

Chapter 5

Confucius' Teachings and Corporate Social Responsibility

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Abstract Corporate social responsibility (CSR) has been continuously seen to be a key issue in today's global business economy. The authors feel that business managers, government leaders and academics have made insufficient attempts to address and attend to CSR issues and challenges from the global perspectives. So far, just to name a few, we have seen global warming, terrorist attacks and corporate and financial institutions collapse; besides, business scams, fraud and bankruptcies and other unethical practices. Greed is foolish and irresponsible. Executive greed in the United States, Europe, China and other parts of the world can only show the serious and appropriate need for good governance and corporate social responsibility (Kothari, *Executive Greed*, Palgrave Macmillan: New York, 2010; Low, *Leadership and organizational manage* 2009:40–59, 2009c; Low and Ang, *i-manager's J Manage* 5:8–20, 2011). There have also been increasing concerns of ageism such as how one can be treated ethically, and how one can age positively in a caring society (Low and Ang, *J Res Int Business Manage* 1:293–303, 2011; Low, *Conflict Resol Negot J* 2011:29–39, 2011; Low, *Insights to A Changing World* 2006:133–150, 2006). Faced with increasing business turmoil and rising concerns of ageism, it is crucial that leaders and managers actively seek fresh ways of thinking and actions in applying business ethical principles in decision making as well as tapping the experiences of the seniors; it is indeed necessary to sustain their business performance and growth in line with CSR in a global setting. Here, the authors interpret and present Confucian or Asian lessons on learning,

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self-cultivation, self-discipline, self-growth, relationships with family members/others and social responsibility based on Confucius' wise teachings. Interestingly, Confucius' teachings stress on social obligations, ethical decision-making, positive business dealings and harmonious relationships and the value of learning and education; these bring benefits and excellent practices including good business management and corporate social responsibility. The understanding and practices of Confucius' teachings and social obligation in a business organization coupled with awareness and applications of corporate social responsibility can bring much peace, harmony, learning and economic growth for both the organization, the community well-being and nations in the region.

5.1 Introduction

Warren Buffet, an American business magnate, investor, and philanthropist once said, "It takes 20 years to build a reputation and 5 min to ruin it". The reason is that nowadays, consumers, investors, governments and even employees have become more sophisticated and more aware of good corporate behavior, or lack thereof. In this new business environment, a company's reputation has become one of its most valuable assets, and CSR has become one of the key components of corporate reputation. Positive CSR experiences build confidence and goodwill with stakeholders (Aventis, 2011). Henceforth, most corporations/companies follow the good practice of the corporate world especially on the concept of corporate social responsibility (CSR) which is being unanimously encouraged and well accepted by all nations. This results in corporations/companies taking the CSR issue very seriously in running their businesses. It is also because of the stakeholders or the public at large expect corporate leaders/managers to apply ethical principles in their businesses and indeed, many tough situations and ethical concerns exist when new sciences and technologies bring along new ethical situations and concerns such as genetically modified, high yielding crops/food or nuclear crises that might cause safety and health problems, yet there are also other threats including scams, online frauds, invasion of privacy, internet pornography. Besides, some categories of people such as the green peace activists believe that human beings share a single planet with finite natural resources, and it is crucial to ensure the sustainability of the supplies and the resources for present and future generations.

Like it or not, one must also realize that each of us, as a world citizen, has a social responsibility and looking at a wider perspective, ethically-speaking, each organization unit such as a corporation has a social responsibility which is the corporation's recognition of how its business decisions can affect society and the setting in which it operates.

5.2 Who Was Confucius?

Confucius lived in 551 BC–479 BC was a Chinese thinker and social philosopher; he stressed on personal and [governmental morality](#), correctness of [social relationships](#), [justice](#) and [sincerity](#). Just over 2,000 years ago, the great Han Dynasty Emperor Wu (156 BC–87 BC), rejected a hundred other philosophical schools in favor of Confucius, effectively making China a Confucian (leadership) state (Yu, 2009). Until the mid-twentieth century, China was totally embraced and practiced the idea of Confucius that her scheme of government and society, her concept of self and relationships, her construct of culture and history all appear to have derived from his mind alone (Chin, 2008). His teachings and philosophy have, in fact, deeply influenced or affected Chinese, Japanese, Korean and Vietnamese thought, life, leadership and organizational culture (Chew, 2000; Chin, 2008) and also elsewhere, even in the Western world (Yang, 1993). His ideas have, overall, been everlasting.

