

THE IMPACT ON RELIGIOUS VALUES ON BUSINESS ETHICS IN THE CHINESE CONTEXT

Stephan Rothlin

University of International Business and Economics, Beijing, China

Abstract

China is showing impressive achievements in economic development, especially in the area of poverty alleviation. Yet a major challenge remains to humanize it and make it beneficial for the common good. This would be a role for religion. Religions in China are also experiencing an unprecedented growth in believers. And government officials are recognizing their value. However, religion remains a marginal and isolated phenomenon. Therefore the paper argues that the first duty of the various religions in China would consist in overcoming a narrow-minded focus on their own affairs and make an *ecumenical, combined effort* to address pressing social issues along with all people who are rooted in religious traditions. A especially valuable service in the Asian context would be if religions can reconnect people to their ethical roots. The religions would be in a unique position to assist the government in order to revive the tradition of Confucian secular ethics with a special focus of key values of trustworthiness, honesty, reliability and respect.

บทคัดย่อ

ประเทศจีนได้แสดงให้เห็นถึงความสำเร็จอย่างใหญ่หลวงในด้านการพัฒนาเศรษฐกิจ โดยเฉพาะอย่างยิ่งการบรรเทาความเดือดร้อนในเรื่องความยากจน ความท้าทายหลักที่ยังคงอยู่ก็คือ ทำอย่างไรเพื่อให้การพัฒนานี้เป็นแบบมนุษยนิยม และเป็นไปเพื่อความดีส่วนรวม สิ่งนี้คือบทบาทของศาสนา ศาสนาในประเทศจีนวันนี้กำลังมีผู้ศรัทธาเพิ่มขึ้นและเจ้าหน้าที่รัฐก็ตระหนักในคุณค่าของศาสนา อย่างไรก็ตามศาสนาก็ยังคงเป็นปรากฏการณ์ที่แยกอยู่ชายขอบ ดังนั้นบทความนี้ต้องการที่จะ

นำเสนอว่าหน้าที่ประการแรกของศาสนาต่าง ๆ ในประเทศจีนก็คือต้องนำมาซึ่งการเอาชนะการสนใจแต่เฉพาะเรื่องของตนเองแบบมีจิตใจคับแคบ สร้างความพยายามร่วมกันกับประชาชนที่มีรากฐานความเชื่อทางศาสนาที่แตกต่างกัน ในการจัดการปัญหาต่าง ๆ ทางสังคม การรับใช้ที่ทรงคุณค่าในบริบทของเอเชียจะเกิดขึ้นได้ก็ต่อเมื่อศาสนาต่าง ๆ สามารถเชื่อมโยงประชาชนให้เข้ากับรากเหง้าทางจริยธรรมของเขา ศาสนาจะต้องมีสถานะที่เป็นเอกลักษณ์ในการช่วยเหลือรัฐบาลในการฟื้นฟูชนบทประเพณีของจริยศาสตร์ขงจื้อ ซึ่งเน้นในเรื่องของคุณค่าหลัก ๆ อันได้แก่ ความน่าเชื่อถือ ความซื่อสัตย์ ความไวใจได้และความเคารพนับถือ

Introduction

Business Ethics can be defined as the responsibility of business enterprises for their impact on society and for the respect of core community standards. Business Ethics as a subject has been introduced as an academic discipline in China since the 1980s. Although it is still a relatively new discipline, it is estimated that 39% of Business Schools in China, including Hong Kong and Macau, offer courses on business ethics.

The present situation in China may sometimes seem far away from any consideration of ethics and religion. The opening of the economy thirty years ago and the access to the World Trade Organization provoked an explosive economic growth.

While acknowledging the impressive achievements of such an economic development, especially in the area of poverty alleviation, the major challenge remains to humanize it and make it beneficial for the common good. It becomes more and more obvious that there is a widening gap between the rich and the poor.

In the context of a system of governance which is widely perceived as atheist it may not be appropriate to put too much hope on the impact of religions. It is true that there is an unprecedented growth in believers. The official number of about hundred million adherents to the five officially acknowledged religions has recently been corrected by the research of the East Normal University in Shanghai to be closer to 300

million. Now most government officials recognize the value of religion. However, religion remains a marginal phenomenon.

Therefore the paper argues that the first duty of religions in China would consist in overcoming the narrow minded focus on their own affairs and make an *ecumenical, combined effort* to address pressing social issues along with all people who are rooted in religious traditions.

