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PRELIMINARY OBSERVATIONS ON ISLAMIC ETHICS IN THE CHINESE CONTEXT

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Abstract: The paper is a preliminary and introductory sketch of the background necessary to study Islamic ethics in China. (1) It situates Chinese Islam in the spectrum of world religions and within the context of the “Three Teachings” of China. (2) It traces the spread of Islam into the central Chinese lands and highlights the important role Sufism played in its expansion into the heart of China. (3) It offers an overview of the origin and development of Islamic literature in Chinese that drew on sources written mainly in Persian (Fārsī) by Muslim authors of Central Asia and Iran. This body of literature was translated or adapted by a group of Chinese authors, who produced a collection of works written in Chinese and known as the Han Kitab (compiled between 1630 and 1730). Amalgamating Islamic patterns of thought with Confucian, Buddhist and Daoist ideas, these works developed the foundations for a comprehensive vision of Chinese Islamic ethics. This vision, in turn, gave moral and social cohesion to the Hui communities in China. (4) Finally, the paper identifies substantive issues of Islamic ethics in the Chinese context and draws up a catalog of issues that present avenues of research for Chinese Muslim ethics in a general and applied sense.

Three Families of World Religions

On today's global map, three large families of religion have withstood the test of time, continuing to stand as large living faiths and communities. Without subscribing to a rigid religious typology one can observe three principal centers in the spectrum of world religions. To the west we find the religions rooted in the geographical area and cultural environment of the Middle East and along the shores of the Mediterranean, a family of religion that includes Judaism, Christianity and Islam. In the middle and to the south of the Asian landmass, protected by the towering Himalayas, we encounter the family of the great religions that originated in India, Hinduism and Indian Buddhism. To the east in the vast Asian expanse (with its rim of islands and peninsulas), we meet the Confucian foundations of the societal order of China and the native religious vision of Daoism that, in an amalgam with Chinese Buddhism, constitute the “Three Teachings” of a third family of religion. In the course of history, three of these great religions, Buddhism, Christianity and Islam, became animated by missionary zeal and developed into universal religions, spreading into the cultural environments and geographical regions of their neighboring families. By contrast, Hinduism and Confucianism as well as Daoism and Judaism remained enclosed in the environment of their original culture, showing little zeal to travel from their homes in a missionary spirit. Whereas Judaism, Christianity and Islam were based on defined and normative scriptures that constituted their religious foundations, Hinduism and Buddhism embraced wide-ranging collections of sacred literature possessing equal and fluid religious authority, while

Confucianism and Daoism referred to the sayings and teachings of their sages as the treasure of their most authoritative religious sources.

Tracing characteristic differences between these three religious families, one notices that the Abrahamic religious traditions of Judaism, Christianity and Islam all revolve around the divine revelation of the **Word**, and that each is impelled by a prophetic and messianic dynamism that keeps God radically distinct from nature. Each is founded by a historical prophet (Moses, Jesus, Muḥammad) and possesses its normative scripture and monotheistic creed. All three religious traditions proclaim the existence of a transcendent God, creator and ruler of the universe, to whose command every person must answer with worship and obedience. The human being, God's creature, lives a unique earthly life and finally reaches an eternity that escapes the limitations of the human condition, an eternity which offers ultimate liberation from suffering, sin and death through the justice or mercy of God. Time in each of these traditions is conceived as linear, tracing a person's irrevocable existence from birth to death and offering a new eternal existence beyond death in reward or punishment for deeds committed on earth. The ethical ideal is discovered by submission to the divine will and fulfillment of duties toward God and fellow-beings as defined by divine commands and interdictions.

The religious family traditions of Hinduism and Buddhism rooted in India may be understood as centered on **Wisdom** and as having a mystical and introspective trend that fuses the divine and the natural. Each of these traditions takes as its model a timeless teacher of wisdom (Rishi, Buddha, Siddha) and possesses a vast body of sacred literature reflecting the immanent Absolute. Time appears as a cycle of recurrent rounds of life and the importance of history is seen as secondary in comparison with permanent principles discovered by philosophical contemplation. Through the experience of one's own immortality beyond an endless cycle of rebirths one finds lasting liberation from suffering and death within oneself and through one's own efforts. The ethical ideal of these two traditions is realized in establishing one's harmony with nature, society and the impersonal Absolute that engulfs all, and in producing good deeds for the sake of others that return unending rewards upon the practitioner of those deeds.

The strands found in the Chinese family of religions can be seen as woven into the **Way**, defined by the "Three Teachings," Confucianism, Daoism and Chinese Buddhism, that do not merely coexist in relative harmony but also merge into a coherent amalgam. The basic Confucian principles of benevolence and righteousness find their ideal in the socially responsible self that espouses a structured society of public and private relationships. The Confucian underpinnings, with their emphasis on reverence for ritual and filial piety, are joined by Chinese folk beliefs and assimilated with a Daoist pantheon manifesting great reverence for nature. The two Daoist principles that describe how polar opposites or seemingly contrary forces are interconnected in the natural world are met by the meditative force and philosophical power of Buddhist enlightenment that offers happiness to everyone seeking enlightenment through devotion and the acquisition of merit. Its ethical ideal is to live in harmony with the ineffable that is the driving force behind everything that exists, seeking to follow the grain of the universe discovered in one's own intuition and decoding the symbols and images of esoteric texts.

Of the three great universal religions, Buddhism, Christianity and Islam, it is **Buddhism** that has shown the greatest willingness throughout history to embrace deep inner transformations and cultural adaptations. This process can be documented through its development from Theravada within its Indian

context in two steps, first, to Mahayana empowering it to leave South Asia for East Asia, being transformed into Chinese Buddhism, and, second, to Tantrayana mooring it firmly in the world of Tibetan Lamaism and propelling it into Japan in the form of Zen Buddhism. By contrast, although equally engaged in missionary activity, Christianity and Islam tended to safeguard an unalterable core of belief against cultural mutations.

For its part, **Christianity** separated from Judaism by claiming the latter's messianic hope was accomplished in the figure of Jesus of Nazareth, the Christ. Beginning with Paul, Christianity began to open itself to the "Gentiles" and thus to take the course of a cosmopolitan religion. Assimilating the Greek and Roman cultures of the Mediterranean world, and associating itself with the Western imperial and secular powers, it stretched its domains into Europe organized in Catholic, Orthodox and Protestant branches and created a significant presence of its churches in colonial territories in Africa, Asia and the Americas. Christianity eventually experienced how its apex in the age of colonial hegemony became gradually overshadowed by a secular Western culture that tries to separate itself from its roots, looking back at its Christian origins with indifference or through the lenses of agnosticism and atheism. Incipient forms of cultural assimilation, such as liberation theologies in Africa, Asia and South America, and trends of rejuvenation in Europe and North America encounter a strong opposition of conservative forces.

From its very beginnings, **Islam** demonstrated a spirit of expansion and conquest, remaining consistently in a movement of growth, almost immune to abandoning any region it had conquered or assimilated. Welcoming the elements of the conquered cultures it found most suitable (Greek and Persian in its early middle period, Turkic and South-Asian in its high middle period, and African, South-East Asian and Western in its modern period), it integrated them under the banner of Islam and reframed them with Arabic as the dominant language throughout its empire and culture. These levels of cultural integration were grafted on the core of its religious foundations that remained unshakeable throughout the centuries. In the present day, fundamentalism and militancy challenge this rich and variegated cultural evolution in the search for identity in an idealized past. Islam is now constricted by its religious law, which it considers to be immutable by virtue of divine authority, although its formulation actually is closely tied to transient social conditions that no longer obtain in the modern world. Islam is the only religion making the claim to be the first and the last, the primal religion at the dawn of creation with Adam and the final revelation of all truth in human history with Muḥammad.

Islam in China

The designation in medieval Arabic for China is "*al-Ḥīn*," referring to both the land and the people (with the original Persian "*Čīn*" rendered in Arabic as "*Ḥīn*"). It is known to Muslims in the Prophet's saying, "seek knowledge even if as far as China" (for studies on Islam in China see especially the informative reference source of Leslie, Yang Daye & Youssef, 2006 and Pickens, 1950; see also, Devéria, 1895; Broomhall, 1910; Israeli, 1980, 2002; Leslie, 1986; Rossabi, 1987; Li & Luckert, 1994; Gladney, 1991, 2004; Lipman, 1997; Dillon, 1999; Ben-Dor Benite, 2005). There are about 25 million Muslims living in China today who are counted as ten minorities among the 55 ethnic minority groups recognized by the People's Republic of China (PRC, 1949-present). They are the Turkic-speaking groups of the Uyghur, Kazakh, Kirghiz, Uzbek, Tatar and Salar; the small Persian-speaking group of the Tajik; the

Mongol-speaking groups of Tunghsiang (Shirongol Mongols) and Baoan, living in the provinces of Gansu and Qinghai; and most importantly, the large group of native Chinese-speaking Muslims, called the Hui since the Mongol Yuan period (1279-1368), who call themselves the Huimim, the Muslim people, and referred to in the PRC as the Huizu (for an excellent map showing the distribution of the main ethnic groups of Muslims in China [including Xinjiang] see Kennedy, 2002: map 68). They are found throughout the country, although concentrated mainly in the provinces of Ningxia, Qinghai, Gansu and Yunnan (Bosworth, 1997; Atwill, 2005).

Though Chinese by nationality, the Turkic and Persian speaking groups are not Chinese by race, language or culture. They live in the Chinese North-West, a vast region traditionally called Eastern Turkestan, which became integrated into the Chinese empire in the mid-18th century and is known as the autonomous region of Xinjiang (Sinkiang), the largest administrative unit of the PRC, comprising about one-sixth of its total territory. The ethnic roots of the Muslims of Xinjiang tie them to the cultural and religious environment of Islam in Western Turkestan, the large Muslim areas of Central Asia that were the main staging area of the Muslim advance into China along the Silk Road (Chang-Kuan Lin, 1997; Grousset, 1970; Benningson & Bryan, 1987; Sinor, 1990; Fletcher, 1995; DeWeese, 2001).

Separate from these ethnic groups centered in Xinjiang, the Hui live mainly in the northwestern quarter of the interior Chinese lands between Tibet and Mongolia and constitute only a marginal presence in the eastern lands and on the coastal line of China. These Chinese Muslims, numbering slightly less than half of all Muslims living in the PRC today, have to be considered as the main representatives of Chinese Islam, which developed noticeably detached from contact with the world of Islam at large, even if some were able to join the annual Muslim pilgrimage to Mecca. Over the centuries, the Huis were required to develop their Islamic identity in isolation, enjoying only sporadic contacts with the centers of Islamic piety and learning that lay far beyond their frontiers in Islamic Central Asia, the Iranian world, Muslim India and the maritime Muslim world of Southeast Asia.