5.3 What Are the Teachings of Confucius?

Ethics is a set of moral rules and guidelines for an individual to deal with his or her fellow people in the given setting and environment. And Confucius' teachings (on ethics) belong to one of the moral philosophies in guiding the people on how one should strive for perfect virtues in one's living, and using these virtues acquired, one would be able to behave orderly and participate positively in a group relationship such as in a family/an organization/community/a country (Tsai & Ng, 1992).

Similar to Cicero's "the function of wisdom is to discriminate between good and evil", in applying Confucian ethics, one gains the wisdom of knowing what is right and what is wrong (Low, 2012, 2013a, 2013b). The aim and purpose of Confucian ethics are to develop individuals to be green and also to encourage people to carry out a proper life and livelihood and have good relationships with the people around oneself so that when more people would attain similar good virtues; and if this is so, there would be fewer frictions in relationships and this thus create positive energies in group dynamics and teams. All would then be working towards a peaceful, harmonious society, and since everybody behaves in a socially responsible way by adopting Confucian ethics, the people in business, when relating with their stakeholders (community and society) would be able to prosper in doing their businesses and furthermore, there would be fewer problems in business dealings and transactions in the wider society and country.

5.3.1 Benevolence (仁, rén)

One key concept in Confucian ethics is that of ‘rén’ (仁) which means human heartedness, benevolence, a dignity for human life as well as a sense of respect for fellow human beings and oneself. The Chinese writing 仁 is composed of two radicals (人) and (二). The radical (人) means people and the radical (二) means the close relationship of each other (<http://zh.wikipedia.org/zh/仁>). Low (2010a, 2010b, 2011a) highlights the critical importance of “practicing the language of the heart” or in essence, humaneness in leadership. And therefore to be ethical, one is to act according to ‘rén’. ‘rén’ is dearer than life itself, and in fact, it is the virtue of all virtues. A Confucian ethics believer would also give away or sacrifice his or her life to defend ‘rén’, and equally, it is what makes life worth living, or being a worthy person. And a worthy person is a benevolent person (Low, 2012). For Confucius, *rén* (仁) is the highest virtue a human being would constantly strive for. Even his disciple *zēng zǐ* (曾子) felt that a scholar must uphold the virtue of benevolence until the day (s)he left this world. “A scholar must be resolute and steadfast, for one’s burden is heavy and one’s road is long. To practise the virtue of benevolence in the world is one’s burden. Is that not heavy? Only with death does one’s journey come to an end. Is that not long?” (*Analects of Confucius*, VIII: 7). Here, very scholar has the duty to strive for the virtue of benevolence in one’s life in order to enable the society at large to live peacefully. In Confucius’ mind, people including leaders and managers must have an obligation to cultivate themselves morally, to demonstrate filial piety and loyalty, and to act with loving-kindness, caring and human heartedness towards their fellow people. Therefore, Confucius’ teachings emphasize correct moral and ethical behaviour of both the individual and the organisation unit such as the government. It underscores the importance of social relationships, justice and sincerity. In short, it aims at creating peace and harmony in a society with social responsibility.

5.3.2 Reciprocity (恕, shù)

Another key concept in Confucian ethics is the ethics of reciprocity. The concept and practice of leadership is actually linked to reciprocity or The Golden Rule (恕, *Hanyu Pinyin: shù*). One leads through two-ways of communication. Much of it is non-verbal. Take for instance, when one sets the example to his or her people and communicates to them that (s)he would not ask them to perform anything that (s)he would not be willing to do. This obviously means that what and how an individual does or communicates may either build or harm the relationship between the leader and his (her) employees. Confucius was once asked by his student, *Zi Gong*, “Is there a word that one can use as a life guidance to follow and practice in one’s daily doings?” Confucius replied, “Yes, the word is *shù* (恕, forbearance), what one would not desire oneself, do not impose on others” (*Analects of Confucius*,

Chapter XV verse 24). This reciprocity (*shù*) ethics is better known as the Golden Rule—"Do unto others what you want others to do unto you". The Reverse Golden Rule is that of "do not do unto others what you do not want others to do unto you". The ethics of reciprocity further expresses that one has the right to just and fair treatment and the responsibility to ensure justice for others. And a person attempting to live by this rule treats all people with consideration. Therefore, in an organization or nation where everybody is considerate, treating each other and the environment well, there would be less conflict in all dealings.

All in all, in applying the Confucian principle of reciprocity into human relationships simply means that one moves away from oneself and becomes less self-centred, thinking more of others, and in fact, more altruistic and more socially responsible.

5.3.3 Prudence (慎, jǐn shèn)

The authors propose that one should not save what is left after spending, but spend what is left after saving. Being prudent is yet another trait of the Confucian leadership (Low, 2002, 2005, 2009b ; Low & Ang, 2011a). Indeed being responsible is about taking care of others and nature, and here, one should reuse, recycle and value resources.

