

## THE BUDDHIST AND CHRISTIAN PERSPECTIVES ON BUSINESS ETHICS IN LEADING CHINESE BUSINESS PRACTICES

John Lee Kean Yew<sup>1</sup> and Jacob Donald Tan<sup>2</sup>

<sup>1</sup>*University of Malaya* and <sup>2</sup>*Universitas Pelita Harapan, Indonesia*

**Abstract.** The religious practices of ethnic Chinese business leaders make an interesting debate for exploring how leadership, ethics and perspective are seen because of the sharp distinction made between ‘before’ and ‘after’. Business ethics applied to economics and business has a long tradition. While Buddhism focuses on experientially based ethical consciousness to develop the business with self-responsibility, Christian faith and reason intertwine to bring about principles, criteria, and guidelines for action and a set of virtues with relevance for business activity. Therefore, we then examine how such religious practices in both Buddhist and Christian improve their business leadership with related human values embedded strongly in terms of an old (conservative) and new (rebirth/born again) personhood and they do so within a challenging, highly corrupt and business context. This article introduces Buddhist and Christian ethics to show how these religious practices discursively deconstruct their ‘old’ identities and construct their ‘new’ aspirational identities to expand ethical understanding and practice in Chinese business. Since research on ethnic Chinese business typically investigates the dominance attributed to specific ‘Chinese’ cultural values and strong intra-ethnic network, this paper provides different perspectives in order to make its contribution to the developments of both Buddhist and Christian ethics in the leading Chinese business practices as an ‘enhancer’ to increase expression in good business conduct.

**Keywords:** Chinese business, business ethics, Buddhist, Christian, human values

**DOI:** <https://doi.org/10.3176/tr.2023.1.03>

Received 4 February 2023, accepted 14 February 2023, printed and available online 20 March 2023

## 1. Introduction

Understandably, a myriad of transnational networks built around family, cultural norm, clan, institution and business practice have defined traditional Chinese business over a long period of time. In contemporary context, strong connections with internal and external stakeholders characterize Chinese principles of business practice. These extensive business practices provide useful intelligence and support in the global business context. Obviously, its role in Chinese business has engendered significant debate (Kao and Sek-Hong 1995, Chatterjee 2001). For example, Morris and Schindebutte (2005) argued that different cultural backgrounds impact on business practices. For Asians, they note a Chinese traditional values heritage involving Confucian dynamism, fidelity, altruism and unspecified obligations of reciprocity norms. Similarly, Young and Corzine (2004) draw attention to the focus of five virtues of human values in Chinese traditions: humanity/benevolence (Ren), righteousness (Yi), prosperity (Li), wisdom (Zhi) and trustworthiness (Xin) that are still relevant in Chinese business culture. Yu and Stough (2006) suggest that the soaring economic growth performance in East Asia as Mainland China, Taiwan and Hong Kong during the late twentieth century has aroused great enthusiasm in Oriental culture, especially for Confucianism. The Confucian ethic of hard work, deference, and group-orientedness has been identified as a determinant of the dazzling economic success in East Asia, particularly among ethnic Chinese groups. (Cheng and Rosett 1991, Hutchings and Murray 2002). Some researchers even argue that traditional values and religion values are an important source of strategic advantage which gives Chinese firms their resilience and flexibility to cope with change and 'reformation' in the global business phenomenon.

### 1.1. Chinese business

It has been suggested that during the last 20 years in China, the only way to succeed in business is through unconventional paths, such as capitalizing on relationships, even through bribery and corruption (Tsang 1998, Blackman 2000, Hsiao 2003). One element of this is *guanxi*, a uniquely Chinese cultural artifact. *Guanxi* is a network of personal relationships emerging from the fundamentals of Chinese culture, traditions and business practices. In China, over 500 years of existing as a closed society allowed these special business practices, and the mores which govern them, to become a fixed element of culture and society (Wong and Tam 2000). Carlisle and Flynn (2005) suggest that this business practice operates as a modern Confucian construct in life and business, the positive relationships of *guanxi* can protect dignity or face and allow, affirm and honor the relationships of individuals involved in business (Redding and Ng 1982). Negatively, issues such as nepotism and corruption (Yeung and Tung 1996, Pearce and Robinson 2000) for example, have also been linked closely to *guanxi* (Wright et al. 2002). At the very least, *guanxi* or relationship-based business practices can lead to a set of ethical priorities that differs considerably from the Western norm (Steidlmeier 1999).