In Hui consciousness, the strongest connection with Islamic doctrine and practice, however, remained its focus on the "Western lands," the regions of Central Asia, called the "celestial region" (*tianfang*, extending it into Arabia), from which their earliest ancestors had migrated to China (Mason, 1921: 91; Ben-Dor Benite: 17-18). The regions inhabited by the Huis show a high illiteracy rate of the general population today and reflect the somewhat impoverished training of its religious leaders in the past - ahongs (from Persian *ākhūnd*) and imams, prayer leaders and preachers (Algar, 1985, EIran 1: 731-732). Nonetheless, new Islamic teaching colleges (*madrassa*) and study abroad of some of its leaders have widened the base of instruction and learning since the end of the Cultural Revolution.

Islam came to China as an immigrant religion. Some of its followers leaving from Central Asia passed through the landmass of Inner Asia (Central Eurasia) and Xinjiang (Sinkiang) in the North West of China, until they reached the Chinese heartlands at the end of the Silk Road in Xi'an (formerly Chang'an). Before Muslims walked this road, Mazdeans (Zoroastrians, Boyce, 1979), Manicheans (Widengren, 1965; Tardieu, 1981, 2nd ed. 1997; Schmidt-Glintzer, 1987; Lieu, 1992, 1998), Jews (White, 1966; Pollak, 1980), and Nestorian Christians (Saeki, 1937, 2nd ed. 1951) had taken the same route into China (Foltz, 1999). The earliest Chinese contacts with Islam, however, may be traced to the port city of Guangzhou (formerly Canton, known as Khānfū in the Muslim sources, located on the Pearl river northwest of Hongkong) where Muslim traders coming by sea from the Middle East established a small

settlement with a mosque, a generation after the death of the Prophet Muḥammad (580-632 C.E.). The traditional Chinese Muslim claim that Muḥammad sent his companion Sa'd b. Abī Waqqāḥ in 628 to China is a legend (Hawting, 1995, EI² 8: 696-697) but the first Arab Muslim embassy arrived in China in 651 (according to Chinese sources, Leslie et al., 2006: 33). Other coastal settlements of Muslim traders, protected by extraterritorial rights and confined to specifically designated port cities, were established thereafter in Quanzhou (formerly Chinchew, known as Zaytūn in Muslim sources, located opposite Taiwan) and Hangzhou (formerly Hangchow, known as Khansā in Muslim sources, located in the Yangtse river delta) during the Tang dynasty (618-907), which had its capital in Xi'an (known as Khumdān in Muslim sources). These traders led a separate religious and social life of their own and preserved their Arabic names, native tongues and original dress. In Central Asia, a military engagement with imperial China prevented the Muslim forces led by Qutayba b. Muslim from conquering Kashgar in 713 (Bosworth, 1986, EI² 5: 541-542). Led by Ziyād b. ʿAlī (Bosworth, 2002, EI² 11: 522), however, an Abbasid army was able to defeat the Chinese imperial forces (under the command of a Korean general) in battle in the valley of the Talas River in 751 (known as ʿArāz in Muslim sources, Bosworth, 2000, EI² 10: 222-223).

As the Muslim migrants passed through the vast zone of the steppes of Inner Asia, they encountered the nomadic civilizations of people who spoke a variety of Altaic (Turkic and Mongol) languages. Built on the relationship of horse and pasture, the nomadic civilizations between the South Russian and Mongolian steppes were organized as large tribes with vast herds of sheep, goats, camels and cattle. They were highly mobile forces -- skilled archers mounted on galloping horses and firing back at the enemy -- and posed a constant military threat against their more sedentary neighbors. Until modern times this vast zone was often seen by Europeans as the home of barbarians, a cauldron of the hordes of Gog and Magog, sealed off behind the Wall of Alexander, the iron gate at the Caucasus, and the Great Wall of China. Whether known as Scythians, Huns, Turks and Mongols, they brought death and destruction with a terrible swiftness (Meserve, 1987, ER 8: 238-247).

The spread of Islam into China began with commercial interests and trade routes. It was carried on by two major routes: the northern land road, generally termed the "Silk Road" (for a map see Meserve, 1987, ER 8: 239), into the western half of the Chinese core lands, and the southern sea route, sometimes termed the "Spice Route" (for a map see Kennedy, 2002: map 9), that passed along the shores of India and around the straits of Malacca to reach the port cities of the southeastern coast of China (for Islam's entry into Tibet see Aksoy, Burnett & Yoeli-Tlalim, 2010). The northern trade route led from Balkh and Marw in Khurasan, passed through Samarqand and Kokand in Transoxiana, continued via Kashgar around the Tarim basin on either its northern (through Kuqa [Kucha] and Turpan [Turfan]) or southern rim (through Hotan [Khotan]) and moved into the Gansu corridor, from where it would reach Xi'an and thence bring back to the west the Chinese merchandise, which included many other goods in addition to silk. The southern route followed a long history of trade between the Middle East and China. Persian (Fārsī) and Arabic speaking groups established Muslim settlements along the southeastern coast of China between the middle of the 8th and 14th centuries. In 1346, the world-traveler Ibn Baṭṭūṭā (1304-1368 or 1377) gave a vivid account of Muslims living in the major port cities (Gibb, 1958-2000; Miquel, 1979; Da-Sheng, 1992; Beckingham, 1998).

The Arab geographers and historians developed a detailed, albeit partly legendary, picture of China

as linked with India, which is exemplified by the more southern, maritime vision of Ibn Rusta (written about 903) and the more northern, land vision of Mas'ūdī (written about 955). Moreover, Ibn Khurdādhbih (ca. 850), the oldest Arab geographer whose work has survived, described in detail the sea route to China and was also aware of a northern land route. Other Muslim sources, foremost the *ʿUdūd al-ʿālam* compiled in the tenth century by an anonymous author from Juzajan in Iran, offer many details about the routes by land and sea from the core lands of Islam into China. From all these accounts, it appears that the land route from Turpan via the Gansu corridor was the main route for Muslim commercial and diplomatic contacts with China up to the Mongol period (Bosworth, 1997, EI² 9: 615-625).

Accounting for the difference in the respective character and objectives of the land and sea routes that brought Islam into China will require further research. It seems clear, however, that the early history of Islam in China was influenced from two directions: the northern land route that brought Islam into the western parts of China (but did not send out colonies to the Chinese coast in the east) and remained the main artery through which Islam made an impact on Chinese society through the emergence of Hui Islam; and the southern route that ran along the coast of China as far as Hangzhou and founded small Muslim colonies in many port cities but avoided an advance into the interior of the Chinese core lands. When Islam came to China by water, it remained on the coast; when it came by land, it rested in the interior.

With the expansion of maritime contacts with the Middle East, the number of Muslims increased in the Song period of Chinese history (northern Song, 970-1126, and southern Song, 1127-1279) mainly through settlement of traders and their intermarriage with Chinese women. These Muslim settlers began to integrate into Chinese society, and a Muslim by the name of Pu Shougeng was a Trade Commissioner (*shiboshi*) at the end of the Song period. After the Mongol conquest of China, ushering in the Yuan period of Chinese history (1279-1368), the Muslim impact on China became even stronger. The Mongols transported a large number of Muslim artisans and soldiers into China from West and Central Asia. Muslims held important positions in the military, finance and business sections of the Mongol administration, second in authority to the Mongol overlords (Leslie et al., 2006: 33).

These newly arrived Muslim settlers and their descendants expanded Islam substantially into the central and southwestern parts of China. Leading his Central Asian countrymen into the province of Yunnan to settle down, Sayyid Ajall (Shams al-Dīn Bukhārī, 1211-1279, Lane, *iranicaonline*.sayyed-ajall) is credited with enforcing Muslim provincial rule, building Muslim mosques and establishing his provincial capital at Kunming (Yunnanfu). Appointed governor over Yunnan in 1273, he represented a class of soldiers, administrators and financial middlemen serving the Mongol conquerors, who with Qubilai Khān (Kubla Khan, 1215-1294) established firm Mongol rule over Yunnan in 1253 (Boyle, 1986, EI² 5: 300). With time, these Muslim settlers came to be Sinicized and absorbed into the local society as a Hui community, making Yunnan the second most populated province of Muslims in China after Gansu.

With the end of the Yuan period and the emergence of the Ming dynasty (1368-1644), and possibly in part also with the disruptions of navigation due to the Portuguese appearance in the Indian Ocean, Muslim immigration into China from the south petered out. Thereafter any significant contacts of Islam with China passed almost entirely through the northern land route and made the Hui communities of

northwestern China the fulcrum and focus of Islam in China. Islam had now firmly established its own tradition (*qingzhen-jiao*, literally, “pure and true religion”) of the Chinese Muslims. They now obtained degrees and official positions in the civil service, and many mosques were built all over China. Muslims now gained influence in military affairs, became experts in astronomy and the rules of the calendar, distinguished themselves in medicine and pharmacy, and took positions of leadership in trade and transport. One Muslim, the eunuch Zheng He, led a large Chinese fleet to Africa and Arabia over almost three decades in 1405-1433 (Leslie et al., 2006: 33-34).

In the declining decades of the Ming dynasty and the ascent of the Qing dynasty (1644-1912) of Manchu origin, the great period of Chinese Muslim literature, known as Han Kitab, came to flourish with Wang Daiyu, Ma Zhu, Liu Zhi and others (see below). Their work was deeply influenced by the thought and ethics of Sufi affiliations that had their origin in Central Asia, the Kubrawīya in particular (DeWeese, 1988: 45-83). The most important achievement of the authors of Han Kitab, however, was their far-reaching and deeply rooted harmonization of Muslim thought with the Confucian vision and order of society. Now, Chinese Islam was established, firmly rooted in both the Islamic and the Confucian traditions. In about 1781-1784, under the Qianlong emperor, the New Teaching (*Xinjiao*) of Ma Mingxin (1719-1781), the founder of the Jahrīya branch of the Naqshbandīya Sufi affiliation (Algar, 1990: 3-44), caused a split among the Muslims. It exploded in a rebellion in Gansu province against the Manchu rulers that was suppressed in 1784 and Ma Mingxin was executed. In the 1850s, renewed Muslim rebellions occurred, both in the south in Yunnan province, led by Du Wenxiu (1823-1872), the leader of the Panthay Rebellion, and in the north in Gansu province, led by Ma Hualong (d. 1871), who was the fifth leader of the Jahrīya Sufi affiliation. In the suppression of these secessions millions were displaced or died, Muslim and non-Muslim alike (for a detailed study of the Naqshbandiyya Sufi affiliation in China see, Aubin, 1990: 491-572).

With the elimination of imperial Manchu rule in the first quarter of the 20th century, an Islamic renaissance occurred that came to a halt temporarily by the Cultural Revolution of Mao Tse Tung (1893-1976). Since the last quarter of the 20th century, however, Chinese Islamic culture has been flourishing in China’s autonomous Islamic regions, such as Ningxia, and in several of the main Chinese cities, such as Beijing, Tianjin (Tientsin) and Nanjing (Nanking). A flowering of Islamic books in Chinese has appeared, documenting a continued cultural integration of Chinese Islam into the mainstream of the country (Leslie et al., 2006: 34). Chinese Islam no longer feels isolated from the rest of the Muslim world. It is firmly established as part of global Islam, although it constitutes only a small fraction of the population of both the Islamic world and China, each of which numbers about 1.4 billion people.