In the authors' interpretation, the Confucian value of prudence is overall about taking care and having a good sense when making a decision or taking action; one should be prudent and responsible. Confucius is attributed to say these: Tze-chang (子張) asked Confucius, "In what way should a person in authority act in order that he may conduct government properly?" The Master replied, "Let him observe the five excellent things, and banish away the four bad things, then he may conduct government properly." And one of the five excellent things is as Confucius replied: "When the person in authority is beneficent without great expenditure" (Pay, 2000). Being prudent means one would not be extravagant, spending beyond one's means or 'keeping up with the Jones'. Not being prudent can eventually lead one to be corrupt, committing frauds or accepting bribery to cope to make ends meet in which one would not be socially responsible to one's employer/ customers/ investors or even suppliers/community (Low 2008a, 2008b; Low & Ang, 2011a).

5.4 Filial Piety (孝, xiào)

Yet another important concept in Confucian ethics is filial piety (孝, xiào). In general terms, being filial refers to the duties, feelings, or relationships which exist between a son or daughter and his or her parents. Piety is a strong religious belief, or behaviour that is religious or morally correct. [Here, perhaps one can also extend filial piety to include the employer-employee relations.] There is a Chinese

saying that goes, “百善孝为先” *Hanyu Pinyin: bǎi shàn xiào wéi xiān* meaning among all things, filial piety (respect) is the utmost virtue and is considered to be the first virtue of the Confucian ethics (values). Confucius said, “One should remember one’s parents’ birthdays for on the one hand, one is happy to congratulate and celebrate with them for their longevity and on the other hand, one is to worry about their getting older by a year.” (*Analects of Confucius*, Chapter IV verse 2. 父母之年不可不知也 一則以喜 一則以懼。) Therefore, a son is said to be filial if he makes his parent happy at all times; he cherishes them. It is of human nature that one’s parents would feel that they have not been forgotten and that they are still being loved by their families. In a society where more children are filial, and respect their parents and the elders, the elderly and the seniors would be less lonely. Besides, there would be fewer homeless old people living in the streets since the aged will naturally be taken care of by their own children, families and relatives. As more and more children become filial; they become socially more responsible, and consequently, the country would be alleviated from the burden, if not, responsibility of taking care of its aged population (Low & Ang 2012a, 2012b). This value is still practised by the overseas Chinese living in most of Confucian-influenced Asian countries such as China, Korea, Japan, Vietnam, Malaysia, Indonesia and Singapore. One must agree that parents provide protection, food and clothing to the newly born and the young. It is natural for the loving mother to sacrifice her comforts and sleep to look after her new born baby. When the children are growing up, the mother takes care of the children and the family. Similarly, the father works hard to provide the children with their physical, educational and psychological (and spiritual) needs. In return, the old expects the young to be good to one’s parents; to take care of one’s parents; to engage in good conduct not just towards one’s parents, but also outside the home so as to bring a good name to one’s parents and ancestors. They are also expected to perform the duties of one’s job well, obtaining the material means to support parents as well as to carry out sacrifices to the ancestors. Connected to this, a good society is thus built upon by children who love and respect their parents and take care of them when they age. This would enable the children to help the society in taking care of the aged population; and in this way, it also encourages one who wants to practise corporate social responsibility should inevitably start at home. After all, everybody will go through the natural process of ageing and by practising filial piety at home; by respecting the elders and not discriminating them in the society, it would indeed help the elders to age positively and healthily (Low, 2011b); and by taking care of the olds, the nation would attain peace and social harmony (Low & Ang 2011b, 2012a). All the positive relationship to attain peace and harmony in a society should start with the practice of filial piety and respect at home (Fig. 5.1).

