

# The Chinese Work Ethic: Significance Of Confucianism

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*In China Confucian principles are indigenous to national culture; these principles advocate respect for work, discipline, thrift, protecting face, order of relationships, duty to family, and economic egalitarianism. Many researchers believe that Confucianism may have economic implications as well as the more noted Protestant work ethic of the Western world. Weber's work of The Religion of China contrasted the two work ethics in terms of work values.*

Field of Research: Economics, Management

## 1. Introduction

China has experienced many periods of transformation in its history; expansion and contraction in its economy, periods of isolationism and openness, invasions by foreign governments, and changes in ideology that accompany the changes in its political leadership. Until the founding of the Republic of China in 1911, Confucianism was the official religion of China for more than 2000 years. This paper explores the significance of Confucianism to the national culture of China. Furthermore, it relates the work of many cross-cultural researchers that believe Confucianism may have economic implications in national development as well as the Protestant work ethic principles of the Western world.

## 2. Literature Review

In 1911, when the Republic of China was established, official sacrifices to Confucius were abolished. It was no longer the state-cult that it had been since the time of Han Wu Ti. The May Fourth Student Movement in 1919 made Confucianism one of its chief targets criticizing old Chinese teachings, customs, and beliefs. The unification with the Kuomintang government in 1927 caused

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Confucian scholars to be despised and even persecuted. No Confucian classics were allowed in school. In 1932, a Manchurian invasion by the Japanese created a return to the Confucian classics (Chen, 1994). According to the North China Herald, October 19, 1932, the perception existed that the neglect of the Confucian teachings had led to China's demise (Chen).

It was on June 4, 1934, that an edict declared the 27<sup>th</sup> of August to be a public holiday throughout China. The Shanghai Daily News (as cited in the introduction, Chen, 1994) published the Ode to Confucius:

How lofty is Heaven! It leaves nothing uncovered;  
How deep is earth! It leaves nothing unsustained;  
How bright the Sun and the Moon! They leave nothing unlighted;  
How great the Seas and Rivers! They leave nothing unreceived;  
How sublime and vast are they! No words can ever express them.  
O my Master! His Tao is the culmination of all wisdom.  
He spreads rays of Bright Virtues under Heaven!  
And moves the world towards the State of Great Harmony,  
He is the Pattern of Teachers for myriads of ages!  
And transmits forever his undying spirit.

The New Life Movement of Chiang Kai-Shek soon spread with a revival of Confucian principles and teachings (Chen, 1994). Again today, Confucianism meets a challenge by the introduction of Western culture and market reform. Perhaps the Chinese scholar, Dr. Hsu's statement is an accurate assessment, "If China has anything to contribute to the world, Confucianism will be a part, not a small part, indeed of this contribution" (Chen, 1994, p. 5).

Although many are concerned about the original meanings of Confucius staying intact in a rapidly changing world, perhaps some changes are more static in the progress of a civilization as this verse still finds relevance:

Some enjoy their peace and rest  
And some are worn out in serving the state  
Some lie and loll upon their couches  
And some never cease marching about  
*The Book of Poetry* (as cited in Chen, 1994, p. 58).

## **Confucianism: Definition and Founder**

Confucius' single word to serve as a rule for all one's life: RECIPROCITY

Confucianism was founded in the fifth century by K'ung Fu-tzu, the Latin term for Confucius (Chen, 1994; Hill, 1997). According to a noted Chinese Confucian

scholar, Confucius was "both a transmitter and an originator, both a creator and a conserver, of ancient Chinese culture" (cover page, Chen, 1994). Over 150 million people, primarily in China, Korea, and Japan still follow Confucianism (Hill, 1997).

In Confucianism, the highest ideal is social harmony, family, and a sense of order (Tai, 1989). According to Weber (1951) Confucianism had no idea of salvation... ultimately it represented a "tremendous code of political maxims and rules of social propriety for cultured men of the world" (pp. 152-153). The Confucian philosophy is mainly concerned with society, human relations, and this-world, rather than hell and after-life and a supreme being (Zhang, 2000).