The issues which Business Ethics attempts to address and solve are certainly major challenges. A unique achievement in the Asian context would be if religions would use their clout and growing influence to reconnect people to their ethical roots. Religion would be in a unique position to assist the government to revive the tradition of Confucian secular ethics with a special focus of key values of trustworthiness, honesty, reliability and respect. In reference to important areas of Business Ethics, a combined ecumenical effort could cause a beneficial impact on society. An example could be the joint efforts of religious groups in Taiwan in the area of disaster relief in the aftermath of catastrophes. A significant area which cries for improvement is the protection of the environment. Despite state-of-the-art laws, widespread obsession with short term profits has led to tendencies to cut corners and abuse natural resources.

Also the phenomenon of corruption, which seems to further encroach upon government and society, may ultimately undermine the very groundwork of a society unless there is a strong *combined* effort to recognize the harm inflicted by a corrupt culture and to eradicate it.

The Prejudices about China

Despite a growing awareness about the overall importance of China as a rising nation eager to take a front seat on the economic and political world stage, there seems to be still great ignorance lingering about China, including among academic circles. An indicator about a lack of comprehension of China may be recognized in a number of wide spread prejudices such as:

- a) There is a complete absence of any morals and ethics in China. Only money and the obsession with material

- possessions seem to count;
- b) Whoever ventures into China will inevitably be cheated;
 - c) The given political system has provoked a premature death of all religious beliefs; and
 - d) There is no way to bypass widespread corruption.

Given the long isolation of China from the rest of the world it certainly comes as no surprise that this ignorance and misunderstanding of China still exists.

In order to break away from past stereotypes, this paper suggests that both the implementation of the discipline of Economic Ethics as well as an analysis of the function of religion may not only open a more clear and original understanding of Chinese realities but may also have some impact on the continued development of economic ethics and the function of religion.

The Concept of a State Faith and Religious Faith

As we deal with highly complex issues it seems to be necessary to attempt to clarify the concept of religion in the context of China. I would therefore briefly reassume the significant clarification of Prof. He Guanghu from Renmin University. In the paper he delivered on 16 January 2012, Prof. He Guanghu compared the concept of a “State Faith” (国家信仰, “Guojia Xinyang”) with the reality in Mainland China. The meaning of “Religious Faith” seems to be straightforward as the “the belief in a mysterious superhuman power”.¹ The Concept of “State Faith” poses more problems even, as He admits, to the point to be dismissed as a false issue. A logical analysis, says He, would provide three meanings:

- a) The first meaning is the State’s Faith, or the faith of state;
- b) The second meaning is the national faith, or the faith of nationals;
- c) Finally, the third meaning is the faith in the state, or the belief in the state.

In China, ever since the founding of the People's Republic of China, the ninety-year old Chinese Communist Party (CCP) has been the custom to refer to the "faith" or "belief" in Marxism or Communism. In some limited sense the conclusion would be that Marxism or Communism with Chinese characteristics (, "zhongguo tese shehuizhuiyi") has become the State Faith in the last 60 years in the society of Mainland China. However, Prof. He underlines that the so called "Faith in Marxism-Leninism" or the "Belief in Communism" has been shaken by the "loss of faith" (, "Sanxin Weiji", i.e. the crisis of faith, trust, and confidence) through different traumatic events of the recent history in China such as the disaster of the "Great Proletarian Cultural Revolution" (1966-1976). Consequently this State Faith has been fading away even if the rhetoric has still not been abandoned by the higher state authorities. Actually, such a state faith seems to be approaching its terminal stage. Therefore it has to be emphasized that such a state faith is not really a religious faith; however it attempts to regulate and exert strict control over all the religions which are accepted as "State" religions such as Islam, Buddhism, Taoism, Protestant and Catholic Christian Faith. Along with the Imperial system inherited 中国封建社会 and dynasties, we are faced with the paradox that the President of the PRC is simultaneously Iman, Lama, and Pope for all these religions. A specific reason for this paradox is that any President, who must by State Law be an atheist, and a member of an Imperial system which promotes the State Faith of Marxism-Leninism, must have control over religion and can never accept the idea that any foreign religious authorities would have a decisive impact on the conscience of Chinese citizens.