### *1.2. Chinese culture*

Being truthful to each other between stakeholders such as buyers and suppliers can maintain good business relationships referred to as *guanxi*. *Guanxi* can be referred to as close business ties (Barnes et al. 2015) that reduce conflicts, self-opportunism, and switching intentions (Abosag et al. 2021). Trust that exists in *guanxi* is key to the extension of collaborations and partnerships. This requires regenerative process of personal openness, transparent policies, and open communication that runs through interpersonal trust, competence trust, and systems trust (Sundaramurthy 2008). However, this is not a common practice for Chinese businesses whose tradition of being secretive is prominent (Chand et al. 2012) due to high power distance and masculinity (Hofstede 2011). Since China opened up in 1978, the Chinese economy began to integrate into the global economy, and ‘increasing numbers of Chinese began to go overseas, in small numbers at first, but in significant numbers from the mid-1990s’. The total number of overseas Chinese is about 35 million, of which 5 million went abroad after 1978. About 80% of these Chinese immigrants have settled in Southeast Asia (Economist 2010, Zeng and Williamson 2007). During the twentieth century, mainstream economics have focused primarily on interest-driven behavior, while sociologists have tended to emphasize social behavior.

### *1.3. Chinese business culture*

Inspired by Weber’s work, it is true that economic activities are typically prompted by interests, as suggested by economists. However, interests are directed by worldviews values, which in turn are products of certain beliefs. In other words, most people behave according to what they think is both reasonable and meaningful. The sources of this sense of meaning are largely religious (Becker and Woessmann 2009). Weber argues that religion is important as it affects people’s thoughts and emotions and defines both what is right and wrong and what is worth living for. Even if some people might not be aware of it, their sense of meaning may be traceable to religious influences that were long ago woven into the fabric of daily life. Many studies on economic actions have either been an economic analysis giving prominence to social structures. Both generally downplay ideal interests, which include nationalism, ethnic honor and particularly, religious benefits, i.e. an assurance of salvation of rewards in the afterlife (Andersen et al. 2017).

Kirby and Ying (1995) also explored Chinese values and found that some, such as perseverance, diligence, resourcefulness, emotional stability, integrity and, intelligence and harmony have a positive effect on entrepreneurship. However, they point out that creativity, innovation and flexibility were lacking. Moreover, they also noted that a positive response to change, initiative, profit orientation, all qualities associated with entrepreneurship were in conflict with Chinese values. Thus, although what we might now refer to as business management or business ethics has never been at the root of Buddhism or Christianity, research such as this which reflects on contemporary business ethics in eastern and western societies, and the compliance of those ethics with religious tenets, usefully provides a further

motivation for the commercial assumption of business ethics. In understanding the spirit of business ethics in Buddhism and Christianity, the first step is to emphasize its basic moral principles and ethical system. Mahayana Buddhism's moral principles are 'benevolence' and 'compassion', principles which motivate its believers to do others good and to make others convert to Buddhism without discrimination. Underpinning this Buddhist ethical system is (in common with most religions) the standing instruction to proselytize, e.g. rescuing each creature (Shi 1990). Any Buddhist's unbiased and compassionate help of others, any spreading of benefits and happiness, thus owe perhaps more to the obligatory traits of modern business ethics than to Buddhism.