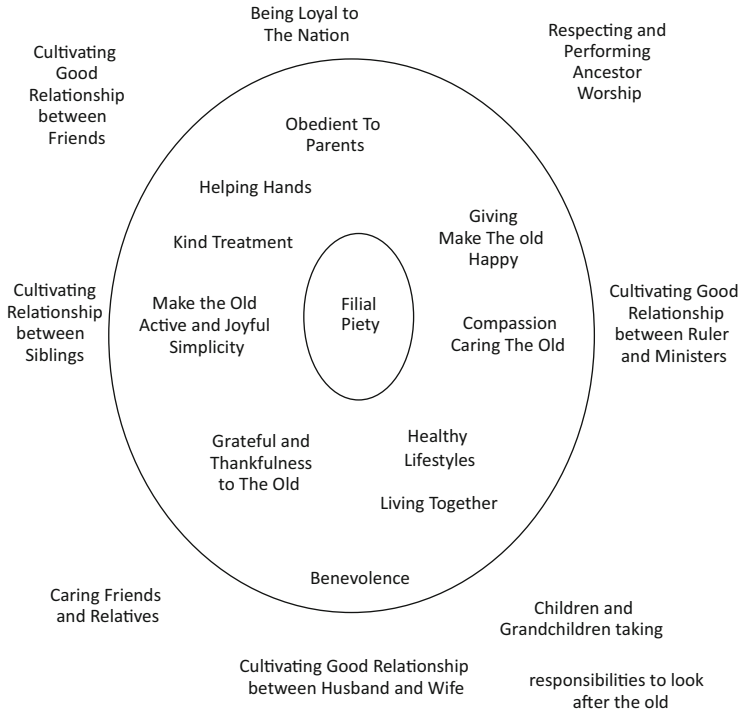


Fig. 5.1 shows the influence of filial piety on the stability of social relationship. Data from literature: Low, K. C. P. and Ang, S. L. (2011b). ‘Confucius, Confucian Values and their Applications on Marketing-The Brunei Perspective’ *Journal of Research in International Business Management* (ISSN: 2251-0028) Vol. 1(9) pp. 293-303 November, 2011

5.5 Corporate Social Responsibility

Corporate Social Responsibility is defined by the WBCSD (World Business Council for Sustainable Development) as “*Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large*” (WBCSD, 2000). In 2002, the definition was further simplified to, “*Corporate social responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life*” (WBCSD, 2002).

Corporate Social Responsibility (CSR; also called corporate conscience, corporate citizenship, social performance or sustainable responsible business) is a form of [corporate self-regulation](#) integrated into a [business model](#). CSR policy functions as a built-in, self-regulating mechanism whereby business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international

norms. The goal of CSR is to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, **stakeholders** and all other members of the public.

5.6 Learning, Self-cultivation and Confucian Ethics

In Confucius' teachings (ethics), social responsibility consists of benevolence (仁, *Hanyu Pinyin: rén*); peace and harmony with others (和平, *Hanyu Pinyin: hé píng*); being ethical (倫理 *Hanyu Pinyin: lún lǐ*); and contributing to society (社會的義務, *Hanyu Pinyin: shè huì de yì wù*). And by adopting Confucius ethics, one has to first self-cultivate oneself before one can participate, contribute and help in a group such as the family, the organization, the society and the country. With regard to self-cultivation, one has to go through a constant process of learning to acquire knowledge in depth and in breadth and when in carrying out a task, one should be clear in thinking and sincere in intention to work on a task or a job. To complete a task effectively, one should work diligently with much concentration (one-mindedness). This process can be useful in business for the employees would be performing positively and responsibly. By practicing Confucian ethics, one would be encouraged to learn, cultivate and discipline oneself in all stages of life.

Stressing the importance of continuous learning, Confucius once said to his disciple, "To love cleverness without loving learning may lead to misconduct." (好知不好學 其蔽也蕩) (*Analects of Confucius*, Chapter XVII verse 8). To be socially responsible in one's doing, one improves oneself with the best knowledge and technology to prevent one from irresponsibly applying any outdated knowledge and technology which may have an adverse effect to the society at a later date. With self-cultivation, one would regulate one's family in a proper way. Unless there is a cultivation of self, a person will not be able to regulate his family or bring them into a state of ordered harmony (Low, 2009a). To govern a state well, it is vital for an individual to have the capability first to regulate his or her family. In other words, it is not possible for him or her to discipline others when (s)he is not able to discipline his or her own family. Therefore, a leader does not need to complete his learning on managing a state without his or her knowing in regulating his or her own family. The good government of the states will help in stabilizing the world, and hence providing a peaceful and harmonious environment for people to live in. Confucius propounded some good virtues for self-cultivation such as filial piety; respect the elders; fraternal brotherhood; loyalty; trust; rites; integrity; benevolence and compassion to the lonely and weak; for achieving the objective. He also proposed the principle of reciprocity (or the way of the measuring square) in which one can use oneself as the measuring square of how one should treat others, hence regulating one's behavior constantly. For example, if an individual expects or wants one's superior to treat one in a respectable and kind manner, one should also display the same respectable and kind treatment to those below oneself; and this applies and

extends as well to one's friends and neighbors. This principle enables a person to be socially responsible in whatever one is doing. Hence by adopting Confucian ethics, one would be socially responsible to the society at large.