A remote echo of the characteristics of a state religion could be recognized in the other remaining Communist countries such as the DPRK and Cuba including the veneration of the "dear leader". When it comes to the highly complex picture of religious faith in today's China He Guanghu distinguishes between the religious faith in China such as the five major religions namely Buddhism, Taoism, Islam, Protestantism, and Catholicism with various folk religions and new religions. Besides the above mentioned Marxist or Communist faith there is another *non-religious faith*: the Confucian faith which is appropriately coined as a "quasi-religious faith" given the fact that any secular set of principles cannot properly be

considered as a religion in the strict sense of the word, no matter how zealous its supporters. These scholars and supporters who previously denied its status as a religion, now insist upon its sacred character. More importantly, some of these supporters claim copyright over what Confucianism is, when in fact their interpretation is closer to the word “confused”, and bears little resemblance to the ideas of the philosopher.

The Opportunity for Inter-religious Dialogue in China

It is not the purpose of the paper to explore the richness of the contributions to the education of values of the different religions. However, it attempts to suggest a few elements of a possible next stage of the “State-Religion” in China given the fact that the official version of the Marxist-Leninist version seems to be further fading away. On the other hand, given the feudal past of China within the framework of “State-Religions” it may be illusionary to imagine religions completely detached from the reach of the State. However, as the faith in Marxism-Leninism declines there is a whole new awakening of a sense for truth, values and also religious beliefs. According to the research of Rodney Stark and Byron Johnson (who are distinguished professors of the social sciences) as well as Carson Mencken (who is professor of sociology at Baylor University) it seems “entirely credible to estimate that there are about 70 million Chinese Christians in 2011.”² It is not the place to further discuss the complexities and reliability of statistical data in China. However, we are on safe ground, based on multiple other research – most prominently by East China Normal University – that actually all the major religions have experienced dramatic growth since the opening up of the economy in China in 1978 and the total number of believers in religion would not amount to around 100 million, the number usually cited in official statistics, but rather around 300 million.

The paper argues that the dialogue between not only religious individuals but between different religions, could be extremely beneficial in some crucial areas of ethics. This is not self evident. The obvious spiritual vacuum in the wake of historic events such as the so called “Great Proletarian Cultural Revolution” (1966-1976) and other traumatic col-

lective experiences may also provoke a mere attitude of competition between various providers of religious insights. It is sometimes striking how underdeveloped an *ecumenical* spirit of dialogue is even in liberal societies like Taiwan which never experienced such restrictions. The various religious groups, are narrowly focused on their own interests and often see other groups and movements as competitors. This is all the more tragic and ironic as the values enshrined in different religious traditions may have an important contribution to pressing social problems such as the deterioration of the environment, corruption, unhealthy working conditions, etc.

“State Religion” and the closed and Open Door Policies

It is important to recognize the historical heritage behind the institutional form of a State Religion in China. The political system of a given dynasty was always crucial in the question whether or not a religion was welcome. An example is the gain in popularity of Islam and Christianity during the Yuan Dynasty of the 元朝 Mongol Rulers (1278-1368). With an expanding of trade with other countries came not only the travels of Marco Polo visiting Kublai Khan but also the beginning of a rule of law based on universal principles.

The closed door policy in Maoist China between 1949 until 1976 gave way, after the turbulent chaos of the gang of four, to the so-called “open door policy” with its focus on economic development. According to the latest recommendations from the World Bank, this approach to economic development needs to be significantly revised as it became clear that the price of economic success has been quite often a heavy deterioration of the natural environment. More specifically shortages of water, exacerbated by frequent droughts, have become one of the most pressing problems.

In recent history of China I would like to highlight the aftermath of the Sichuan earthquake which happened on May 12, 2008. Given the fact that the catastrophe provoked an unprecedented outpouring of mutual help involving also many NGOs and religious groups, some critical journals such as *Southern Weekend* (“Nanfang Zhoumo”) hailed

this event as the beginning of a civil society in China. In fact, never before have the contributions to charitable institutions so dramatically increased in China. It is, however, also intriguing to note that these philanthropic contributions dropped significantly in 2009. Instead of the hope that NGOs and religious institutions could supplement the remarkable efforts from the government, it became obvious to the public that most of the contributions ended up in the pockets of the government officials.