Most Chinese do not belong to a faith, such as being Catholic, Protestant, or Jewish (Hill, 1997).

The classic texts of Confucius have been reported to be less read among Asians than the Bible among Europeans and Americans, or the Koran among Islamic communities. Nonetheless, it is claimed that Confucian ethical codes of conduct within relationships are rigidly adhered to among the Chinese today (Hill, 1997).

The *Analects of Confucius* are considered to be an ethical code of handling interpersonal relationships (Tai, 1989). In the early dynasties of China, the government was not fully trusted by the ordinary people. The rulers tended to use the *Analects* to maintain loyalty to their political power (Tai, 1989). The gentlemen in China as Confucius' *The Great Learning* stated should achieve peace in the world (Tai, 1989).

Hofstede and Bond (1988) summarized Confucian teaching into four key principles: (1) the stability of society is based on unequal relationships between people; (2) the family is the prototype of all social organizations; (3) virtuous behavior towards others lies in reciprocity; and (4) virtuous behavior includes self-improvement through education, diligence, perseverance, and moderation in all things. Compared to the Western philosophy of honesty above harmony, the Chinese would see "constructive criticism" as being "antisocial".

In Confucian philosophy, loyalty to one's superiors is regarded as an absolute obligation. In modern organizations based on Confucian thought, the loyalty factor may be viewed as a reducing force between management and employees. Furthermore, labor may be achieved at a lesser cost in a culture where loyalty is emphasized in the value system (Hill, 1997).

## **Confucian Dynamism and the Work Ethic**

There are truly many paths leading up to every mountain, and many mountains lead to heaven. Confucius

Confucian Dynamism is based on the teachings of Confucius and defines the behavioral dimensions between human relationships, social structure, and work ethic. The Chinese Culture Connection (1987) study found that Confucian Dynamism was a cultural link to economic growth. It was strongly associated with economic growth in twenty-two countries during the span of 1965 to 1985, suggesting that there is a positive relationship between the Confucian philosophy and the economic growth of a country. However, because of the nature of the Chinese work traits involved in the survey, it is difficult to make this association valid to non-Eastern cultures.

Many attempts have been made to seek the connection between cultural forces and economic performance from the Weber's Western economies to the Asian miracle economies (Kahn, 1979; MacFarquar, 1980; Redding, 1990; Hofstede & Bond, 1988; Ryman & Turner, Connor, 2009; Becker and Woessmann, 2009, Houle, Jennings, Meyer, Rafail, and Simon, 2009; Cantoni, 2010). Although the Confucian hierarchy of society ranks the classes as scholar, administrator, farmer, artisan, and merchant, with the business person at the lowest level, Confucian-based societies in Asia are achieving remarkable success in recent decades.

Roderick MacFarquar (as cited in Tai, 1989) found that "their post-Confucian characteristics—self-confidence, social cohesion, subordination of the individual, education for action, bureaucratic tradition, and moralizing certitude" is a support for their work ethic and economic performance (p. 168). Kahn's (1979) hypothesis was that the cultural roots of some East Asian countries, under the world market conditions of the post-war period, gives a comparative advantage for successful business activity. The common cultural root is the Confucian philosophy.

## **Confucius and National Culture/Development**

Follow what is of profit to the people and profit them. Confucius.

Confucius gave five principles of government, three of which are concerned with economic measurements. His first principle was to benefit the people without wasting the resources of the country. He suggested, "Follow what is of profit to the people and profit them." Secondly, he stated for people to labor without cause for complaint. He carried this out by asking, "When the government demands labor from the people in proper manner and for their own good, who will repine?" (Chen, 1994, p .205).

In his third principle, he admonished his followers to enjoy life without being covetous. He suggested that when one's desires are set on love (*Jen*) and one secures it, one will never be liable to be covetous (*The Analects* 20, 2, 1-3).

### **3. Methodology And Research Design**

The research method explores the Confucian work ethic ideology through a theoretical examination of its intent and its foundation in the Chinese culture. A comparison and contrast with the Protestant work ethic of the Western culture provides additional theoretical analysis in terms of the economic development of China.