5.7 Confucian Ethics and the Stakeholder Theory

5.7.1 *The Golden Rule (shù, 恕)*

Low (2008a, 2008b) argued that in Confucian ethics, the overall anchor is the Golden Rule as Confucius empathetically stressed. That Golden Rule is not to do unto others what one does not want others to do unto oneself. It is also called *shù* or reciprocity as a principle of the conduct for life (Lin, 1994). Incorporating the Golden Rule, the stakeholder theory becomes relevant. One moves away from oneself and becomes less self-centered and more altruistic. All businesses should recognize their responsibilities to their stakeholders and make decisions that reflect these responsibilities (Low, 2013a; Low & Ang, 2011a; Low 2008b). Here, the business can then engage the stakeholders moving from inactive to reactive to proactive to interactive. One can thus argue that business cannot avoid but has to enter into dialogue, do something, and engage with its stakeholders—market or non-market—in an ongoing relationship.

5.7.2 *Being Responsible to Stakeholders*

It is self-evident that the firm should be responsible to all its stakeholders. The stakeholder theory is very attractive in that the stakeholders can also be expanded to any party(ies) (an individual/ business) (“the (*Confucian*) measure of man is man”; Lin, 1994: 183, *italics/emphasis added* cited in Low, 2012) needs to do is to think of the party(ies) and be responsible to act or satisfy the needs and interests of the party (ies) involved. Besides, the normative value of the stakeholder theory should be appreciated; stakeholders are seen as possessing value regardless of their instrumental use to management. The normative view is often perceived as the moral or ethical view because it stresses on how stakeholders should be treated; hence, the importance of the principle of stakeholder fairness.

5.7.3 *Being True to Oneself*

Many often overlook that the essence of Confucianism is the “idea of being true to oneself in this world” (interestingly, there is an intrinsic or inside-out approach)

when fulfilling obligations to family and others in society (Wang, 2004: 51 cited in Low, 2012). That is the key strength of the Confucian ethics when applied to the stakeholder theory/ others in society. Whatever, even very little that each of us, individuals and businesses can do for our respective universe that would be great; after all, it would contribute to the overall goodness.

5.7.4 *Men Are Inherently Good*

As Mencius said, men are inherently good (Lin, 1994). Individuals have ethical attributes that can be cultivated and extends outwards. Currently, there is an urgent need for ethical renewal by applying an inside-out approach. Mother Earth is sick; there should be ethical concerns, not to say, the many environmental concerns, by all. China and India are growing but “the vast majority of Asia’s poor are rural”, “millions more are barely getting by (*surviving*)” (Wehrfritz, 2008; *italics author’s*, cited in Low, 2008b), there are problems of income gaps and other issues. Technologies are also changing and with it, various ethical issues such as , just to name a few, Internet pornography and e-scams, are emerging.

5.7.5 *The Enron Case and the Confucian Lessons*

In the stakeholder theory, to its stockholders/ investors, the firm and/or its managers should monitor employee decisions to ensure that they are made in the best interests of the owners and stockholders. Employee compensation may be directly tied to the firm’s performance. The firm’s financial reporting should also be accurate; it should give complete financial statements, those that are more understandable and more readily interpreted. Firms need to fulfill their responsibility to their creditors by providing good financial reporting. As in the case of Enron by hiding some debt, Enron was able to more easily borrow funds and ultimately, it went bankrupt because it could not cover the payments on all of its debt. Specifically Enron did not disclose some of its debt and indeed, its creditors would have been concerned about extending more credit if they had fully understood how much debt Enron already had (Robbins, 2005 cited in Low, 2009d).

To its customers, the Company should adopt responsible production practices and dutiful sales practices. Customers should receive fair exchange: value and quality for money spent. The firm, in establishing a code of responsibilities, can monitor customer complaints and harness customer feedback to improve its service to the customer.

Sweatshops characterized by child and women labor, worker exploitation, labor abuses, low pay and improper, unsafe working conditions and health and safety violations have existed for decades, and indeed these (such practices are treating people below their human dignity and respect) should be stopped, if not

marginalized. Applying Confucian ethics and the stakeholder theory, the business should instead take care of its employees, providing stable employment, fair pay, safe and decent working conditions as well as the fact that employees are treated properly by other employees. Here, not only satisfying employees, but the key issues in modern businesses also include diversity, equal opportunity, the prevention of sexual harassment and promoting creativity as well as overall employee well-being.

5.7.6 *Being Community-Responsible*

The Company needs to ensure its responsibility to the community. Being socially responsible, avoiding corruption as well as accepting and giving bribes, the Company needs to also take care of and protect the environment. Firms need to prevent air, water and land pollution. Automobile and steel firms have reduced air pollution by changing their production processes so that less carbon dioxide escapes into the air. It is said that China, for example, the government has admitted and reported that it has failed badly; the country has not made much headway in improving the environment. In this aspect, present day China needs to apply the Confucian Ethics in conjunction with the stakeholder theory—particularly in terms of the firm's responsibility to the environment—to make Mother Earth a healthier and a more pleasant place for all to live. The Chinese needs to realize that in traditional Chinese/ Confucian mind, men exist in harmony with nature (one with Nature), and unlike in the Western mind, traditionally, nature is to be conquered; there is a dominance orientation. In this light, the Chinese have to do something, if not more, for the environment and Mother Earth.