Islamic Literature in Chinese

Islamic literature in Chinese, focused on the religious beliefs and practices of Chinese Muslims, developed only with the last decades of the Ming dynasty (for an account of Persian language and literature in China see Shi-Jian & Feng Jin Yuan, 1992: 446-449). The most significant corpus of this literature is a collection of Islamic texts in Chinese that are known as the Han Kitab. This term is a hybrid expression formed by Chinese Muslims, meaning “The Chinese Book” (Han meaning “Chinese” and Kitāb “Book” in Arabic; the first usage of the expression, Han Kitab, has been traced back to Lan

Zixi's *Tianfang zhengxue* [*The true meaning of Islam*] published in 1852, see Ben-Dor Benite, 2005: 159-160) and referring to a collection of texts written by Huiru, that is, Muslim scholars who had acquired an expertise in Confucian learning (the term, Huiru, is found as early as 1681 in several prefaces written by Muslim scholars; Ben-Dor Benite, 2005: 143). These texts have the common goal of synthesizing Islam with Confucian teachings and to some degree also of assimilating Daoist and Buddhist concepts into the mix. The collection appeared between 1630 and 1730 and represents an unprecedented burgeoning of Chinese Muslim scholarship. It may be considered the fruit of a far-flung network of educational institutions preceding it, and the teachers and disciples through whom Chinese Islam developed its own distinctively Chinese Muslim institutions, values and ideas. The key figure in establishing this network was Hu Dengzhou (Muḥammad Ibrāhīm Ilyās, 1522-1597) who started a rigorous Islamic school in Nanjing where Qur'ān, Ḥadīth and Islamic Law were taught. He died in 1597 without leaving any written work (for studies on Islamic Literature in Chinese, see especially the highly informative study of Leslie et al., 2006 and also, Ben-Dor Benite, 2005).

The earliest outstanding work of the Han Kitab is *Zhengjiao zhenquan* (*The Real Commentary on the True Teaching*) published by Wang Daiyu in Nanjing in 1642 (for a short study of Wang Daiyu's life and work see Murata, 2000: 19-24). This, his principal and longest work, is the earliest extant book on Islam in Chinese by a Muslim. Wang Daiyu studied the Islamic sciences in Persian and Arabic and began a serious study of Chinese only when he was about thirty years old. Using Confucian and, to some degree, Daoist and Buddhist concepts and images, he explained Islamic teachings to educated Chinese-speaking Muslims, expressing Islamic ideas in an appropriate Chinese idiom. He was buried, probably in 1657 or 1658, in a graveyard belonging to a mosque in the Western part of Beijing. Wang Daiyu's major work is about 82,000 characters in length and consists of four sections in two books, each book with twenty chapters. Book One deals with theological principles (divine attributes, predestination, creation and human nature) and Book Two focuses on religious conduct, ethics and commandments of Islamic law (Murata, 2000: 48-60). It also directs some guarded criticism against Zhou Xi (1130-1200), the Aquinas of Neo-Confucianism in the southern Song dynasty (1127-1279).

Wang Daiyu also wrote a minor work, *Qingzhen daxue* (*The Great Learning of the Pure and Real*; translated into English by Murata, 2000: 81-112), which has about 6,000 characters and includes three chapters (God, the Muḥammadan reality, and the perfect human being). A third work of his, *Xizhen zhengda* (*The True Answers of the Very Real*) with about 25,000 characters, was first published in 1658 after Wang Daiyu's death by his disciple Wu-Liang-cheng (for examples selected from Wang Daiyu's *Xizhen zhengda* translated into English see Murata, 2000: 44-48). It is a collection of some two hundred conversations, presented in dialogue form or as questions and answers, on topics from metaphysics to daily ritual. The questioners are Muslims, learned divines and ordinary believers, as well as non-Muslims, mainly Confucians. Added to the 1925 edition of this work one finds two short treatises, which also may have Wang Daiyu as their author. They are: *Fu-lu* (*Appendix*) of 3,000 characters, including thirty-six conversations in the same style as the main text; and *Shengyu* (*Addendum*) of about 4,000 characters, including a series of short questions from Buddhist monks followed by equally short answers.

A large stream of Islamic books, some in Arabic, some in Arabic and Chinese, and several only in Chinese, were written soon after the work of Wang Daiyu, some translations, some originals. A short

essay among these books, *Tianfang sheng xu (Introduction to the Sage of Islam)*, written by Ding Peng (fl. 1650-1695), refers to the Three Teachings of ancient Chinese origin but asserts that Islam is the truest of all teachings and not different from “our Confucianism” (Ben-Dor Benite, 2005: 190). Most significant among these books, however, is *Qingzhen zhinan (The Guide to Islam)* published in eight volumes by Ma Zhu in 1683. Ma Zhu (1640-1711) was educated in the Chinese classics and, eighteen years old, passed the first level of the civil-service examinations. In 1669, around the age of thirty, he went to Beijing where he engaged in serious study of Islamic texts. His work, the title of which he translated into Arabic as *al-Murshid ilā ‘ulūm al-islām (The Guide to the Sciences of Islam)* became probably the single most respected of the many works written by Chinese Muslim scholars (Ben-Dor Benite, 2005: 136-142).

The peak of Islamic literature in Chinese was reached during the early Qing period of Chinese history (1644-1912) with Liu Zhi (1670-1739) being the most prolific Chinese Muslim author (for a short study of Liu Zhi’s life and work see Murata, 2000: 24-28). He received his first education from his father Liu Sanjie (1630-1710) and Yuan Ruqi (fl. 1683-1704), a teacher at the school of the Garden of Military Guardians mosque in Nanjing. At the age of fifteen, he began to study on his own. He claims to have studied the traditional Confucian classics and histories for eight years. Then, for six years, he read the “Western” books, probably mainly Muslim sources of Islamic religious literature but possibly also books brought to Nanjing on the initiative of Matteo Ricci (1552-1610) and other Jesuits who followed after him (Spence, 1985; Minamiki, 1985; Mungello, 1994; Po-chia Hsia, 2010). Finally, he devoted three years to the study of Buddhist texts and one year to the Daoist classics. He believed that the religious writings of Islam were generally similar to the intentions of Confucius and Mencius and that the teachings of the latter two as “Sages of the East” were one and the same with those of “the Sage of the West” (i.e., Muḥammad).

Liu Zhi expounded his thought in Nanjing for twenty years and visited Muslim and non-Muslim scholars in a number of cities, soliciting their advice while bringing his manuscripts with him. In the years 1704-1724, Liu Zhi authored his three main works: the *Tianfang xingli (Nature and Principle in Islam [1704 C.E.]*, translated into English by Murata et al., 2009) on Islamic philosophy; the *Tianfang dianli (Rules and Proprieties of Islam [1710 C.E.]* studied by Frankel, 2011) on Islamic law and ritual; and the *Tianfang zhisheng shilu (The True Record of the Ultimate Sage of Islam, 1724 C.E.)*, a biography of Muḥammad, which was based on the *Tarjuma-yi mawlid-i Muḥafā*, a Persian translation from the Arabic work by Sa’īd al-Dīn Muḥammad b. Mas’ūd al-Kāzarūnī (d. 1357). Liu Zhi’s *Tianfang zhisheng shilu* has been translated in part into English by I. Mason, *The Arabian Prophet*, Shanghai 1921. Though each of these three books had its own focus, this *Tianfang* trilogy formed a unity in Liu-Zhi’s perception according to his own words: “These three books are three and, at the same time, one. They are like stepping up the stairs, going into the hall, and then entering into the inner chamber” (Murata et. al: 9). In addition, Liu Zhi produced some short treatises, noteworthy among them, *Tianfang zimu jieyi (Explaining the Meaning of the Arabic Letters, 1706 C.E.)*, 5,000 characters in length, describing each stroke with illustrations and following the Islamic model of “the science of the letters” (*‘ilm al-Ḥurūf*; for the Islamic implications of this literary genre see Böwering, 2011: 339-397).

In his works, Liu Zhi was able to rely on Chinese translations – or rather, paraphrases and summarizing abridgements – of a number of Islamic sources originally compiled in Persian or Arabic.

The majority of these sources were translated from Persian Sufi sources (for a survey of the Sufi affiliations in Islam see Trimmingham, 1971; with regard to Sufi affiliation active in China, see the conspectus assembled by Gladney, 1991, 2nd ed. 1996: 385-392; for secondary literature on the Sufi affiliations in China see, Leslie et al., 2006: 183-184, and Fletcher, 1986: 13-26). They may be understood as constituting a good part of the Islamic basis of concepts with which Liu Zhi harmonized his interpretation of crucial Confucian terms and teachings. This source situation has been carefully documented with regard to his *Tianfang xianli* in which Liu Zhi cites 66 titles of Islamic sources in Chinese transliteration and translation, not all of them reliably identified by scholarly analysis to date (for a list of these sources see Leslie & Wassel: 78-104).

The following four, translated from the Persian, however, appear to have been the principal Islamic sources on which he relied foremost in his work. The first two are prose texts and stem from the literary environment of the Kubrawīya Sufi affiliation: (1) *Mir'ād al-'ibād min al-mabda' ilā l-ma'ād* (*The path of God's Bondsmen from Origin to Return*, translated into English by Algar, 1982) by Najm al-Dīn Dāya Rāzī (1177-1256, M.A. Rāzī, 1996, *Iran* 7: 166-167), a direct disciple of Najm al-Dīn Kubrā (1145-1220, Algar, 1986, *IE* 5: 300-301; Böwering, 1987a: 1-39; Böwering, 1987b: 82-101; Böwering, 2006: 7-34). This treatise was probably the single most influential Islamic text translated into Chinese. It was entitled *Daoxing tuiyuan jing* (*The Classic on the Ongoing Way of Pursuing the Origin*) and constituted Liu Zhi's most important source for the *Tianfang xianli* (cited 30 times). (2) *Maq'ad-i aq'ad* (*The Furthest Goal*) by 'Azīz-i Nasafī (fl. 13th century; 'Azīz-i Nasafī's *Maq'ad-i aq'ad* was translated into English from the Persian (Fārsī) by H. Palmer in 1867 (Palmer: 1938; a recent and more reliable translation is Ridgeon, 2002: 41-128; see also, Landolt, 1996: 163-193), a disciple of Sa'd al-Dīn Hammūya (1190-1252), who also counted Najm al-Dīn Kubrā among his teachers. The abridged Chinese translation of this work from Persian (Fārsī), *Yanzhen jing* (*The Classic of Searching for the Real*), was done by She Yunshan in 1679; it is cited 14 times.