In Chinese business, Phan (1999) traces the origins of Asian business culture to the Confucian system of responsibilities and obligations between superior and subordinates. In this system, Phan (1999) argues, there are clearly established lines of authority and responsibility that engenders trust. Trust is a precious commodity in an economic context where contract law is undeveloped and institutions are unstable, so that in the Asian way of doing business, a reliance on Confucian ethics provides a reliable form of governance. The central characteristics of Chinese business practices of Confucius' thought encompass two elements, the 'Principle of Ren' and the 'Principle of Zhong Yong'. The entire teaching of Ren is based on the practice of noble human values. The principle of Zhong Yong (central harmony) expresses the Confucian concept of metaphysical processes, which creates social balance through ideas and actions (Kao and Sek-Hong 1995). In the sixteenth century, theologians of the School of Salamanca, such as Francisco de Vitoria and Bartolome de las Casas made a strong defense of universal human rights (Hoffmann-Holland 2009) with implications for labor. Some authors of this school actively worked on moral issues of business and finance, such as how to do business in accordance with Christian ethics (Chafuen 1986, Azevedo Alves and Moreira 2010, 2013).

However, Chinese business practices often oppose the western values of Christian ethics whereby "Western values resulted from the merger of two great cultural streams: the rationalistic tradition of the classical Hellenistic world and the Judeo-Christian religious heritage. Ancient Greece anticipated the West's reliance on reason, and Judaism provided through Christianity a religious foundation for its secularism" (Hooker 2003). Western values certainly have enormous variety, which share the tie of western cultures is 'universalizing rationality' or 'scientific rationality' rather than social relations or *guanxi* networking in Chinese society, which emphasized respect for age and hierarchy, group orientation, face and *guanxi* most developed in the family and then transferred to business organizations (Wong and Tam 2000). New Christian converts, especially in the cities, increasingly hail from the elite strata of Chinese society consisting of successful businesspeople, university students, and professionals (Gao 2005, Cao 2011). Their accumulated social, cultural and economic capital in turn empowered them with greater organizational and mobilization capacities in the pursuit of religious aims.

## **2. Business ethics, human values and Chinese business practices**

Models of business ethics suggest that there is a complex interaction of many steps and concerns that feed into ethical judgments and behavior (Hunt and Vitell 1986, Tsalikis and Fritzsche 1989). The central idea of this paper is that an inquiry into religious and human values can and should play a central role in any discussion of business ethics. It has been argued that every significant social and political change in human rights, the growth of the welfare state had religious convictions at its roots. If this is true, then removing religious inquiry from ethical instruction, be it in the business classroom or in the corporate boardroom, severely restricts the potency of such instruction to effect change. Of course, there are strong cultural impediments to bringing religion to bear on the business enterprise (Siker et al. 1991).

It is the central thesis of this essay that if you seek to use business ethics to change behavior, omitting references to religious convictions is a serious mistake. It may create the impression that one's religious views have no place in one's business activities, creating a sort of unhealthy schizophrenia. But even more to the point, in the West, nothing motivates more than religious conviction. Many people take their religion very seriously. Perhaps theology could suggest why corporate managers should consider all stakeholders (Donaldson and Preston 1995). Traditional Confucian ethics, Marxist ethics and Western business ethics alike emphasize the moral dimensions of economic activity (Lu 2009). In theory, the consequence of ethical behavior based on education and not coercion is a reduction in the number of coercive laws required for the smooth functioning of a business. Business ethics can thus be considered as the norms defined by a market system for its successful functioning and include various commonsense moral obligations (Shaw 2009). This is why understanding the relationship between the transformation of the Chinese business practices from old (conservative) to new (rebirth/born again) personhood within a religious model of business ethics is so important.

Chinese business practices evolved over time with the changes in the market infrastructure. This shift also impacted business ethics and made it difficult for Chinese and Western managers alike to know which behaviors were ethical. Similarly, Western counterparts found such behavior difficult to interpret. This difficulty may be endemic to virtually all transitioning economies. Understanding these transformations may show what is considered ethically acceptable or at least clarify the nature of Chinese business practices and human values. Chinese collectivist culture and traditional human values of Daoist teachings urged them to build relationships. Hence, the Chinese place greater trust in social networks based on their culture and religion, such as Confucianism, Daoism and Buddhism, than in the legal system. The result was a type of 'co-opetition' – cooperative competition – that needed to be managed (Hwang et al. 2009, Tam 2002, Yang 1994). In this context, it is argued that the case of the Chinese business practices offer an interesting focus of inquiry on a twofold question which asks: first, whether the Chinese way, by virtue of its association with tradition human values, is inherently conservative

and resistant to changes; and second, to the contrary, whether the Chinese human values have instead a generous propensity to ‘change’ which therefore make Chinese businesses practices more resilient than its Western counterpart.