The support for the Confucian ethics in its relationship with the stakeholder theory can also be strengthened by the Confucian argument of the Rectification of Names (Low, 2012). Here, a father acts as a father, a mother acts as a mother, a son acts as a son, and so on. Each has a role to play, each is also involved in doing (a) focused goal(s) and role, and when these roles are fulfilled [social responsibility will also be duly fulfilled] and played well; better human relationships ensue, and peace and harmony exists. In other words, the Rectification of Names in the Confucian doctrine certainly means to know one's roles in the web of relationships that create community, and to behave accordingly would ensure and promote social harmony.

5.8 Trust (Xin) and Doing Business

When applying Confucian ethics to doing business, for Confucians, the Company (a person) should not be resting on one's laurels. For the Confucian adherents, trust (*xin*) is very important when doing business. As a Confucian, the late Konosuke

Matsushita, the founder of Matsushita Electric Company, now Panasonic, believed in building the customers' trust. Customers' trust, with quality Company's delivery of good and services, can ensure the growth, if not the survival of the Company in terms of its customers, markets and overall business (Matsushita, 1994 cited in Low, 2011a; PHP, 1991, 1994).

Merchants normally work hard to create a respected name for their shops or companies; they seek to sell goods whose quality lived up to that name. Confucian in his ways, for Konosuke Matsushita, no matter how old and esteemed its name may be, a business today would receive no quarter if it shows incompetence or inadequacy in its performance (that is, fulfilling the needs of its customers and stakeholders), and it would eventually go under. Matsushita (1994) highlighted that the Company or one should not be resting on one's laurels—after all, the Company's reputation is developed after constant and steady efforts exerted over many years of treating each customer as an important patron. The Company should, while keeping abreast of times, continue (continuous improvement) to do good for the society and the setting/ environment in which it operates (Matsushita, 1994 cited in Low, 2011a; PHP, 1991, 1994).

5.9 Built-in Strengths of Confucianism (Confucian Ethics) and CSR

Confucianism is based on humanistic principles and being benevolent (*jen*), businesses/ business owners and individuals can become increasingly conscious, make things happen and practice more humanistic policies which are ethically and ultimately more important than making profits and seeking monetary gains alone. Good businesses can provide employment to people; they also do more good to the people such as alleviate poverty; contribute to charities; extend help and shape the communities and societies; and improve the surrounding environment in which they are operating their business activities.

Filial piety (respect for parents and clan elders) has been a cornerstone of Chinese culture for ages, part of a defining social contract in which parents care for their children while they were young and the children then supported their parents in their old age (Low, 2011a).

Prudence and thriftiness are some core values embedded in Confucianism (Low, 2002, 2007, 2009b) and these help as guideposts not to overuse or overexploit and in fact, to save and conserve nature and resources; there is a need to smartly reduce, re-use and recycle resources. As Confucius said, "Extravagance will lead to thing/ situation going too extreme and out of control, thriftiness will lead to pettiness, I rather be petty than be in a position where I am not in control." (*Analects of Confucius* 7: 35). Hence in Confucian ethics, thriftiness is very much encouraged and to be practiced by everybody. When generally there is thriftiness and dislike of wastefulness, business people would create products that are economic in

production and of quality and reliable in use. This would also lead to a more careful economy with robust finances and consequently profitable businesses and nations. A high level of savings and reduced borrowing leads to more financially stable organizations (nations) (Ang & Low, 2012).

5.10 The Value of Caring Towards Others and the Environment

Caring for others is a vital aspect of opening up oneself by engaging in relationships with others in the community at large. It would help an individual to improve one's relationship when one shows interest, concern and attention; and it also helps one to become less self-absorbed and more empathetic. Volunteering and helping out in charity work is something many of us feel that we would like to do but cannot afford the time. Looking at ways to give something back to society and feel more invested in it is very satisfying and rewarding. There are many areas where charity and voluntary work are involved. Children, animals, environmental, search and rescue are some of the areas that rely on unpaid help to survive. Finding an area that is of particular interest can add an important dimension to one's life, introduce one to new skills and people and enhance one's quality of life. By finding positive ways to care for others one adds value to one's life, feeling more engaged with others and generating a more constructive, healthy and sharing way of living with others. One can then improve the quality of life for everyone.