Next in importance, are two short Persian treatises of mixed prose and poetry by Nūr al-Dīn 'Abd al-Raḥmān Jāmī (1414-1492) who belonged to the Naqshbandīya Sufi affiliation (for Jāmī's life and work see Losensky, *Iran* 14: 469-475 and Algar, *Iran* 14: 475-479): (3) *Ashī'at al-lama'āt* (*The rays of 'The Flashes'*), which is Jāmī's commentary on the *Lama'āt*, a Persian treatise on divine love by Fakhr al-Dīn 'Iraqī (1213-1289). Jāmī's *Ashī'at al-lama'āt* (edited by 'Āmid Rabbānī in Ganj-i 'Irfān, Tehran 1973 and, more reliably, by Richard, 1982) is a commentary on the *Lama'āt* by Fakhr al-Dīn 'Iraqī (edited by S. Nafīsī in *Kulliyāt-i 'Iraqī*, 375-409, and by J. Nūrbakhsh, Tehran 1338/1959 and translated into English by Chittick & Wilson, 1982; see also, Chittick, 1998, *Iran* 8: 538-540). Liu Zhi cites the work 15 times as *Feiyang jing* (*The Classic of Exhausting the Hidden*) but draws principally on its lengthy introduction; and (4) Jāmī's *Lawā'ih* (*The Gleams*), of which Liu Zhi made his own abridged and paraphrased translation, dropping most of its poetry. He entitled it *Zhenjing zhaowei* (*Displaying the Concealment of the Real Realm*; translated into English by Murata, 2000: 113-210), citing it 11 times.

All three treatises of Liu Zhi's trilogy are called *tianfang*, "heavenly direction," perhaps alluding to the Muslim direction of daily prayer (*qibla*) toward the Ka'ba, the sanctuary of Mecca, which stands as a symbol for the entire religious region and tradition of Islam focused on its very center (Mason, 1921: 91). Thus, it has been suggested that the three treatises of the trilogy may be translated as "Principles of Islam," "Practices of Islam," and "The Sage Embodiment of Islam," and be understood in relation to the

trifold pattern of Islam, expressed by the distinction between *sharī'a* (religious law), *Ẓarīqa* (path to God) and *ʿAqīqa* (reality itself; Murata et al., 2009: pp. 9-10).

For its part, the *Tianfang xingli* is highly organized, illustrated by diagrams, and drawing upon the four afore-mentioned basic Islamic texts, called “root classics.” It falls into three parts: a brief introduction; a head section of the “root classics” in five short chapters, illustrated by ten diagrams; and the bulk of the treatise, presented as a lengthy commentary on the root classics divided into five long parts, called “volumes”. Each of the five volumes of the commentary section refers back to one of the five short chapters of the root classics and explains them with the help of twelve diagrams each. The treatise as a whole thus has (1) a very brief introduction, (2) a basic statement of five basic principles, extracted from the principal Muslim texts and illustrated by ten diagrams, and (3) a lengthy commentary with sixty diagrams (resulting in seventy diagrams for the whole text). Inasmuch as the essential content of the work is concerned, Liu Zhi focuses on the two affirmations of the Muslim profession of faith (*shahāda*) - God’s oneness (*tawḥīd*) and Muḥammad’s prophethood (*nubūwa*) - and adds as its third part the eschatological return to God (*ma’ād*), the theme and goal of Dāyā Rāzī’s treatise. Addressing these three articles of the Muslim faith within a framework of Confucian terms and categories renders Liu Zhi’s approach distinct and original (for the organization of Liu Zhi’s *Tianfang xingli* see, Murata, et al., 2009: 81-87).

Turning to Liu Zhi, and his work on Islamic ethics in Confucian categories, a detailed look at his *Tianfang dianli* is in order because it is the most prominent text of Chinese Islam that tries to harmonize Islamic morals with Confucian maxims and norms, some of them intertwined with Buddhist and Daoist views. Liu Zhi described the *Tianfang dianli* as “a book that explains the Teaching (jiao)” and intended it to deal with the concrete, practical aspects of Islam. It thus became the sole Han Kitab book devoted primarily to the subject of Islamic ritual, law and custom. A number of Confucian literati wrote prefaces to this work, many of them laudatory. On the basis of their praise and at the initiative of the bibliographer Yuan Guozuo, the *Tianfang dianli* became the only book ever to be included in the *Siku quanshu* (Compendium of the Four Treasuries), the largest collection of books in Chinese history and the official compendium of state-accepted literature that was commissioned by the Qianlong emperor (r. 1736-1796) and compiled between 1773 and 1782, about half a century after Liu Zhi’s death (Frankel, 2011: 43-44, 51-55, 94-96).

The *Tianfang dianli* has twenty chapters. The first gives a survey of Islamic teachings on divine oneness, the creation of humanity, the role of the prophets and the special function of Muḥammad. The second and third explain the Islamic concept of the “True Master,” i.e., Allāh, and its difference from Confucian, Daoist and Buddhist notions. Chapters four through eight explain the meaning of the Muslim profession of faith and the five basic practices of Islam considered collectively under the rubric of the “Five Endeavors,” a Confucian notion. Chapter nine focuses on the ritual slaughter of animals. Chapters ten through thirteen address the “Five Relationships” arranged in the Confucian order of parent-child, ruler-subject, brother-brother, husband-wife and friend-friend. Chapters fourteen through seventeen explain the necessity of the “four constants,” the Confucian categories of dwelling place, property, clothes and food. Chapter eighteen discusses the benefits of congregational prayer. Chapter nineteen deals with marriage; chapter twenty discusses funerals. This organization of the material does not resemble the standard order of Islamic treatises because it is influenced by Confucian categories and

concerns. It pays special attention to practices that have importance in the Confucian order of society (such as funerals) or are particularly problematic to understand in its context (such as ritual slaughter and congregational prayer; for a list of these twenty chapters, see Murata et al., 2009: 7-8).

No longer belonging to the authors of the Han Kitab, perhaps the most eminent 19th century Muslim scholar was Ma Dexin (1794-1894), also known as Ma Fuchu, who hailed from the province of Yunnan and was proficient in Arabic and Persian. He performed the Muslim pilgrimage in 1841, traveling over land to Rangoon in Myanmar (because maritime travel had been disrupted by the Opium War) and from there by steamship to the Arabian Peninsula. Staying in the Middle East for eight years, he visited Jerusalem, studied at Cairo and traveled to Istanbul. After his return to Yunnan, he mediated in the Panthay Rebellion that had flared up in 1856. Although disagreeing with Du Wenxiu's revolutionary methods, he was executed as a traitor two years after the suppression of the rebellion, his old age notwithstanding. Ma Dexin is credited with about thirty books, many of them on Sufism (*ta'awwuf*), and is regarded as an orthodox Islamic thinker who harshly criticized the absorption of Buddhist and Daoist elements into the practice of Islam in China. The claim that he produced the first translation of the Arabic Qur'ān into Chinese, however, cannot be substantiated. He may have begun a translation without completing it.

Understandably, Chinese Muslim scholars did not consider it a pressing need to translate the Qur'ān into Chinese, because any and all Qur'ān recital during Islamic ritual worship (*ṭalāt*), at funerals, weddings and other public occasions had to be recited only in Arabic. In fact, all known translations of the Qur'ān into Chinese date from the 20th century. For a long time, the earliest complete translation of the Qur'ān into Mandarin Chinese, published in Beijing in 1927, was believed to be the one made by Li Tiezheng, a non-Muslim translator, who based his translation on Sakamoto Ken-ichi's Japanese translation which, in turn, was based on Rodwell's English translation of the Qur'ān. According to a press report of Xinhua (December 17, 2011), however, Chinese researchers discovered a manuscript translation into Chinese, written next to the hand-written Arabic text of the Qur'ān, in the archives of the Culture Institute of Lanzhou University, which had been done by the two calligraphers Sha Zhong and Ma Fulu in the years 1909-1912 (no evidence, however, was presented that this manuscript preserved a complete translation into Chinese of the entire Arabic text).

Today, the most popular version of the Qur'ān in Chinese is that of Muḥammad Ma Jian (1906-1978), who studied at al-Azhar University in Cairo and also edited an Arabic-Chinese Dictionary. Parts of his translation of the Qur'ān into Chinese appeared between 1949 and 1951; yet its full version came out only posthumously in 1981, published by the China Social Science Press in Beijing. Based on it, an Arabic-Chinese bilingual version of 604 pages was later published by the King Fahd Holy Qur'ān Printing Press in Medina, Saudi Arabia, and has been re-printed many times and as late as 2012. Furthermore, Daozhang Tong, a Muslim Chinese American, using the English versions of A.Y. Ali and M. M. Pickthall, authored a modern Chinese translation of the Qur'ān, published by the Yilin Press of China in 1989 (830 pages; for further details on Chinese translations of the Qur'ān in the 20th century see, Leslie et al., 2006: 62).

This may be the place for a brief observation on the Chinese mosque (*qingzhensi*, literally, "pure and true temple"), because its architectural style, resembling temples and pagodas, reflects most visibly the harmonization of Confucian ideals of society with Islamic religious principles and values. Wherever

Hui settled in any numbers their *ḥalāl* establishments, shops, restaurants, caravanserais, inns and mosques and attendant schools (*madrassa*) soon followed. The mosques the Chinese Muslims built as places of their worship and organized as landmarks of their presence were built in a pagoda style reminiscent of indigenous Chinese temple architecture rather than in emulation of the mosque architecture prevalent in Central Asia, South Asia or the Middle East (except in Xinjiang where Muslim mosques in general resemble those of Central Asia). They became scattered all throughout China but were more numerous in the provinces of Gansu, Ninxia, Qinghai and Yunnan. The Chinese pagoda-style mosques reflected in stone what the treatises of the Han Kitab enshrined in their texts: the intermingling of the Confucian and Islamic ideals in the personal and public life of the Chinese Muslim community.

Four mosques of China stand out since early times: (1) the Huaisheng mosque at Gunagzhou is claimed by Muslim tradition as the first and oldest in China and may well go back to the Tang period of Chinese history (though hardly founded by Sa'd b. Abī Waqqāḥ, a companion of the Prophet, as legend has it); (2) the Da Qingzhen Si mosque (Great Mosque) in Xi'an is perhaps the most beautiful mosque in all of China and also dates from the Tang dynasty; (3) the Feng-huang mosque of Hangzhou was most likely built in the southern Song period of Chinese history (1127-1279); and (4) the Qingjing mosque in Quanzhou was probably also from the southern Song period. Beautiful mosques in Xinjiang, resembling those of Central Asia, can be found in Kashgar (Id Kah mosque), Hotan, Turpan (Imin Ta mosque) and Yarkand among others. Of the four mosques known to me in Beijing (known in Muslim sources as Khanbalik), the mosque in Ox Street (Niu Jie) is the most beautiful and active, though not the oldest (for detailed information on early Chinese mosques see, Leslie, 1986: 56-57; Leslie et al., 2006: 135-143). A highly interesting topic is the unique and specifically Chinese phenomenon of "women's mosques," on which research on Islam in China has recently been concentrated in a number of studies (Jashock & Jingjun, 2000; Hsiung et al., 2011; Jaschok & Jingjun, 2011; Bano & Kalmbach 2012).