Business ethics was seen as a way to bridge this problem and lead the way to comprehensive prosperity. The 1994 Chinese Company Law did not explicitly refer to Corporate Social Responsibility and Business ethics, but it echoed some of its components, especially regarding the rights of employees (Chinese Company Law 1994 arts. 45 and 68). Globalization can be seen as not only a homogenization process in political and economic terms, but also a process in which religious ideas and moral principles spread around the world. While in an earlier phase of globalization lack of Christianity was once constructed as a moral argument to ban Chinese migration to the Christian West, in the current context of China’s aggressive business outreach and mass emigration Christianity has become a vital social force and moral resource in binding Chinese merchants and traders in China as well as overseas Chinese diaspora (Cao 2019).

However, market power of business groups in emerging markets is not uncommon (Chang and Choi 1988, Pattnaik et al. 2018), especially considering the legal system that is still loose in progress. This can lead to the formation of monopoly in certain industries that disadvantage market equilibrium (Bain 1956), social welfare (Khanna 2000, Posner 1975), and innovation (Mahmood and Mitchell 2004). Thus arise the potential dark side (unethical practices) of the businesses. Self-opportunistic mindset that drives self-interest behaviors such as cheating, dishonesty, breach of contract, and withholding truth cause conflicts between business stakeholders (Hawkins et al. 2008, Morgan and Hunt 1994). It creates a zero-sum dynamic in the partnerships (Poza 2014) when one party wins and another loses.

### **3. From self to non-self: awakening theory of Buddhist ethics in business**

In Buddhism, the key to developing any capacity or skill is to know yourself. Thus, in order to develop and maintain an ethical capacity, it is first necessary to understand how one functions cognitively, effectively and behaviorally in general. Having developed that capacity, one can then apply it to ethical concerns in particular. In this section, the general capacity is addressed through three interrelated exercises:

- (1) watching one’s thoughts,
- (2) watching one’s feelings and emotions, and
- (3) watching one’s behaviors.

A Buddhist perspective might inform our understanding of a number of these steps and concerns but here we will focus on the individual’s attributes of moral level and motivational mechanism as noted by Tsalikis and Fritzsche (1989). Underlying this focus is the assumption that if these attributes become clearer and



more consonant with positive ethics to individual business decision-makers, then various organizational, professional and societal issues of ethics will also take on a new, clearer view. Thus, while a Buddhist perspective has historically shaped organizations and societies, it takes a bottoms-up approach whose starting point and unswerving main focus is on the individual and his or her experiences and sense of self-responsibility. This then is our focus here, the individual business decision-maker and his or her moral and motivational approaches to business, considered in an experiential context.

#### **4. From faith to fair: the meekness of Christian attitudes in business**

Religions are drivers towards ethical decision-making (Nelson et al. 2017), and Christianity is considered the most influential religion that molds cultures and legal systems which subsequently develop business practices in Western countries (Calkins 2000). Stewardship, love, and service are the key values emphasized in the practices (Alvarez et al. 2019).

According to Tong (1996), faith and rationale have to be combined to produce righteousness or truth in the daily decisions that are made. Righteousness or truth, however, is ultimatum to the equation and not rationale, but rationale is required to comprehend righteousness. The truth is the truth and nothing else. As mentioned before, being truthful among business partners and stakeholders generate good business relationships. In Christianity, the values of living a Christian life may be derived from the 10 commandments and the Fruit of the Spirit.