Here, Mohandas Gandhi (1869–1948) once said, “The earth, the air, the land and the water are not an inheritance from our fore fathers but on loan from our children. So we have to handover to them at least as they were handed over to us” (Low & Ang 2012a, 2012b). The firm thus needs to ensure its responsibility to the community. Socially responsible, it needs to take care and protect the environment and prevent air, water and land pollution. Automobile and steel firms should reduce air pollution by changing their production processes so that less carbon dioxide escapes into the air (Madura, 2007). China, for example, has admitted that it has failed badly; the country has not made much headway in improving the environment, says the Chinese Government Report (Tschang, 2007). Present-day China really needs to apply the Confucian values in conjunction with the stakeholder's theory—particularly in terms of the firm's responsibility to the environment—to make Earth a healthier and a more pleasant place. The Chinese should realize that in traditional Chinese/Confucian mind, men exist in harmony with nature (One with Nature), and unlike in the Western mind, traditionally, nature is to be conquered; there is a dominance orientation (Adler & Gundersen, 2008).

5.11 The Value of Contribution to Society

One of the key challenges encountered by the successful business leaders is that of “giving back or returning” to the community; and attaining the goal of greater common good by subscribing to and upholding Confucian values and the stakeholder’s theory. To be a responsible individual, one should not condone something which is not right or against human rights. Therefore, child prostitution, like child slavery, should not be simply accepted or tolerated. It is a gross abuse of the human rights of those who are least able to do anything. Whoever one is and whatever one does, one should and must do something about it. Just imagine if it happened to one when one were young, or to one’s own child. Individuals and companies alike must look after the younger generations such as sponsoring children education in developing countries and/or sponsoring some awareness events including posting Internet articles and printing simple leaflets [which could include facts and figures to end sex trade/trafficking, prostitution, pornography and child sex tourism]. Street children (human beings who also need the basic human rights), particularly in developing countries, can also be attended to. Companies can also help to improve their welfare, and thus fulfilling their CSR while contributing to the society’s well-being. The families of street-children are often too poor to feed an extra mouth; and among other things, companies can help by giving meals, books/ educational resources and old toys and improve their welfare. Besides street-children, companies can also help the prisoners by donating books so that they can educate themselves to a get a high-school diploma or a college degree (Low & Ang 2012a, 2012b, 2013a, 2013b, 2013c). In sum, the core values of an individual who embraces and practices Confucian ethics can be summarized as Fig. 5.2.

5.12 Nature, Humanity and the Environment

When people while doing their businesses and daily activities, do care and take the full responsibility of not doing any harm to nature, humanity and environment; they embrace sustainable leadership and practice the concept of corporate social responsibility. Figure 5.3 shows the key elements of corporate social responsibility which encompasses nature, humanity and environment.

5.13 The Success of Singapore as a Confucian State

Singapore’s success, at this point of time, is mainly due to people (young and old) putting a lot of trust to the Singapore leadership in the hope that, “Tomorrow is a better day than today for all”. This means that everybody is synergized to work hard for that dream. In the beginning, Singapore without any resources just merely acts

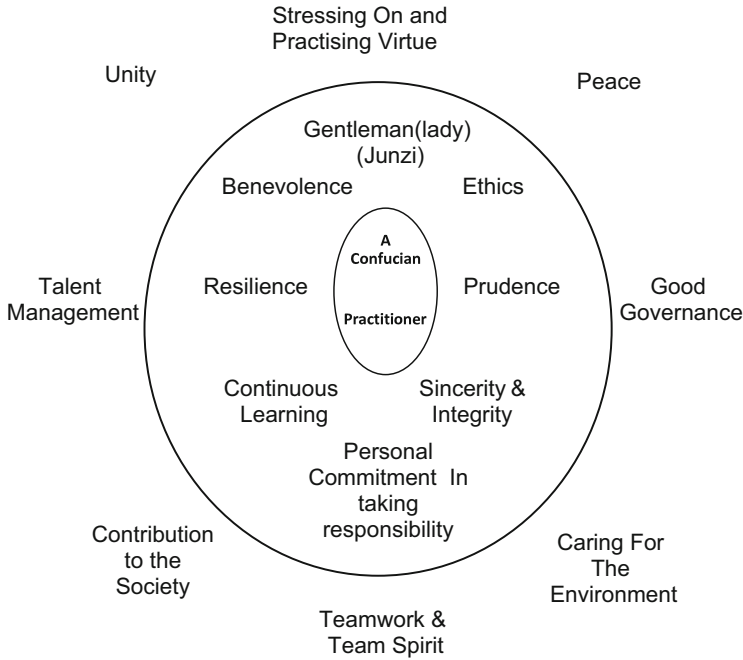


Fig. 5.2 Core values of an individual who embraces and practices Confucian Ethics. Data from literature: Low, K. C. P. and Ang, S. L. (2012a). ‘Confucian Leadership and Corporate Social Responsibility (CSR), the Way Forward’, *Asian Journal of Business Research (AJBR)*, New Zealand. ISSN: 11788933. Volume 2 Number 1 2012, pp. 85-108