Islamic Ethics in the Chinese Context

The ethics of Islam is anchored in the Islamic profession of faith, "there is no god but God and Muḥammad is God's Messenger," its basic creed known as the *shahāda*. This profession proclaims an uncompromising monotheism of Allāh, who has no other being associated with Him. It also affirms Muḥammad as the prophet who brought the divine message of the Qur'ān as God's very own revelation (which Muslims understand as God's final revelation for all of humanity; hence they see Muḥammad the final prophet ever to be sent by God). Both these fundamental tenets stand in tension with basic Chinese perceptions of the essence of religion and the order of society. The metaphysics, cosmologies and ethics of Confucianism, Daoism and Buddhism, the Three Teachings dominating Chinese society, accepted neither a monotheistic God nor divine revelation as their foundational principles. More specifically, Islam's focus on the one and only God and the human duty to obey his message as proclaimed by a prophetic envoy stand in sharp distinction to the extensive Daoist pantheon and Daoism's reliance on personal intuition as the inspiration for human action. Allah's supreme authority and eternal Qur'anic revelation are incompatible with the deference accorded to the scala of values and virtues rooted in the sayings of Confucius and Mencius. Islam's stern adherence to an omnipotent God and its ritual prayer in imageless mosques confront vivid mandalas, salvific Bodhisattvas and fragrant incense burning before colossal Buddhas.

Ricci, and before him Nestorian Christianity and Judaism (especially at Kaifeng), encountered this conflict between the age-old Chinese perceptions of religion and society and those of revealed monotheistic religions. Ricci saw the solution in presenting God as “the Lord of Heaven” (*tianzhu*) and, downplaying the crucifixion, reframed Jesus in the guise of a Chinese “Sage.” The Chinese Muslim authors of the Han Kitab would adopt a similar approach. They made certain adjustments to both Chinese and Muslim thought in order to bring them into alignment. For example, they set the essence of Islamic doctrines on an equal footing with the teaching (*jiao*) of the Three Teachings. They harmonized the basic ritual practices of Islam with the Confucian principle of ritual (*li*). They also interpreted Islamic law through association with Chinese law (*fa*) and employed the central Buddhist concept of dharma as a bridge over the Confucian/Daoist dyad of the Way (*dao*) and the Teaching (*jiao*; see, Frankel, 2011: 92, with diagram).

Academic studies of Chinese Muslim beliefs to date have not sufficiently examined two other foundational aspects of Islamic ethics that represent a significant difference from the Three Teachings. For one, there are variant conceptions of time and space: Islam endorses a conception of linear time versus cyclical time, and different perceptions of space – real and imaginary space, i.e., one lifespan from birth to death versus a return to life by rebirth, as well as the state of eternal afterlife in paradise or hellfire versus emptiness and realized immortality. Islam endorses a conception of linear time, which marks one lifespan from birth to death, whereas Chinese thought is based on a cyclical conception of time, punctuated by death and rebirth. Correlatively, Islam posits an eternal space of an afterlife in paradise or hellfire, in contrast to Chinese thought’s ideal of emptiness and realized immortality. For the other, there are differing conceptions of human responsibility for actions and their consequences. Islamic ethics revolves around the relationship of divine omnipotence and human freedom, a crucial point in Islam since the beginnings of its school theology (Watt, 1948). In mainstream Islam, God creates the universe ex nihilo and never rests from maintaining it. He fashions each and every human being and serves as the final judge of all humanity on the Day of Resurrection. Furthermore God’s omnipotence requires His essential cooperation with the acts of human beings, although they alone carry the responsibility for their actions, good or evil, and receive eternal reward or punishment for them. God remains the cause of all actions that are “acquired” by humans at the moment of their own action (for general studies on Islamic ethics see, Donaldson, 1953; Izutsu, 1966; Hourani 1985; Rahman, 1989; Fakhry, 1991; Cook, 2000; Hamdy, 2012).

The Chinese Muslim authors of the Han Kitab sidestepped the intricacies of these theological assumptions, realizing their pitfalls. Bypassing Islamic school theology they focused on the roadmaps of Sufi teachings that led to spiritual perfection through ascetic practice and mystical experience. To judge by the Persian Islamic sources consulted by the most prominent authors of the Han Kitab, such as Wang Daiyu and Liu Zhi, the Sufi world-view was dominant in their minds while the underpinnings of Islamic school theology were sparsely invoked. To be fair to the authors of the Han Kitab, this omission is not as radical as it initially appears. Generally speaking, Islamic theological thought did not have a deep influence on Islamic ethical reflections or norms about ritual behavior. Rather than extending its influence more broadly in the Muslim intellectual world, Islamic school theology remained a closed system. Its two branches, the Mu’tazila (van Ess, ER 10: 220-229) and the Ash’ariya (Frank, ER 1: 449-455; as well as the Maturidiya, Rudolph, 1997), dedicated their energies to struggling with one

another for pre-eminence; neither branch attempted to ensure that their intellectual exercise had any practical impact on the ways of human behavior in Islam.

A far more important influence on Islamic ethics was exercised by the Sufi ethic, known as *ādāb* – used in the plural. In its singular (*adab*), it originally referred to the rules of proper etiquette and was strongly related to Persian narrative and protocol, in particular the literature of “mirrors for princes” (Littmann, 1979, 1: 175-176; Khaleghi-Motlagh & Ch. Pellat, 1985, EIran 1: 431-444). This Sufi ethic of *ādāb* (in the plural; Böwering, 1984: 62-87; Böwering, 1996b: 139-156) has its roots in the ninth century with the piety of mystics who purified their hearts by espousing poverty, ascetic renunciation, total trust in God, and recollection of God (*dhikr* and *samāʿ*, Böwering, 1996b, EIran 7: 229-233). It then developed ethico-spiritual “paths to God” through the close relationship between master and disciple in the Sufi lodge (*ribāḥ* or *khānaqāh*; J. Chabbi, 1995, EI² 8: 493-506 and Böwering & Melvin-Koushki, 2011, EIran 15: 456-466) especially in the Turco-Iranian lands and their neighboring regions. This rigorous practice of the “path” (*ṭarīqa*) developed in a great number of affiliations and, in the 13th to 15th centuries, took on a gnostic character rather than a theological framework. This gnostic trend reflected an earlier, more peripheral tradition of Islam that explains creation by emanation and adopts the pattern of cosmic descent and mystic ascent, with resurrection featured as the immortal soul’s return to God from its earthly confinement. It sees everything as a direct manifestation of God, often mediated by archetypes, and adopts the idea of the Perfect Human Being (*insān-i kāmil*) as the theoretical synthesis of its philosophy and the practical ideal of its ethics (Böwering, 1998, EIran 8: 457-461).

The Islamic profession of faith, when put into practice, entails the concept of obedience, which is basic and central to Islamic ethics. The believer must obey God’s revealed will and must follow Muḥammad’s normative example of Muslim conduct. To facilitate the necessary obedience Islam has long developed its religious law, the *sharīʿa*, which was understood as having God as its author and hence being immutable. It was not as Western systems of law based on evolving human judgment about the best interests of the community. It stood on four basic root-principles, the Qurʾān, God’s revelation; the *sunna*, the normative custom and conduct of the Prophet; *ijmāʿ*, the consensus of the community (established by scholars on the basis of accepted Muslim practice); and *qiyās*, analogous reasoning that offered Muslim scholars (*ʿulamāʿ*) the opportunity to interpret legal situations presenting themselves by virtue of newly encountered regional customs and local manners.

Islam never saw the need to develop a specifically defined and universally applicable code of law. It never had a canon that would have been identifiable as its basic book of law. In modern times, however, Muslim nations faced the challenge of governing their people by developing national legal codes based on Islamic principles. Throughout history, Islam relied on its scripture (Qurʾān), tradition (*ḥadīth*, an extensive literature encapsulating the *sunna*, the words and deeds of the Prophet and, by extension, his companions), and the store of legal interpretations collected over the centuries by its respected jurists, which constituted an enormous volume of legal literature.

Because Sunni Islam – Shiʿi Islam has minimal importance within the Chinese context -- did not recognize an ultimate teaching authority vested in one human person or institution (such as popes or ecumenical councils), the scholars of Islamic jurisprudence were entitled to offer their legal opinions (*fatwā*, pl. *fatāwā*) with regard to the applications of the law but did not have the power to create law.

They undertook this legal interpretation (*ijtihād*) by organizing themselves in four main Sunni schools (Mālikī, Ḥanafī, Shāfiʿī and Ḥanbalī), called *madhhab*. Individual Muslims had the freedom to choose among these schools, but were expected to respect and follow the opinions issued by the scholars they recognized (*taqlīd*; see Hooker, 1997, EI² 9: 321-328).

The *sharīʿa* represented a system of duties toward God and fellow Muslims. It was much larger in extent than our common understanding of the law because it included norms pertaining to *ʿibādāt*, the ritual obligations of worship toward God that eventually came to be known as the five pillars of Islamic practice (*arkān al-dīn*). They are: giving witness to the profession of faith (*shahāda*); the five daily ritual prayers (*Ṣalāt*) performed in the direction of the Kaʿba of Mecca at prescribed times of the day, preceded by ritual washings; the alms-due (*zakāt*) to be given to the needy, orphans and widows of Muslim society; the observance of fasting (*Ṣawm* or *Ṣiyām*) during the lunar month of Ramaḍān, requiring total abstinence from food, drink and sexual relations from daybreak to sunset; and the Muslim pilgrimage (*Ḥajj*) to be performed by every sound and mature Muslim once in a life-time as long as he or she has the means to do so.

To these five obligations, some Sunni scholars (Mālikī in the main) add the religious duty to take part in “the struggle on the path of God” (*jihād*), which is to be pursued by a sufficient number of the Muslims (not necessarily by each individual Muslim at a given time) and can be realized by the pen or the sword, taking on militant features of “holy war.” Called “the monasticism of Islam” because of its proselytizing effects, *jihād* is based on the Muslim division of the world into an “abode of Islam” (*dār al-Islām*), the Muslim world, and an “abode of war” (*dār al-Ḥarb*), the non-Muslim world with which treaties can be made by compromise, resulting in a temporary state of an “abode of peace” (*dār al-Ḥulūl*). Since the earliest times of Islam, its missionary zeal of *jihād* was political, focused on establishing an Islamic order over conquered territories, rather than personal, gaining particular converts. Special conditions of protected minorities (*dhimmī*) were given to Zoroastrians, Jews and Christians living under Muslim rule, called people of the Scripture (*ahl al-kitāb*), who were granted the freedom of their worship in exchange for the heavy burden of a poll-tax (*jizya*), forcing most Christian populations of the Middle East and North Africa to choose between survival and conversion, thereby accelerating the rapid decline of flourishing Eastern Greek and Western Latin Christian communities (Peters, 1987, ER 8: 88-91; Kelsay 1993; Firestone, 1999).