#### **Confucian Work Ethic v Weber's Protestant Work Ethic**

Nothing conflicts more with the Confucian ideal of gentility than the idea of vocation (Weber 1951, p. 161).

In China, Confucian principles are indigenous to national culture; these principles advocate respect for work, discipline, thrift, protecting face, order relationships, duty to family, and economic egalitarianism (Bond & Kwang 1986; Hofstede & Bond, 1988; VonGlinow & Teagarden, 1993). Hard work, frugality, and diligence are the values of the Confucian system.

Many researchers believe that Confucianism may have economic implications as well as the Protestant work ethic. Weber (1930, 1951) argued that the development of capitalism in the West was premised on a Protestant ethic that allowed the Puritan to dissolve everything into the pure business relation. This contrasted with China's world religion of Confucianism, which served to perpetuate traditional values and existing institutions.

In Weber's (1951) work, *The Religion of China*, a contrast between the Protestant ethic and the Confucian ethic is drawn: "whereas Puritanism objectified everything and transformed it into rational enterprise, dissolved everything into the pure business relation and substituted rational law and agreement for tradition. In China, the pervasive factors were "tradition, local custom, and the concrete personal favor of the official" (p. 241).

For Weber, vocation was the highest form of moral activity, with this leading to an accumulation of capital rather than consumption. Thrift, savings, and investment were fundamental values. The equivalent in Confucian ideology was the search for harmony that is achieved by actions for the society as a whole. A most important factor in the comparison is that Confucianism promotes righteousness over profit.

Another contrast that Weber (1951) considered even more important in drawing a distinction between the two was that the tremendous density of the Chinese population and its belief in the value of wealth as a means of moral perfection caused distrust in credit and business operations. This contrasted greatly with the puritan faith of "honesty is the best policy" (p. 232).

Kahn (as cited in Zhang, 2000) found the industrialization process not be defined as Eastern or Western, capitalistic, or socialistic. In different societies, it simply takes separate paths. Kahn found the two elements of the Confucian work ethic leading to economic growth to be “the creation of dedicated, motivated, responsible, and educated individuals and the enhanced sense of commitment, organizational identity, and loyalty to various institutions” (p. 108).

## **The Book of Change**

Bamboo bends, but it does not break. Chinese saying.

*The Book of Change* (600 BC), based on Confucius’ teachings, outlines the main concepts of the family relationships. Confucian ideology is one of a world that existed in harmony, equality, justice, and universal brotherhood (Waley, 1938). According to Confucius, the family is the primary organizational unit. Confucian beliefs profess that one “who knows the way” is one who comes from a healthy family that then leads to a good influence in other facets of life.

The basic relationships of Confucius’ philosophy may be best viewed in the Wu Lun Chart which explains the five basic relationships and principles for each relationship. They are master/follower; father/ son; husband/ wife; older brother/younger brother, and friends. *Jen* expressed by one Chinese scholar (Chen, 1994) as love, means one’s unselfishness and ability to measure other people’s feeling by one’s own (Waley, 1938).

The Wu Lun Chart suggests that Chinese society is paternalistic (Syu, 1994). Confucius primarily used only the male versions of language to define family relationships. The relationship of father/son is considered the most important, and the devotion of the son is considered to be the most important sign of morality and conduct.

As *The Book of Change* relates,

First there are heaven and earth, so there are living things; there are living things, so there are man and woman, so there are husband and wife; there are husband and wife, so there are father and son; there are father and son, so there are master and follower; there are master and follower, so there is seniority (or hierarchy); there is seniority, so there is distinction between right or wrong behavior.

## **4. Discussion Of Findings**

The theoretical revelations of prominent work ethic and cross-cultural researchers such as Weber, and Hofstede and Bond illustrate the significance of Confucianism in Chinese business relationships. As discussed below, the

Confucian beliefs impact upon attitudes both within the society and the code of ethics used by organizations in modern China.

## **Guanxi**

Build the relationship, and then the business will follow. Old Chinese saying.

The Chinese Confucian society is ruled by a personal code of ethics rather than law. This relationship is one of the major roles in the Chinese society built around the close knit network of individuals and organizations known as guanxi.

