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巴黎九大高级工商管理博士学位项目

Research of Causes and Treatment Mechanism of Counterfeit and Shoddy Food in China

(Thesis submitted for the degree of Executive Doctorate in Business Administration)

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ABSTRACT

"People live by grains". Food safety issue falls to the category of issue concerning livelihood, nation governing and social scientific development. As science and technology advances, particularly with the rapid development of industrial informatizaiton and automation, safety guarantee capacities of food industry are on the gradual rise and some issues involving food safety management are also solved to a certain extent. However, since the reform and opening up, an undisputed fact remains that events on counterfeit and shoddy products in the food manufacturing industry grow intensely. The situation is in urgent need of a reverse. For this reason, we must find out answers to the following questions prior to taking any measures: Why companies produce and sell counterfeit and shoddy products? Which companies are producing and selling counterfeit and shoddy products? Why consumers buy counterfeit and shoddy products? Why monitors fail to control counterfeit and shoddy products?

Facts show that though the Chinese government and food safety supervision departments at all levels have been enhancing degree on redressing sales of counterfeit and shoddy products in the food sector, and each year they would hunt down and seize some counterfeit-selling companies and clients involved herein or even claim for legal responsibilities in some, yet the situation is not banned, and results are far from effective. At present, containing the extension of selling counterfeit products has become a realistic difficult problem to be redressed.

The research focuses on the valid moves to addressing the rampant counterfeit and shoddy products and the redress the difficult of unchecked counterfeit products by starting from the essence that counterfeit food runs wild. Through literature reviews, the thesis concludes analysis on causes for sales of counterfeit and shoddy products by companies by existing domestic and foreign literature, explanations on purchase of counterfeit products and probe into causes for failure to supervise companies that produce counterfeit products by supervisors; it summarizes various measures of controlling counterfeit products from such perspectives as companies, consumers, supervisors and so on, and root theoretical foundation for profound analysis on the essence cause for company sales of counterfeit products and seeking of possible relations between all variables. On this basis, it determines the research emphasis of the thesis, builds the theoretical model according to problems discovered in literature

reviews, deduces the formation of theoretical model, and proposes the hypothesis for sales of counterfeit products, purchase of counterfeit products and rights protection by consumers and failure to supervision by supervisors before making explanations by forming the conceptual model. According to the conceptual model and theoretical hypothesis, it determines the variables to research the essence cause for sales of counterfeit products, purchase of counterfeit products and rights protection by consumers and failure to supervision by supervisors, clarifies the relations between variables, conducts multi-angle intensive analysis on several variables of sales of counterfeit products through research methods such as qualitative, quantitative, combination of qualitative and quantitative, comparative analysis, depth interview and questionnaire survey, proceeds correlation analysis and regression analysis on level A indexes and level B indexes of sampled samples by using mathematical statistical analysis technique, and tests the reliability and validity of samples. It is to prove the quality of its variables through mathematical analysis and improve the depth and scope of essence exploration of the thing.

Originality of the research in this thesis:

First, small and micro-sized business operators (small owners, the same below) are main causes of sales of counterfeit products. By applying the principle on relations between internal and external causes of dialectical approach of materialism, it profoundly probes into the essence cause for forming counterfeit and shoddy food, discovers that rooting reason deciding sales of counterfeit and shoddy food lies on people instead of things, concludes that the real decision maker for sales of counterfeit and shoddy food are small and micro-sized business operators and that the inferior quality of operators is the fundamental factor making decisions of sales of counterfeit and shoddy food, steps out of the wrong-doing that people instead of things are attached importance to in previous research and finds out the fundamental solution for dealing with counterfeit and shoddy food.

Second, it finds that the goal and the goal value orientation of companies is to realize the combination of utility maximization of consumers (Yin, purchase, the same below) and profits maximization of companies (Yang, sell, the same below). By applying the principle on mutual opposition and unification of Yin and Yang in China’s ancient Tai Ji Yin and Yang theory, it analyzes the dialectical relationship between consumers and companies, and demonstrates the goal and the goal value orientation of companies is

to realize the combination of utility maximization of consumers and profits maximization of companies. The finding corrects the traditional theory and conventional view that the goal and the goal value orientation of companies is to seek profits maximization, establishes the new concept of mutual opposition and unification of consumers and companies, and opens a new path for dealing with the issue on unchecked counterfeit and shoddy food.

Third, it finds the institutional obstacle of protection of consumers' rights. Based on the theory of consumer sovereignty, the thesis analyzes the realities of Chinese consumers, and discovers a very prominent issue of low status and rights not guaranteed of Chinese consumers. Especially in the case of millions of poor people in rural areas, companies and governments evade their responsibility of food safety and indulge the proliferation of counterfeit and shoddy goods by giving the excuse that poor consumers can't afford the real thing and thus have to buy counterfeit and shoddy goods, covering up the fact of low income. Both lack of legal protection and impeded channels lead to difficulty in consumer rights protection, especially the proof raising institution of "the person who complains has to raise proof" constitutes the institutional obstacle to deliberate violation of consumers' rights in essence. Strictly speaking, such institutional obstacle is an attack on consumer sovereignty and an expression of market economy distorted.

Finally, it finds that judicial supervision for food safety is feeble. Food safety supervision and management laws and regulations and inspection standards are not perfect, and the issue of no legal basis and no standard to follow is very serious; the situation that food safety administration focuses on penalty instead of administration and punishment is widespread. Chinese government undertakes the supervisory responsibility, therefore most of cases that should have been handled over to judicial authorities had been finished by charging penalties, which fails to execute judicial supervision, severely weakens the authority of the judiciary, and results in violent in "the rule by man" behavior, and restrains the effective exertion of judicial supervision in dealing with counterfeit and shoddy food, severely weakening the fairness and the authority of judicial supervision.

Key words: FOOD SAFETY, COUNTERFEIT AND SHODDY PRODUCTS, TREATMENT MECHANISM

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See what the northern countries show: Hundreds of leagues ice-bound go; Thousands of leagues flies snow. The winter has come, can spring be far behind?!

Fei Shuhui

Nature House, Songyuan, January 25, 2016

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