In addition to the ritual duties toward God, the *sharīʿa* includes the *muʿāmalāt*, the duties individual believers have toward their fellow Muslims. They include all matters pertaining to interpersonal relations of Muslims within their community, such as family, inheritance, property, finance and contracts as well as criminal, constitutional and administrative laws. It is the envisaged ideal of the *sharīʿa* to regulate all aspects of public and private life through laws recognized by religion. These laws made Islam a public religion rather than a private faith; they saw religion and politics as inseparably united in a homogeneous society with a uniform religion and normative ethics. There is no “secular” realm in Islam because no aspect of human life is free from religious obligation. No rite of ordination creates a sharp divide between clergy and laity in Islam. Furthermore, Islam was understood as a brotherhood, a community (*umma*) bonded by solidarity with brother and sister Muslims. Those bonds did not reach out, however, beyond the boundaries of the Muslim community to all human beings as the Christian ideal of neighborly love had made it its own goal by preaching even love of enemies. This

brotherly ideal called upon Muslims to share goods with one another promoted respect and support for the poor and needy.

Islamic ethical requirements target the individual Muslims and are keyed to their abilities to fulfill them reasonably and consistently. Consequently, Muslim ethics is appropriately classified as an ethics of virtue. More specifically, to give expression to the ethics of its tradition incorporated in Qur'ān and Ḥadīth, Islam since early times employed the term, *akhlāq*, the science of good character traits and moral virtues. Also found in the plural, *akhlāq* (See Walzer, 1979, EI² 1: 325-329; Rahman, 1985, EIran 1: 719-723) was used antecedent to the emergence of the Sufi ethic of *ādāb* and has Greek origins reaching back to Aristotle's Nicomachean Ethics. This ethic of *akhlāq* in Islamic tradition, however, does not derive virtuous conduct from a philosophy of the "good," rather it tries to posit particular moral attitudes as appropriate in order to achieve nobility of character. Unlike in the Aristotelian tradition, however, essential character traits are not seen as good or evil by virtue of their inherent nature, a nature that human beings could discover through their rational faculties. Rather, because God does as He wills, God determines what is good and what is evil by divine decree, through His command and interdiction. There is no order of things that are good or evil by their very nature. God could have decreed otherwise according to His own free will and humans can only surmise why God decreed what he decreed. Because God is the inscrutable creator of the entire universe, including its norms, human beings do not have the autonomous capacity to determine what is good or evil on their own account; they can only know the difference by divine decree.

In the Islamic tradition, sin is an act of disobedience to the divine command and interdiction. It is neither due to the consequences of original sin, a concept unknown to Islam, nor to the failure of the independent judgment of one's conscience. Sin is transgression of the divine will rather than violation of a natural law existing separate from that will. God has given each human being an inborn nature (*fi Ḥira*), endowing all human beings equally with a soul totally inclined to surrender to God, a kind of *anima naturaliter moslemica*. This natural soul can be corrupted through upbringing, education or environment and lose its primal purity when it is formed by parents or teachers under varying cultural conditions, thus becoming for example a Jew or a Christian and losing its original "Muslim" nature. In all human beings there is an inclination to evil that makes them forget God and his many gifts. They turn to God in their needs, yet having received his grace and mercy, forget about him and become ungrateful, impatient and filled with anxieties, even turning obstinate and rebellious toward God. Lack of gratitude (*shukr*) to God is the core of unbelief (*kufir*), which prevents the servant (*'abd*) to fear his Lord (*rabb*) and thus induces humanity to forgo worship of the Almighty, the purpose for which they were created. Islam has no standard catalog of sins, but distinguishes between minor and grave sins and singles out unbelief and associating partners with God (*shirk*) as the most serious of sins that are threatened by hellfire but can be wiped out by divine forgiveness upon repentance (*tawba*).

With regard to God's command and interdiction, the Qur'ān includes a passage (Q 17:22-38) that resembles in essence what is known as the Decalogue, though it may have twelve rather than ten articles. It reads verbatim:

(1) Do not set up any other god with God, lest you have to sit down reviled and forsaken. (2) Your Lord has decreed that you should serve only Him. (3) And to your parents you should show kindness. If one or both of them reach old age with you, do not say, 'fie' to them, and do not chide them, but speak to

them with kindness. And lower over them the wing of humility, out of mercy, and say, ‘My Lord have mercy on them in the same way that they brought me up when I was young. Your Lord is well aware of what is in your hearts. If you are righteous, He is ever forgiving to those who turn to Him in repentance. (4) Give the kinsman his due and likewise the destitute and the traveller. And do not squander. Those who squander are brethren of Satan, and Satan is ungrateful to his Lord. If you turn away from them, seeking the mercy from your Lord that you are hoping for, speak to them with gentle words. And do not keep your hand chained to your neck nor open it fully, lest you have to sit down, rebuked and denuded. Your Lord gives ample provision to those whom He wishes or He measures it carefully. He is informed and observing of His servants. (5) Do not slay your children through fear for poverty. We shall make provision for you and for them. Killing them is a great sin. (6) Do not come near to fornication. It is an abomination and evil as a way. (7) Do not slay the soul, which God has forbidden, unless you have the right to do so. Whoever is slain wrongfully, we give authority to his heir to take revenge, but let him not go to excess in killing. He will be helped. (8) Do not approach the property of the orphan, except with that which is better, until he is of age. (9) And fulfill the covenant. The covenant will be asked about. (10) Fill the measure when you measure, and weigh with the straight balance. That is better and fairer as a course. (11) Do not follow that of which you have no knowledge. The hearing and the sight and the heart – each of these there will be a questioning. (12) And do not walk in the land in exultation. You will not split open the earth nor reach the mountains in height. The evil of all that has become hateful to your Lord.’ (Translation by Jones, 2007: 263-264).

This Qur’ānic passage is not a direct parallel to the Decalogue of the Hebrew Bible although it may have been inspired by it. It includes several aspects directly related to Muḥammad’s native Arab tribal environment, such as the admonition for care and respect of parents and the reproach of miserliness, prodigality, pride, and boasting. Muslims are enjoined to treat poor people and travelers on the same level as kinsmen; all are to enjoy equal hospitality. The ban against worshiping idols or representing God by images is not mentioned although other passages of the Qur’ān militate categorically against such practices. Homicide and murder are prohibited, but the law of blood-revenge is upheld, though mitigated by the payment of blood money. The law protects the property of the orphan and bans the tribal custom of child murder (especially daughters) for economic reasons. The passage designates Friday as the day of congregational prayer but does not treat it as a day of rest; just as other Qur’ānic passages do not present God as resting from his work of creation on the Sabbath, as it is his wont in the Book of Genesis. In general, the Qur’ān demonstrates an admirable ability to merge pre-Islamic tribal values, such as personal honor, manliness, courage, kinship loyalty, hospitality, endurance, forbearance and self-control, with Biblical virtues, such as justice, kindness, equity, compassion, mercy, self-restraint and sincerity. This symbiotic combination of two strands of values is perhaps best expressed by *taqwā*, the Islamic term for piety and fear of God vis-à-vis an almighty Creator and Judge.

Muslim sexual ethics, the status of women, the inequality of the sexes, the veil, the fixed shares of inheritance, family laws, marriage, the custom of endogamous and arranged marriages, restricted polygamy, unequal rights of divorce and custodianship, adoption, abortion, homosexual conduct, birth control, prostitution, slaves and concubines, etc., make up a long list of ethical topics and moral norms examined by Islam, beginning with the Qur’ān and running through its legal and ethical literature. Analysis of these questions of domestic ethics would need a separate paper. The same holds true for a

whole range of topics dealing with applied ethics in the social and economic sectors of Islam as well Islamic banking and the taking of interest, a practice traditionally rejected as usury. Furthermore, the matter of criminal punishment, especially the so-called *Ẓudūd* punishments defined in the Qur'ān, such as cutting off a thief's hand or flogging for fornication, would deserve separate treatment. So do high-profile issues as apostasy and blasphemy, which are punished by death or life-long imprisonment in many Muslim countries. It may be added that stoning for adultery is not a Qur'ānic injunction, but has its home in ʿadīth literature (and Deuteronomy 22:21-22). The circumcision of male infants is an age-old, legally valid practice in Islam, while that of females is controversial and rarely practiced today.

In addition to the foregoing more focused questions, the Muslim world faces many wider issues of social justice. To these has to be added illiteracy of at least a fourth of the Muslim world population, especially among its women. An even more pressing challenge for Islamic ethics is the blatant public corruption in most Muslim societies, which has enormous repercussions on their common welfare. Some Muslim countries face serious challenges associated with widespread hunger, infant mortality and child labor. These challenges are often connected with burgeoning populations of migrants and refugees. The grossly unequal distribution of wealth threatens the welfare of Muslim nations by pitting a small class of privileged individuals against the vast majority of Muslims living under the poverty line. Sectarian violence and terrorist acts are explosive contemporary phenomena but also have long historical antecedents. Although Islam clearly forbids suicide, the advocates of suicide bombing interpret it as martyrdom, the crowning virtue of a pious Muslim. Finally, there are the hidden tensions between family honor rooted in clan consciousness and tribal taboos and the ethical requirements defined by religion, which are grounded in Islamic law. Although conceptually two totally separate sets of norms, they both motivate ethical conduct in actual practice. These tensions come out in the open through the killings of girls who have become pregnant out of wedlock in order to safeguard family honor or the forcing of women into undesired marriages in order to promote clan interests. Muslim life in China has encountered specific tensions related to Islamic dietary laws. To some degree, there also are ethical consequences to the dietary laws in Islam that, together with the Qur'ānic prohibitions of pork, alcohol and gambling, have had an impact on Muslim life in China.

Two Tentative Observations in Conclusion

To the best of my knowledge there is no English translation of Liu Zhi's *Tianfang dianli*, his crucial treatise on Islamic ethics presented in Confucian garb. It is obvious that a sophisticated and nuanced translation and analysis of the work may open new vistas toward Chinese Islamic literature on ethics and ritual. In the meantime, I can offer two tentative observations about the challenges involved in such a translation project. One is the question of translatability, which was faced already by the authors of the Han Kitab: How can Islamic concepts be expressed in the very foreign idiom of the Chinese language? More broadly, how can complex Islamic ideas be presented accurately and stably within the broader context of Chinese thought?

Today there are glossaries of Chinese Islamic terms (see Wang, 2001), but there were none that could have been used by the authors of the Han Kitab as a standard. To express Islamic teachings and terms in Chinese characters, each and all translators faced the almost impossible task to write Arabic and Persian in Chinese characters or scholarly Chinese in Arabic script. The differences between Arabic and

Persian with regard to Islamic technical vocabulary posed no problem because of the quasi-identity of terms in both languages and the fact that Persian (Fārsī) has been written in the Arabic script since early Islamic times. Much greater difficulties, however, presented themselves when it came to transliterating Arabic terms in Chinese characters or transposing Chinese terms into Arabic script. There is no massive carryover of Arabic terminology into Chinese, and Arabic or Persian loanwords have as a rule not been adopted by the Chinese language. The Chinese script of characters makes it extremely awkward to transliterate the Arabic script, written in letters, because of the difficulty in presenting words phonetically. This is why, as a rule of thumb, Chinese authors have avoided using Persian words or Arabic terms in their writings. Consequently, Chinese Muslim authors resorted to drawing upon pre-existing Chinese words to represent and interpret Islamic ideas. Each of such Chinese words, however, had precedents and connotations in one or more of the Three Teachings, including variations in meanings in the original Confucian, Daoist and Chinese Buddhist contexts. The difficulty in rendering Islamic words in Chinese script also explains why Chinese translators widely refrained from explicitly referring to the names of the Muslim authors they drew upon - they were at a loss to represent such names in Chinese characters.