Christian entrepreneurs engage in business to acquire profits as well as glorify God through their enterprises. Thus, a financially rewarding objective is as important as a Christian objective. These two ‘mainstreams’ have to converge in management decision-making, but often, it becomes a trade-off instead. This viewpoint displays how an enterprise can effectively apply Christianity to engage personalities with professionalism to yield performance, market share, and social outcomes.

Christian values are based on the two greatest commandments as denoted by Jesus Christ in the Gospel of Matthew, Mark, and Luke:

- (1) You shall love the Lord your God with all your heart and with all your soul and with all your mind.
- (2) Love your neighbor as yourself.

Christians are taught to love God first and then others as themselves. At the same time, they are also warned to be shrewd as serpents and meek as doves, as in the metaphor of sheep in the midst of wolves. Christian focus on faith, hope, and love, with the greatest emphasis on love, might be often misunderstood as naive especially in the competitive contexts. Love is often misunderstood as conceding to hostile competitors. Biblical teachings also encourage Christians to be smarter than the

world, thus the optimization of love and wisdom is key for Christian entrepreneurs. As written in Luke 16:8-9 that worldly people are shrewder in dealing with earthly possessions and people to gain more, compared to the Christians. Shrewdness is not analogical to dishonesty and instead, Christians are encouraged to gain more as long as their worldly wealth is utilized to bring others to the Kingdom of God.

## **5. Theorizing religion ethics and the role of human values in ethnic Chinese business**

### *5.1. Buddhism – human values*

One of the major ideas in the modern perception of business ethics in Buddhist thoughts is fairness and benevolence and compassion among humankind. Buddha argued that ‘Every individual has a Buddha-nature, and everyone can be a Buddha by practicing Buddhist rules’ (Danial 2014). Adopting this arguably analogical idea of fairness or equality, in Buddhism every member has a potential for senior management and must expect equal opportunity, a tenet which has interesting implications for business ethics to practice among ethnic Chinese businesses. The practice of Buddhism in ethnic Chinese businesses is not opposed to accumulating money and purchasing properties in that it is only through self-supply in economics that it can help others in need (Du 2014). As such, the idea of ‘benefiting oneself’ and ‘benefiting others’ frequently appears in the Buddhist scriptures, an idea which happily coexists with a modern perception of ethical behavior: one enterprise should first run for its survival as benefiting oneself, and then benefit its employees, and thirdly devote itself to the betterment of society (Vallabh and Singhal 2014, Ratnayake and Jayawickrama 2015, Brown and Zsolnai 2018). One recalls that a disciple once asked Buddha how to benefit himself and benefit others. Buddha replied that it was achievable in eight ways, three of which were:

- (I) Having faith of one’s own ability and making others have it.
- (II) Practicing altruistic ways and leading others in those same practices.
- (III) Being contented and working for the contentment of others.

Such examples indicate the efficacy of cause/effect relationship whereby one saves oneself to save others, and as such it is an example of self-benefit and benefiting others. In the teaching of Buddha, preaching a need for unlimited compassion, taught others to gain benefits from learning Dharma. Buddhist teachings applied to contemporary corporate ethical conundrum owe something to Modern Buddhism and will not necessarily adhere to rigid or dogmatic Buddhist rites, and this is demonstrated by (for example) utilitarian Buddhist activities which are rather unorthodox and thus technically proscribed. But there are still profound truths contained in orthodox, traditional and ancient Buddhism. Thus, whilst Buddhist practices can evolve, without sticking to the Buddhist form, a vestige of the spirit will endure (Shi 1990). The Buddhist teaching is pure wisdom, a kind of clear understanding. It is believed



that understanding Buddha's teaching means understanding one's own 'true heart'. Using the true heart to develop business can help one prosper in the future. Perhaps it is most easily understood by Westerners as an instruction to listen to one's conscience and to act accordingly.

### *5.2. Christianity – human values*

According to Green (1999), the Christians view wealth through diligence as business success, while poverty due to laziness as a spiritual failure; the teachings of ethics and religions are thus constructed to sustain the longevity of Christian businesses. Humanity consists of physical, mind and spiritual dimensions that work together to bring the 'wholeness' of a person (Pollard 2010). In managerial decision-making process, these three dimensions are associated with good health, rationale (mind), and faith (spiritual) respectively to develop ethical business decisions.

