is a fundamental requirement for sustainable development of cut roses industry. Specifically, it is urgent to establish different talent carrier and platform according to different talents; for specialized technical talents, it should strengthen local scientific research institutes, and build key scientific research laboratories, to improve scientific research capacity; for skilled talents and industrial workers, it should encourage, introduce and set up enterprise and farmer cooperatives, and build engineering laboratories, to enhance service ability of the industry; for management and marketing personnel, it should cultivate a batch of operational and specialized enterprises, such as transport enterprises, sales enterprises, and logistic enterprises, to improve the industrial chain.

**3.3 Creating conditions to bring into full play comparative advantages of the industry** Firstly, it should conduct survey and research of relevant industries, including flower industry, cut roses industry and logistic industry. Just as the ancient Chinese philosophical book The Art of War concludes that if you know yourself and your enemy, you will never lose a battle. Through survey and research, we can find out our strength and weakness, to achieve the industrial state of "I have what you have not, and I expertise what you have". Secondly, we can learn from merits of others to correct our drawbacks, set foot on domestic market,

make clear industrial scale, imitate and learn industrial policies and supportive measures of other areas, formulate industrial development plan, and improve or work out suitable policies, to guide healthy development of cut roses industry. With the aid of comparative advantages, we recommend building a batch of cut roses villages and flower gardens, optimize the industrial chain, and even build up flower industrial clusters.

**3.4 Supporting technological development, integration, demonstration and popularization** The industry has reached the common understanding that variety is the basis, cultivation is the key and the plant protection is the guarantee. Thus, it should incorporate research and development, integration and innovation of support technologies and plant protection into public welfare project and provide financial support. At the same time, long-term mechanism should be established to encourage enterprises and institutions to jointly strengthen and speed up introduction, integration, innovation and popularization of agricultural technologies, and further bring into play agricultural popularization system, including province, city, county and town four level agricultural and forestry popularization station, agricultural sci-tech service 110 system, sci-tech special commissioner system, to guarantee sound and healthy development of cut roses industry.

**3.5 Taking advantage of climatic and natural conditions to the maximum extent** Hainan Province has distinct advantage of natural greenhouse. But considering most suitable temperature of cut roses is 15 to 28°C<sup>[11]</sup>, it is better to create favorable growth environment, avoid harmful influence of rain, reduce plant diseases and insect pests, increase output and improve quality, and expand suitable planting area. Specifically, it can take following measures: adjust and optimize cultivation environment through simple facility greenhouse, shady canopy and soil improvement; solve the problem of safe passing the summer due to high temperature and humidity; reduce damage of strong wind through optimizing facilities. In all, it should strengthen, refine, and improve the cut roses industry.

**3.6 Supporting the industry by administrative and financial means** In China or even in the world, agriculture is still a weak industry and limited and influenced by natural, market, manpower and capital, thus it needs support of government. Government can make scientific plan to guide industrial development, provide financial subsidy in the form of good seeds and seedlings, agricultural machinery and facility canopy, and encourage and assist farmers and enterprises to development the cut roses industry. Besides, it can learn flexible policy of Guangdong Customs, establish and perfect full-automatic plant inspection, sanitary inspection, commodity inspection and custom declaration channel, and make ready for exporting flower sprout. In all, government should create soft environment favorable for industrial development and strengthen capability of serving the industry.

**3.7 Improving industrial infrastructure** The farmland and water conservancy infrastructure is major investment field of government. It is recommended to make planning in advance and ac-

cumulate capital, build the infrastructure in high standard, and reduce low standard or even idle repetitive construction, so as to suit the development situation. Furthermore, it should reinforce construction of industrial auxiliary facilities, such as processing and warehousing system, logistic system, etc. We suggest that government signs agreement with airline companies in shipping fresh cut flowers, to ensure swift and convenient transportation of cut flowers of Hainan Province.

**3.8 Introducing specialized and leading enterprises to promote industrial transfer** It is recommended to introduce industrial capital, build and improve fresh cut roses industrial chain, guide industrial chain to develop towards industrial clusters, and transform current situation of separation of scientific research, production and management. Also, it should encourage and support specialized and enterprises, groups and listed companies to set up headquarters and production bases in Hainan Province. Moreover, creative agriculture and leisure agriculture are feasible approaches to accelerate industrial transfer.

**3.9 Striving for policy and financial support from the state, ministries and departments** Financial revenue of Hainan Province is limited and ranks in the bottom position, so the industrial development, especially new industry, badly needs support of the state and relevant ministries and departments. It is proposed to include flower industry of Hainan Province into the national industrial development plan, to obtain favorable policies, supportive capital and project fund.

**3.10 Strengthening propaganda and popularization** Local industrial development is consistent with the thought of brand operation of enterprises. At present, it is still difficult for farmers to propagate the cut roses industry, works of agriculture, farmers and rural areas have to depend on government. Thus, government should strengthen propaganda and popularization of fresh flower industry. Hainan Provincial Government and Sanya Municipal Government should take advantage of the opportunity of "the 5th Chinese Rose Expo – 2012 World Federation of Rose Societies Regional Conference", propagate the cut roses industry, guide internal society to pay attention to new flower industry of Hainan, and increase the influence and exposure of Hainan flower. Besides, it should push forward off-season fresh cut roses industry with the aid of influence of China (Hainan) International Winter Trade Fair of Tropical Agricultural Products. Furthermore, it is recommended to build and draw support from creative marketing, cultivate flower consumption habit of the public, and create cultural atmosphere, to expand consumption market in Hainan Island and relieve market pressure at the time of external supply.

## 4 Conclusions

In the process of agricultural popularization, many factors should be considered, but the focus should be varied in different process of industrial growth. Through analyzing the development of cut roses industry in Hainan Province by Mencius decision-making circle and decision classification model, it shows that this model is well

should be conducted, and high-quality fruit, vegetable and tea should be developed into green and organic food.

### 3.6 Innovating the system and mechanism of agricultural production and management to create a good system for healthy development of modern agriculture in mountainous areas

It is necessary to promote the development of farmer specialized cooperatives and associations and increase their support in technology, management and funds. According to the development of competitive industries and characterized industries, farmer specialized cooperatives with great leading ability should be established to promote agricultural industrial management and modern agricultural construction. Meanwhile, to improve income of agricultural producers or managers, right determination and registration of land and other agricultural resources should be carried out in rural areas to centralize land and change agricultural production and management mode from decentralized management into large-scale management.

### 3.7 Training farmers to improve their cultural and scientific qualities

Farmers are the organizer and executor of modern agriculture, so their cultural and scientific qualities are closely related to the development of modern agriculture. Therefore, it is a core task to improve farmers' cultural and scientific qualities. Firstly,

farmers should be trained in agricultural useful techniques, especially major breeding farmers. Secondly, a new type of farmers should be created through training in production, management and circulation of modern agriculture. Thirdly, young farmers should be trained to develop characterized agriculture in mountainous areas and modern agriculture in future, so as to supply grain and other agricultural products to urban and rural residents continuously.

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