Historically, Confucius is credited with the codification of the Chinese system of ethics. He lived from 551-479 BC, during the declining years of the Chou dynasty. This era was noted for its great turbulence, thus creating a need for personal relationships that depended upon the wisdom of "virtuous men" for its effectiveness. Massive social and political changes have occurred in China, however, the emphasis in China today remains on relationships. In contrast to the Protestant ethic, it is not one set of norms, but rather, a set of ethics to be applied according to these distinctions of relations.

## **Definition Of Guanxi**

As Redding et al. (1993) explained, "individuals develop a network of personality defined reciprocal bonds that allows them to function in a business setting and a larger societal context". According to Luo, guanxi "refers to the concept of drawing on connections to secure favors in personal relations. It contains implicit mutual obligation, assurance and understanding, and governs Chinese attitudes toward long-term social and business relationships." (Luo, 1997). As he further illustrates, if A has guanxi with B and B is a friend of C, then B can introduce or recommend A to C or vice versa. Otherwise contact between A and C is impossible (Luo, 1997).

Guanxi is objective rather than subjective, not relying on sentiment, but upon exchange of favors. It is intangible, noted by an unwritten code of conduct. (Luo, 1997). Within the organization, guanxi does not have to have group connotations; the relationship is a personal one. For example, if a person leaves, the organization loses that guanxi as well (Luo, 1997). A disregard of this commitment may be met by a serious mark on one's social reputation. Guanxi is also reciprocal in that if one does not follow the rule for exchanging favors, the individual will lose face (mianzi) and be labeled untrustworthy.

## **Social Philosophies Of Guanxi**

Mianzi (losing face) is an intangible form of personal status that according to tradition is comparable to the physical mutilation of one's eyes, nose, or mouth.

The ideal goal of the guanxi system is to save another's face while not losing your own face (Luo). According to Confucian beliefs, man is a relation-oriented being in which all relationships fall into two categories, predetermined (family) and voluntary (Syu, 1994). In a guanxi relationship, unspoken rules of reciprocity and equity must be observed. A practical application of guanxi is that individuals can circumvent rules by activating connections and loyalties.

For example, a contrast may be made between the Chinese and the Westerner. The legal environment is crucial to an organization with Western roots. However, because of the emphasis upon personal relationships in traditional China that viewed legal matters and laws as a sign of bad faith, the legal environment in China today remains relationship-based and differs greatly from the Western environment (Luo, 1997).

McDonald's in Beijing experienced the implications of guanxi as the restaurant chain was evicted from a Beijing location after 2 years on a contract with a twenty-year duration. McDonald's had neglected its guanxi relations, whereas a Hong Kong newcomer had strong guanxi (Luo, 1997; Mastel, 1997). The U. S. government intervened to assist McDonald's in reestablishing the lease. As Boisot and Child (1996) point out the Chinese economy is moving toward a relationship-based "network capitalism."

## 5. Conclusion

### Summary: The Confucian Philosophy

High is the mountain I look up to, and bright is the example for our emulation! Although I cannot reach the top, my heart leaps up to it!  
Confucius: *The Book of Poetry* (as cited in Chen, 1994, p. 115).

Regarding himself, Confucius states in the Analects 2, 4:  
*At 15, I bent my mind on learning; at 30 I stood firm; at 40, I was free from doubts; at 50, I understood the way of Heaven; at 60, my ear was an obedient organ for the reception of truth; at 70, I could follow the desires of my heart without transgressing what was right.*  
(p. 115).

"Like Jesus, Socrates, Gautama Buddha, Mohammed, and other great teachers of the world, Confucius had to depend upon his disciples to carry out and exemplify his doctrines" (Chen, 1994, p. 429). His philosophy (as cited in Chen, 1994, p. 428) lives on as a true motivation to all.

We must climb the hill though the slopes are steep  
Travel the road though the brambles are deep.  
What seems near at hand retreats in the way.  
And so lengthens our vain labor for another day.



We must onward go through in pain and sorrow,  
And expect no easier route to-morrow.

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