Faith in Christianity refers to Fear of the Lord as written in Proverbs 9:10, "The fear of the Lord is the beginning of wisdom, and knowledge of the Holy One is understanding." This fear of God is the fear out of respect acknowledging that a Higher Being is in control, and He provides the wisdom and knowledge to discern ethical values in business practices. However, humans instill fear and deception to gain power and pride that destroy relationships and subsequently, trust in personal, family, and business level (e.g., Sundaramurthy 2008).

When the Chinese symbol of a dragon that represents wisdom and supernatural power above human beings, is ingrained in individuals like the emperors in China before, it breeds pride and power that corrupts the social system. Ng (2012) labelled this as the 'dragon toxins' and the Chinese tend to mask self-interest, jealousy, greed, and lust with niceness, kindness, generosity, and love respectively. Subsequently, as aforementioned, *guanxi* is employed for nepotism and corruption, rather than for true friendship and protection of business assets. As Sun Tzu mentioned, "Appear weak when you are strong, and strong when you are weak", and "Pretend inferiority and encourage his arrogance". This act of pretense suits the battlefield or business battlefield, but where to draw the line? Therefore, Chinese business leaders tend to conceal their intentions and feelings and talk behind people's back to avoid conflicts.

Being molded into the Christian faith requires true relational and sacrificial love for God and others. Obviously, this involves wisdom and rationale too. The purpose to serve God and others requires servant leadership that goes beyond merely meeting one's own need. In Galatians 5:16-21, living by God's Spirit instead of succumbing to human's flesh (the Spirit vs. Flesh) is encouraged to elude acts of sinful nature such as sexual immorality, idolatry, discord, jealousy, selfish ambition, dissensions, factions etc. These attributes do not come into the attributes of Christian faith.

*You shall love the Lord your God with all your heart  
and with all your soul and with all your mind.*

Christianity, which emphasizes dual relationship with the Trinity God, compels Christians to 'kill off' their flesh and truthfully nurture this intimate God-Human

relationship by producing evident outcomes of a Christian faith that are pleasing to God, as denoted in the Bible by the Fruit of the Spirit in Galatians 5:22-23: Love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control. Commencing with act of forgiveness can only attain these nine indicators of Christian faith. The parable of the unforgiving servant in the Bible signifies Christian believers to forgive others as God had forgiven them. Notably on personal and business term, forgiveness may not insinuate reciprocity, and neither does it mean exposing gullibly to repetitive damage from other parties. Instead, forgiveness allows Chinese business leaders to let go of their painful avenging approach; to focus on their well-being and nurture trusted *guanxi* and reputation.

*Love your neighbor as yourself.*

This second greatest commandment encourages Christian believers to empathize with the people around them. If one does not want to get cheated, then why cheat others? Love is also not blind. Love without wisdom is foolish love. As Tong (1996) mentioned, love, faith, rationale must act together for deeper understanding of the faith, hope, love, and righteousness in Christianity.

In business, empathy is key to understanding the specific market's need and want. It also means connecting with internal and external stakeholders, especially strategic partners. Moreover, giving 'face' (social image) and 'ke qi' (modesty) by indirect means of behaviors towards one's competitors by providing them an exit strategy when they are losing, is a wise meekness for Chinese Christian business leaders, which could at times gain personal friendship or alliances in return. This is referred to as gracious gestures to one's neighbor.

Human rights-friendly practices such as labor rights and relationships with indigenous people in the communities are also encouraged in the Christian teachings (Cui and Jo 2019). Values derived from religions (stewardship, care, faith) and cultures (trust, integrity, diligence) are keys to Chinese businesses, and the former might even supersede the latter (Dieleman 2019). As much as the values of business leadership are reflected from the individual founder or incumbent of the entity (e.g., Dieleman 2020, Suddaby and Jaskiewicz 2020, Tan et al. 2019), thus further studies are recommended to explore the type and role of Chinese Christian business leadership in value transfer. To summarize, mending *guanxi* with God in Christian faith is definitely priority and ultimatum to value transfer, before their influence and practices can be genuinely perceived in the eco-system.