The aftermath of the Sichuan earthquake is however only one event which indicates the emergence of a true civil society in China.³ In the further development of a civil society the religion may play a significant role. It is certainly not without an irony that first missionaries such as Matteo Ricci (1552-1610) and Johann Adam Schall von Bell (1592-1666) revealed a face of religion which is precisely not hostile to human reason but actually complementary to modern science. While missionaries of later centuries did not find such grace in the eyes of Chinese historians as they have been portrayed (sometimes unjustly) as puppets of colonial powers, these earlier pioneers of cultural exchange between Europe and China are seen in a positive light due to their efforts to enter into dialogue with Chinese culture and language. Such a view concerning the function of the historical role religion is in line with some contemporary philosophical research which has come to see religion as a partner of the Enlightenment.⁴ Prof. Hermann L?bbe is arguing that the freedom of liberal societies requires the foundation of a politically and legally free religion. Going back to the development and specific situation in China we may indeed argue that it is certainly not appropriate to impose Western political models on China. However, given the rise of a civil society in China the thorny question remains: Is it time to adjust the role of the religions to a more rational approach? Prof. He Guanghu reaches an important conclusion: "True religious faith should relativise all the worldly things and affairs, including the state". (loc.cit., 24). This implies that "State Religion" especially when related to distorted ideas concerning patriotism, could stagnate religion and prevent any potential benefit to society. Therefore the view adopted during the closed door of the Maoist period, in which religion has been perceived as incompatible with the state, needs radically to be changed into a modern understanding where religion within the framework of the state and respecting the laws of the state may become a

trusted partner of the state.

Therefore in order to regain the trust from a partner who has clearly been an enemy in the past, the cooperation among all the religions needs to focus on a cooperation in those critical areas where the state is most vulnerable such as values, education, integrity, honesty, truthfulness, respect for the dignity of each person, and the fight against corruption.

Business Ethics and the Combined Response from Religions

The new academic subject of Business Ethics, with its 50 plus years of history, has gained growing prominence in business schools in China including Hong Kong and Macau. The focus of this applied field of ethics lies in offering analysis and guidance in dilemmas and ethical problems business people face particularly in situations where the tradition of law is rather weak. Virtue ethics as an inspiration for sound and good individual *and* social behavior seems still largely underdeveloped. Given the broad impact of ethics not only ~~on the~~ 经济伦理学 micro- and meso-level but also on the macro-level of the economy some languages including the Chinese one prefer the term “Economic Ethics” (“jingji lunlixue” in Chinese, “Wirtschaftsethik” in German) over “Business Ethics”. The main areas of this field of applied ethics are the protection of the environment, a commitment to healthy working conditions, accountability and transparency in governance and financial dealings, the fight against corruption, and whistle-blowing as a way to voice legitimate grievances. Such a challenge is often answered with considerable cynicism. Within the popular cynical world-view corruption seems to be so ingrained, the abuse of natural resources (in contrast to solemn official declarations to the contrary) so rampant, and boundless greed and nonsense so widespread, that any serious attempt to instill a sense of honesty and decency in the business world seems to be *a priori* doomed to failure. It is still not fully taken into account that ongoing financial crises may well provoke even much more devastating consequences for the whole global system.

The Chinese government, including one of its main educational institutions, the Central Party School, seems to pay greater attention to

Business Ethics. In the wake of the milk and product safety scandals, the need for a more pragmatic approach to sound and ethical business practices has been repeatedly raised by the current Prime Minister Wen Jiabao. The term “Dignity” actually emerged as Chinese equivalent to “Human Rights”, and involved the commitment of business to make sure that safe working conditions, regular pay, fair competition, and the fight against corruption are safeguarded and regularly policed.

In order to enhance a value system that can lead to significant change in business practices, a renewed *ecumenical* approach of inter-religious cooperation is required, one which can overcome the more parochial narrow mindedness. Given their strong tradition of shaping *universal human values* it would be a significant combined effort which would focus on reconnecting the Chinese people from different generations with their rich but largely unknown ethical treasures of wisdom, especially Confucian Ethics. Business Ethics – not only in the Chinese context – is built upon a secular framework of values such as trustworthiness, honesty, and respect.

Apparently the dialogue between Buddhist and Christian traditions has been fruitful by inspiring a genuine social commitment based on the shared value of compassion. For example, in the wake of natural disasters religious groups earned much respect by joining hands together in order to offer concrete help and relief.