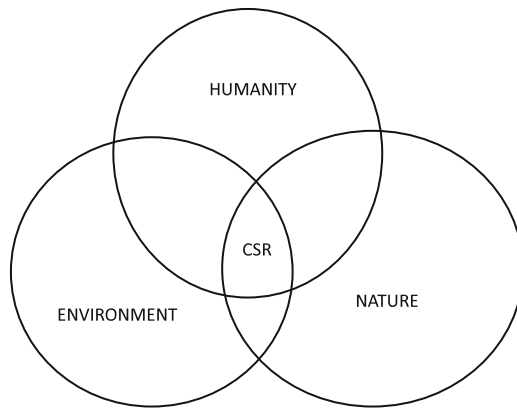


Fig. 5.3 Corporate Social Responsibility: CSR (Nature, Humanity and Environment)

as a trading port for business for centuries. Very truly, these motivations and factors such as political and economic policies, hard work and sense of unity work for Singapore and Singapore was transformed from a 3rd world to the 1st world country. Singapore leadership is proactive. Low (2011c) commented on the leadership of

Lee Kuan Yew as “the Singapore’s leader very much of a planner with great foresight and vision as well as wanting to make things happen. He delivered the results—got independence, the island’s progress and business growth. And Lee had also succeeded in ensuring a good succession”. This is remarkable because for a small country without any natural resources except human capital and a stable and reliable platform to do business, Singapore is adaptable and is evolving with political and economic changes.

5.14 Building Singapore to Be a Green State

The vision of a leader and his determination is extremely vital in leading the country towards sustainable development (Low, 2011c). Lee Kuan Yew’s vision was to make Singapore from a Garden City to a Model Green City. Trained as a lawyer, Lee Kuan Yew understands the importance of effective law enforcement and rigorous administrative system. Under his leadership, the Government has been proactive in developing high standards of public health and a quality environment with clean air, clean land, clean water and also a control on noise pollution. As one can see that in 1968, he declared to develop Singapore into a clean and green city as the goal of the government. His policy was consistent in subsequent years in creating a Garden City with a clean and green environment. In April 1970, he established an Anti-Pollution Unit in the Prime Minister’s Office. To improve the aesthetic value of Singapore, he also took a personal interest in the cleaning-up of the Singapore and Kallang River basins. His initial speech to trigger these cleanup activities was in February 1977 when he said, *“It should be a way of life to keep the water clean. To keep every stream, culvert and rivulet, free from pollution in ten years let us have fishing in the Singapore River and Kallang River. It can be done.”* By October 1977, plans were put up and actions were taken to clean up the Singapore River and Kallang Basin. This involved massive housing development and resettlement of squatters, industrial workshops, backyard trades, industries and farmers. Other measures were relocation of street hawkers to food centers and phasing out of polluting activities. a government committee comprising various government ministries was set up to plan, coordinate and implement programmes to prevent pollution to the rivers. The cleaning-up of the Singapore River and Kallang Basin took 10 years to complete (ESCAP, 2003). Today, the River and Basin are used for recreational purposes. The price of land around these areas has been enhanced, adding to its economic and social development.

5.15 Concluding Remarks

Confucius said, “Those who are brave and cannot tolerate living in poverty are likely to be irresponsible and go on rioting. Those who know nothing about benevolence, if not carefully guided will also make trouble to the society.” (*Analects of Confucius*, VIII: 10). Therefore, self-cultivated people who embrace and practise the value of benevolence in life are important for the society. Confucian ethics can, overall, significantly strengthen, align and support the concept of corporate social responsibility and environmental management. It starts with helping an individual to develop and self-cultivate oneself through relationship and continuous learning to be a better individual (gentleman/lady) so that one can later lead more people to help and contribute to the society. When good people leads, motivates and influences other people to be ethical and to do good for the society, more people would become ethical and do good for the society (Low & Ang, 2012b). This coincides very well with the concept of corporate social responsibility in which business leaders are committed to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life (WBCSD, 2002). In short, the Confucian business leader grows or ‘perfects’ one’s virtue. Being just and ethical to humanity, the Confucian business leader would build his or her credibility, and has the right status so that what he or she says and practices are justified and are in alignment with CSR.

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