## 6. Conclusion

It is difficult to deny that the business practices of new Chinese businesses are changing. The influence of human values of applying Buddhist and Christian perspectives on business ethics in work, organizational design, processes, strategies and cultures are observable with more distinctiveness in newer and global enterprises.

China is changing rapidly, but the anchoring and influence of tradition are not shifting so rapidly. Culture-specific frameworks still dominate the whole area of human resource management. The residual mistrust of the individualistic work culture is widely recognizable in the government and traditional sectors. The socialist ideology over the past five decades had in fact been responsible in discouraging enterprise innovation and creativity. This effort had a proxy effect in perpetuating the Confucian tradition. The importance of human value frameworks by advancing the religion ethics needs to be recognized by management researchers and practitioners with more urgency for three key reasons. First, the large-scale adoption of a market-based society is alien to the Chinese value frameworks where hierarchy of relationships has characterized society for thousands of years. To be of relevance to the society and its managerial transition, market culture in Chinese business environment needs a deeper complementary additional value base. The *guanxi*-type system therefore has more promise for non-Western societies in responding to the challenge of unbridled marketism.

Second, the high cost of the market-based system may be alleviated by developing more human heartedness, trust and relationship in managerial functions by valuing the importance of Buddhist and Christian ethics in leading Chinese business practices. A system of humane-based production, distribution and marketing is already becoming popular, even in the Western context. Overseas Chinese societies like Singapore, Malaysia and Indonesia have successfully integrated market ideologies with strict adherence to the Buddhist and Christian ethics to become interesting case studies for future research. Third, the Chinese human value dependency on the 'wisdom of virtuous men' has a special significance to the managerial transition in Asia. On the one hand, several Asian countries are falling by the wayside by adopting market economy without enshrining ethics and virtue as the key social capital. On the other hand, literature on trust and ethics is increasingly gaining recognition in Western management thinking. The need for a new system that refines market culture is urgent and the combination of virtue, concern for societal relationships and efficiency orientation signals the direction for cross-verging Asian management in the twenty-first century.

Many of these Chinese businesses were once run on the 'mandarin' principles of the Confucian heritage. These enterprises are now modernized and have passed on to the second-generation heirs. The latter, together with a new crop of professionally trained and hired managers, as well as other middle-level technocrats constituting a new 'labor aristocracy' clustered in the 'primary' labor market, belong to the modern, educated and Westernized strata of the business elite in these Oriental societies. Such managerial-cum-professional personnel, anxious to break away from the bondage of traditional values (as well as the captivity of their previous generations once trapped in indulging in notorious ills like nepotism, inertia, passivity and other 'pre-industrial' pathos which these human values that derived from Buddhist and Christian ethics once implied), have been zealous to assume the 'alternative' work attitudes of compassion, loving kindness, faithful and honesty in performance and other bureaucratic criteria to a greater degree of rigor than in Western societies.

## Acknowledgements

We would like to thank the University of Malaya (UM) Department of Chinese Studies and Malaysian Chinese Research Centre, and Universitas Pelita Harapan (UPH) Faculty of Economics and Business. Special thanks to some experts who shared their insights on religions and business practices. For the peer-reviewers, we are very grateful for their invaluable comments and suggestions to enhance the readability of this article.

Addresses:

John Lee Kean Yew

Malaysian Chinese Research Centre  
Department of Chinese Studies  
Faculty of Arts and Social Sciences  
University of Malaya  
Jln Profesor Diraja Ungku Aziz,  
50603 Kuala Lumpur, Malaysia

E-mail: kean\_yew@yahoo.com

Tel.: +603-7967 5650

Jacob Donald Tan

Faculty of Economics and Business  
Universitas Pelita Harapan  
Jl. M. H. Thamrin Boulevard 1100  
Lippo Village  
Tangerang 15811, Banten  
Indonesia

E-mail: jacob.tan@uph.edu

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