Another connotation of “Dignity” in the context of business is the struggle to recognize in each human being the right to be protected from any harm. Therefore religious sensitivity for human life (starting from its very beginning) would be likely to pay a continuous attention to main issues of Business Ethics which tend to be overlooked: the much needed drive to make sure that the brutality of working conditions in sweatshops (the recent string of suicides among factory workers of Foxconn may be just the tip of the ice-berg), wide spread child labor, human trafficking etc. will be abolished and give way to a more human approach to an economics and management. Actually, even after the latest financial crises, over simplified concepts of “Homo Oeconomicus”, with its obsession with profit maximization and cost-cutting, seem to prevail in most business education.

Religious groups are able to link like minded business people to-

gether in associations, social groups, and networks which continue to inspire and support each other to stick to their commitment to a sound and ethical way to do business.

Based on the author's empirical evidence, it appears that business leaders whose values have been shaped by religion are likely to undertake serious steps to implement Business Ethics principles by developing viable ethical codes in their firms and institutions.

Religions often inspire their adherents to detach themselves from a culture of lies and struggle to find the truth. This may well lay the groundwork to shift a business focus from an exclusive concern for its excellent public image towards an attitude which would be open to a thorough investigation if there is any evidence that basic ethical principles have been violated. "The truth will set you free", a key message of the Gospel of Saint John in the Christian tradition certainly strongly resonates in the traditions of Islam, Buddhism, and Taoism. Hence, the search for truthfulness and trustworthiness may be a decisive factor to truly implement a requirement of the Chinese labor law to install a mechanism for "whistle-blowing" in each firm, which means that each employee would have institutional channels to share his or her grievances to an ombudsman who would be entitled to investigate a given case while making sure that the confidentiality of the whistle-blower is safeguarded.

Given the fact that corruption seems to deteriorate seriously in China (see the findings of the Anti-Corruption Report by the former Supreme Judge, Xiao Yang⁶ as well as the rankings of the German based group Transparency International) it appears naive to pin all the hopes a change on compliance only, with occasional crackdowns. The threat of harsh punishments certainly has limited merit. However, an ever more decisive source for such a change in human values are the various religious traditions and what they are ready to offer. The dynamic growth of different religious traditions in contemporary China may indicate a longing for a certain purity of life not provided by other sources.

The strong ethical tradition in different religions could help shape a new *virtue ethics* as an inspiring point of reference and guidance for business leaders who would like to create pragmatic ethical cultures which would be a decisive factor for the economic development in China. The Christian tradition with its focus on solidarity, subsidiarity, and the atten-

tion to the common good may thus not only be a key reference in the dialogue with other religions but also offer key insights for economic and human development.

Conclusion

Religion has often been perceived as an enemy of the State. In the particular case of China, within the framework of a “State Religion”, a more mature understanding of the character of religion may emerge in the process of the birth of an authentic civil society in China. This will be a necessary complement to the efforts to make the economic open door policy since 1978 more sustainable. The cooperation of different religions as true partners may lay a necessary further foundation for a further growth of the rule of law and civil society. China has achieved great progress in the area of law. This is often not sufficiently acknowledged. However, the tradition of the rule of law still risks being rather weak in some layers of the society. Therefore a combined effort of religions may contribute to shape a new value-driven economy, including a firm commitment against corruption.

Endnotes

¹He, G.(2009), “Religion”, in Ren J. (ed.) A Dictionary of Religion, Shanghai: Dictionary Press.

²Counting China’s Christians. There are as many Christians in China as there are members of the Communist Party, article retrieved from www.firstthings.com on May 29, 2011.

³The civil society in China, report submitted by the Center for International Business Ethics for the Commission of the European Union, 2010.

⁴Lübbe, H. (1986). Religion nach der Aufklärung (“Religion After the Enlightenment”), Graz, Vienna, Cologne: Styria.

⁵Xiao, Y. (2009). Anti-Corruption Report, Beijing: Law Press China.

References

- He, G.(2009), “Religion”, in Ren J. (ed.) A Dictionary of Religion, Shanghai: Dictionary Press.
- The civil society in China, report submitted by the Center for International Business Ethics for the Commission of the European Union, 2010
- L?bbe, H. (1986). Religion nach der Aufkl rung (“Religion After the Enlightenment”), Graz, Vienna, Cologne: Styria.
- Xiao, Y. (2009). Anti-Corruption Report, Beijing: Law Press China (, “fantan baogao”).

反贪报告