The problems of transliteration and translation began with the word, Allāh, the principal name for God in Islam, for which the Persians were able to substitute the quasi-equivalent, Khudā. Such an equivalent does not exist in Chinese and so the Muslim translators used the word “Heaven” (*tian*) in the Tang period (618-907), both “Heaven” and “Buddha” in the southern Song period (960-1279), and by the end of the Ming period (1368-1644) “Real Lord,” (*zhenzhu*), “True Master” (*zhenzai*), and “Lord” (*zhu*). Ricci had encountered the same problem with “God” or “Deus” and opted for the term “Lord of Heaven” (*tianzhu*) while earlier 15th century Jewish inscriptions used “August Heaven” (*huangtian*, intimating the absolute power of the emperor, *huangdi*) and later 17th century Jewish inscriptions shortened it to “Ruler” (*di*) or associated it with the ancient Chinese supreme deity Shangdi, by employing the name of “August Heaven, Shangdi” (*haotian Shangdi*).

Muḥammad was referred to as the “Sage” (*sheng*) or “Ultimate Sage” (*zhisheng*), a term reserved for Confucius and other great teachers before him. Islam was called “Muslim teaching” (*huijiao*) or simply, “Way” (*dao*) and “Teaching” (*jiao*) as bywords for its universal way and specific teaching. “Ritual” (*li*) was used for the practice of Islamic rites and ceremonies as well as for pious conduct and appropriate etiquette, cumulatively referring to both *‘ibādāt* and *ādāb/akhlāq*. “Law” (*fa*) was used for *sharī‘a* and the Qur’ān as “Scripture” was called the “Classic” (*jing*) or “Heavenly Classic” (*tianjing*). Hui and Huihui was used for “Muslim”, Huimin meant “Muslim people” and Huizu “Muslim nationality,” whereas Huiru was a “Muslim scholar.” Huihe referred to an Uyghur and Dungan to a Muslim Hui who had moved from China to Russia. Mosques were called “Temple of Worship” (*libaisi*) or “Temple of the Pure and Real” (*qingzhensi*). A Muslim mullah or scholar was an *ahong* (from Persian, *ākhūnd*) or *alim* (from Arabic, *‘ālim*), while the term *zhangjiao* referred to a Muslim imam and community leader. The Arabic word *mu‘min* (believer) was transliterated as *mumin* and translated as “gentleman” (*junzi*), “believer” (*xinshi*) or “follower” (*shunzhe*).

My second tentative observation in conclusion is focused on the English translation of the *Tianfang xianli*, Liu Zhi’s metaphysical work that has appeared in print in 2009, published by Harvard University Press. This volume of close to 700 pages is entitled *The Sage Learning of Liu Zhi*. The translation is the

work of Sachiko Murata with the assistance of her husband William Chittick, a highly respected scholar of Islam, specializing in Sufism, who does not know Chinese but has an expert knowledge of both Arabic and Persian, and that of Tu Weiming, who as a distinguished Professor of Chinese Literature holds the chair of Chinese Literature at Harvard University. Sachiko Murata is known as the author of a source book on gender relations in Islamic thought (Murata, 1992) and has translated into English Wang Daiyu 's *Qingzhen daxue (The Great Learning of the Pure and Real)*; Murata, 2000: 81-112, assisted by William Chittick and Tu Weiming).

With regard to the translation of Liu Zhi's *Tianfang xianli*, the translator and her team had before their eyes the interlinear Arabic translation of the Chinese text of the head section of the "root classics" in five short chapters, published in 1898 under the title of *al-Laḥā'if (The Subtleties)* by the Chinese scholar Ma Lianyuan (1841-1904), who is better known under the name of Nūr al-Ḥaqq. Two years before his death, Nūr al-Ḥaqq published an Arabic commentary on Liu Zhi's *Tianfang xianli* in Kanpur in India in 1902 and gave it the title of *Sharḥ al-laḥā'if (Explaining the Subtleties)*. Nūr al-Ḥaqq wrote his commentary, relying on his own learning and employed thirty-two of the diagrams included in Liu Zhi's text, adding eight diagrams of his own. He did, however, not translate the large commentary section of Liu Zhi's *Tianfang xianli* on the "root classics" divided into five long parts called "volumes" that represent the bulk of Liu Zhi's work. Nūr al-Ḥaqq's Arabic commentary, *Sharḥ al-laḥā'if*, was re-published in a second lithograph edition in 1924 in India and its Arabic text was again published in China in 1983. The story came full circle, when this Arabic text was translated into Chinese in the province of Yunnan by Ruan Bin to serve as a text book for Chinese Muslim seminarians (Murata et. al., 2009: 15-19).

What could be the next step in the research on Islamic ethics in the Chinese context? If the interest and research resources could be found, I would suggest that a scholar of Chinese literature, a scholar of law and ethics, and a scholar of Islamic Studies form a team to translate and analyze the *Tianfang dianli*, following the example of the team that translated the *Tianfang xianli*. The task may be steeper because of the absence of an Arabic summary such as Nūr al-Ḥaqq's, which served the translators as a crutch in the case of the latter. In addition, it may be necessary to give some attention to the many prefaces that were written with respect to it in the past by Confucian literati, because their judgment is likely to reveal the assessment that Liu Zhi's work received from the scholarly environment of China in its day. The difficulties, however, are worth enduring, given the fact that Confucian ritual and Islamic law belong to the center of both the Chinese and Islamic order of society, culture and religion. The *Tianfang dianli* constitutes the only systematic source of Chinese Islamic literature that addresses the core of Islamic practice in Chinese garb. Furthermore, it is the only Islamic book that has been granted a stamp of imperial approval. A study of the text as well as its scholarly reception, may illuminate some contemporary challenges facing the People's Republic of China which is characterized by massive religious indifference along with a determined undercurrent searching for a meaningful religious identity.

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ON READING SUN-TZU: THE PROMISE AND PERILS OF APPROPRIATING A CHINESE CLASSIC IN INTERNATIONAL BUSINESS ETHICS

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It was one of those defining moments in the history of modern American business—or at least Hollywood’s version of it. Gordon Gekko, the fictional character in *Wall Street (1987)*, whose legendary success as a corporate raider was based on illegal insider trading, is mentoring his fresh recruit, Bud Fox, after a fierce game of handball in which Gekko has beaten Bud badly. “The most valuable commodity I know of is information. Wouldn’t you agree?” Buddy Boy has just informed Gekko of the loss he’s made trading on Gekko’s initial investment with him. Gekko’s anger prompts a lecture in which Bud is further instructed in Gekko’s way of doing business:

“I don’t throw darts at a board. I bet on sure things. Read Sun-tzu, *The Art of War*. Every battle is won before it is fought. Think about it. You’re not as smart as I thought you were, Buddy Boy. Wonder why fund managers can’t beat the S&P 500? Because they’re sheep and sheep get slaughtered....

Give me guys who are poor, smart, and hungry, with no feelings. You win a few and you lose a few, but you keep on fighting. And if you need a friend, get a dog. It’s trench warfare out there, pal....”

Later on in the movie, Bud puts together some information that enables Gekko to thwart his British rival, Sir Larry Wildman, in a greenmail operation worth millions. After helping Gekko finish off Wildman, Bud paraphrases the famous passage toward the end of the first chapter in *The Art of War*: “All warfare is based on deception...If your enemy is superior, evade him. If angry, irritate him. If equally matched, fight, and if not split and reevaluate.” A beaming Gekko gives his star pupil a friendly pat on the back, “Buddy Boy is learning....”

What Bud Fox appears to have learned from *The Art of War* is both more and less than what Sun-tzu’s classic actually teaches. As Robert Cantrell—a management consultant actively promoting Sun-tzu among American business people—observes, Gekko’s recommendation, coupled with a similar endorsement from Tony Soprano, virtually created the market for popular interpretations of *The Art of War*, particularly with reference to business strategy (Cantrell, n.d.). The purpose of this essay is to challenge the assumptions informing many of these interpretations. *The Art of War*, after all, is a classic of ancient Chinese literature, specifically focused on the conduct of military affairs. It was intended for the education of army generals and the kings or other civilian leaders who employed them. There is nothing in the text or the major commentaries that warrant its general application to human affairs, or particularly, its application to business management. Is it therefore strictly irrelevant to the project of

constructing a model of “wise management” informed by such classics? No, but this classic—like all other ancient wisdom literature—must be handled carefully. As I will argue in what follows, the metaphorical extension of warfare to cover all forms of competition, especially market competition, may not be as obvious as Gekko and his many disciples seem to assume.

Let us proceed, then, in this way. First, let me present an overview of *The Art of War*, with particular attention to what it says and doesn't say about warfare as such. The point will be to establish warfare as a deliberate suspension of the conventional expectations informing civil interaction or reciprocity. In Sun-tzu's perspective, under what circumstances is engaging in warfare morally legitimate, and how best is it conducted? Does Sun-tzu regard warfare as the normal human condition, and thus consider his own rules of engagement as generally applicable to all human interactions, or is warfare an exception, the extreme circumstance in which life or death hang in the balance? Second, let us test this overview by focusing specifically on Sun-tzu's remarks on the role of deception and the practice of espionage in the conduct of warfare. Does Sun-tzu recognize any moral limits to the practice of deception in warfare? Is there a moral difference between deception and lying? Should there be? Third, in the books promoting *The Art of War* as the best guide to strategic management, how is the analogy between warfare and market competition constructed? In order to approach this question usefully, I will investigate three different books, each representing a different way of adapting *The Art of War* to modern business practice. While each involves a different interpretive strategy, all seek to demonstrate the direct relevance of Sun-tzu's teachings to business, with varying degrees of effectiveness.

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The thirteen chapters of *The Art of War* commonly attributed to Sun-tzu himself, begin with this sobering lesson: “War is a matter of vital importance to the State; the province of life or death; the road to survival or ruin. It is mandatory that it be thoroughly studied.” (Sun Tzu, 1971) War is not a game, nor is it blood sports organized on a grand scale. Those involved in it during China's Warring States period (475-221 BCE), when Sun-tzu's work was composed, understood it as a struggle in which the very survival of the State was at risk. Social disorder was the rule, rather than the exception; and *The Art of War* was meant to instruct military officers in how to put a swift end to it.¹ The carnage, though apparently necessary, could be minimized, if the generals and the armies they led were to learn how to achieve their goal intelligently. While *The Art of War* is focused on State security, it emphasizes that protracted warfare is likely to be costly and counterproductive. This is the context in which the maxim prized by Gordon Gekko is given: “Every battle is won before it is fought.”² Gekko is not wrong to recognize that information—or what Sun-tzu described as “foreknowledge”—is the key to success. Nor is Bud Fox off the mark in what he has picked up from Sun-tzu, “All warfare is based on deception...If your enemy is superior, evade him. If angry, irritate him. If equally matched, fight, and if not split and reevaluate.”³ What should be clear from this series of maxims is that warfare is asymmetrical, and victory in warfare results from painstaking preparation for asymmetrical engagement. The successful commander is not so much ruthless as he is wise in the ways that such asymmetries can be managed to create overwhelming advantages for his army.

Victory in warfare, however, depends on cultivating a wisdom that goes well beyond managing

access to information. The commander's moral character is one of the five "fundamental factors" involved in achieving success: "By command I mean the commander's qualities of wisdom, sincerity, humanity, courage, and strictness."⁴ The commander's wisdom thus cannot be confined to the kind of cunning that Gekko recommends to Bud Fox. The wise commander cannot be successful without being virtuous, morally as well as intellectually. This is why "moral influence" (*dao*, 道)—or in Giles' translation, "Moral Law"—is the first of the five factors to be assessed in determining success in warfare. Sun-tzu explains its importance: "By moral influence I mean that which causes the people to be in harmony with their leaders, so that they will accompany them in life and unto death without fear of mortal peril" (Sun Tzu, 1971). The wise commander's credibility in following the *Dao* secures the loyalty of his troops, just as the ruler's cultivation of virtue secures the loyalty of his subjects.

Sun-tzu's specific remarks on the role of courage may help to illuminate the subtleties involved in cultivating the virtues specific to a wise commander. While courage is a prerequisite if the commander is to be sufficiently self-disciplined to understand the specific circumstances that the army must face, courage is not the primary object in training the troops. They need not be "*junzi*" to be victorious, so long as their commander is virtuous.⁵ As Sun-tzu teaches in chapter five on "Energy" (*shih*), "order or disorder depends on organization; courage or cowardice on circumstances; strength or weakness on dispositions" (Sun Tzu, 1971). As a later commentator, Li Ch'üan, observed: "Now when troops gain a favourable situation the coward is brave; if it be lost, the brave become cowards" (Sun Tzu, 1971). If the troops' courage or cowardice is primarily a reflection of circumstances, then the wise commander must focus on managing these "*shih*" so that they work for him and his army and not against them. The energy in question is not some kind of emotional "will to win," but the natural flow of circumstances whose momentum, once understood and accommodated, will carry the troops to victory. Moving an army to fight, in Sun-tzu's perspective, is like getting logs to roll down a hillside:

"He who relies on the situation uses his men in fighting as one rolls logs or stones. Now the nature of logs and stones is that on stable ground they are static; on unstable ground, they move. If square, they stop; if round, they roll. Thus, the potential of troops skillfully commanded in battle may be compared to that of round boulders which roll down from mountain heights" (Sun Tzu, 1971).

The wise commander must become well-informed about all the factors involved in getting his troops to move like boulders rolling down a mountainside—first, "moral influence; the second, weather; the third, terrain; the fourth, command; and the fifth, doctrine" (Sun Tzu, 1971)—so that he can turn each of these to the army's strategic advantage.

The courage that enables troops to fight to the death can only be achieved by removing the obstacles that impede its flow. Conversely, the cowardice that leads to defeat can be suppressed in one's own troops and instilled in one's enemies by managing these same flows. For example, Sun-tzu observes, "Do not thwart an enemy returning homewards. To a surrounded enemy you must leave a way of escape" (Sun Tzu, 1971). Conversely, when circumstances warrant, the wise commander will deliberately create a situation where there is no way out:

Throw the troops into a position from which there is no escape and even when faced with death they will not flee. For if prepared to die, what can they not achieve? Then officers and men together put forth their utmost efforts. In a desperate situation they fear nothing; when there is no way out they stand firm (Sun Tzu, 1971).

Just as rolling logs and tumbling boulders can be moved or deflected by wisely channeling the “*shih*” inherent in a given terrain, so troops can be rendered courageous or cowardly by the ways their commanders deploy them for battle.

The wise commander’s skillful management of the “*shih*,” however, requires a complete mastery of the art of “deception”—as Bud Fox eagerly informed his mentor. But what does Sun-tzu mean by “deception”? Obviously, there’s more to it than bold-faced lying. More like bluffing, successful deception describes an interaction between a deceiver and the one deceived. Deception occurs when the deceiver creates an illusion that is accepted as real by the one who is deceived. Unlike lying whose meaning narrowly hangs on the liar’s intent, deception is inherently relational. Deception does not occur unless someone is deceived. The centrality of deception in Sun-tzu’s teaching is a reflection of the commander’s need to manage his “*shih*” successfully. In order to render these advantageous for his army, he must keep the enemy continually off balance. He must hide his strengths and weaknesses, so that when they are deployed they come as a surprise to the enemy, like logs and boulders carried along in a flash flood.

By the same token, the wise commander also knows that the enemy is also likely to be practicing deception. The only way to maintain whatever advantages the “*shih*” in a given situation offer him is to gather “foreknowledge” by whatever means necessary—which requires engaging in espionage whenever possible. As Sun-tzu insists, “What is called ‘foreknowledge’ cannot be elicited from spirits, nor from gods, nor by analogy with past events, nor from calculations. It must be obtained from men who know the enemy situation” (Sun Tzu, 1971). The need for “foreknowledge” prompts Sun-tzu to devote the final chapter of *The Art of War* to a systematic exposition on the various types of spies, differentiated according to their function, with detailed advice on how to recruit them and retain their services. Indeed so crucial are spies to the commander’s prospects for victory that, in Sun-tzu’s view, the failure to use them marks the height of irresponsibility in a commander:

One who confronts his enemy for many years in order to struggle for victory in a decisive battle yet who, because he begrudges rank, honours and a few hundred pieces of gold, remains ignorant of his enemy’s situation, is completely devoid of humanity. Such a man is no general; no support to his sovereign; no master of victory (Sun Tzu, 1971).

Though recruiting and rewarding spies may be costly, costlier still is the carnage that will result if they are not used to gather useful information and render it as “foreknowledge.” However effective one’s own attempts at deception, failure to decipher those that the enemy is crafting will result in disaster.

The wise commander understands that developing adequate “foreknowledge” means doing whatever is necessary to see through the deceptions of others.

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The conduct of war thus requires engaging in practices that may be inappropriate for ruling the State, and vice-versa. The systematic deployment of spies is just one example of a practice that, while indispensable for the success of a wise commander, may be counter-productive or otherwise questionable when used by a ruler to manage civil relations with his subjects. Indeed, one major factor for determining success or failure in Sun-tzu’s estimation is confusion over the roles of ruler and commander. Protecting the State is different from presiding over it. In chapter three, on “Offensive Strategy,” Sun-tzu gives an extended argument for distinguishing the commander’s role from that of the ruler. While the ruler appoints the commander who remains ultimately accountable to him, the ruler should not interfere as the commander exercises his proper role in organizing and managing the army. As Sun-tzu observes, “there are three ways in which a ruler can bring misfortune upon his army.” While all three cast light on the ways in which a ruler can sow confusion in the army, it is the second that raises questions about the virtues and dispositions specific to either the ruler or the commander.

At first, Sun-tzu’s observation appears to be merely a warning against meddling rulers: “When ignorant of military affairs, to participate in their administration. This causes the officers to be perplexed” (Sun Tzu, 1971). Nevertheless, later commentators have suggested a deeper analysis of the problem:

Ts’ao Ts’ao:...“An army cannot be run according to rules of etiquette.” Tu Mu: “As far as propriety, laws, and decrees are concerned, the army has its own code, which it ordinarily follows. If these are made identical with those used in governing a state the officers will be bewildered.” Chang Yü: “Benevolence and righteousness may be used to govern a state but cannot be used to administer an army. Expediency and flexibility are used in administering an army, but cannot be used in governing a state” (Sun Tzu, 1971).

The invocation of “rules of etiquette,” “propriety” and the qualities of “benevolence and righteousness” ought to alert us to the fact that expectations diverge regarding the ideal ruler and a wise commander. In chapter nine on “The Nine Variables” Sun-tzu goes still further: “there are occasions when the commands of the sovereign need not be obeyed” (Sun Tzu, 1971). The circumstances listed suggest that the commander in the field is in a better position to know how to manage the nine variables than is the ruler left behind in the capital. Nevertheless, one commentator adds a chilling description of the wise commander that highlights the conflict of values underlying these differences:

“[According to] Tu Mu: The Wei Liao Tzu says: ‘Weapons are inauspicious instruments; strife contrary to virtue; the general, the Minister of Death, who is not responsible to the heavens above, to the earth beneath,

to the enemy in his front, or to the sovereign in his rear' (Sun Tzu, 1971)."

Though the commander remains the ruler's minister, empowered to act on behalf of the head of State, he is as such "the Minister of Death." Unlike the ruler who is "responsible to the heavens above, to the earth beneath," the commander must possess a specific capacity for dealing Death to the enemies of the State, which he is appointed to protect.

Tu Mu's reference to the heavens and earth resonates with Confucian traditions regarding the accountability of an ideal ruler. The virtues central to the ruler's relationship with his subjects, "benevolence and righteousness," may be counterproductive in the commander's management of specifically military affairs.⁶ But if there are limits to the ruler's competence, conversely there are limits to the commander's as well. Acknowledging such limits, arguably, is important for determining the relevance of Sun-tzu's teaching for business managers. Just how comfortable would even Gordon Gekko be in the role of "Minister of Death"?

In seeking to understand the Sun-tzu's relevance for business today, we should recall the rather skeptical view of business, evident in the wisdom that eventually was codified in Confucian tradition (McCann & Chun, 2003). Given that skepticism, it would not have occurred to Sun-tzu to equate commerce and warfare, or merchants and army commanders. Those who made their living by commerce—buying and selling in the marketplace—were generally held in low esteem. Since the activity of merchants was entirely focused on maximizing profits or accumulating advantages in the form of wealth, there was little expectation that merchants could cultivate the virtues characteristic of a "junzi." Though Confucius did not go so far as to condemn moneymaking as such, he not only indicated his personal indifference to it, but also recognized a moral distinction between wealth obtained in ways consistent with the "Dao" and other ways that fell below the threshold of "benevolence and righteousness." Throughout the history of China merchants were heavily regulated by the State, not simply in order to enrich the State and fund its activities, but also in order to make sure that what went on in the marketplace realized a common good for the whole of society.

As keen and cutthroat as competition among businesses may sometimes be, it is absurd to compare it to warfare, as Sun-tzu understood it. While both merchants and army commanders are zealously focused on realizing the advantages—that is, profits in the marketplace and victories on the battlefield—in the sets of "shih" that they manage, in the one contest is, literally, a struggle for survival, a matter of life and death, whereas in the other, at best the "life and death" struggle is metaphorical. Even in a bankruptcy or a business failure, no one gets killed—at least not in a modernized marketplace. Given the life and death character of warfare, it is not surprising that Sun-tzu characterizes the challenge of managing the asymmetrical "shih" in unmistakably "zero-sum" terms. In warfare, there is only victory and defeat. If one side wins, the other must lose. Commercial exchanges, by contrast, are typically described in "positive-sum" terms. Both buyer and seller expect to win, and when they do, at least in theory, there are no losers. One gives up something in order to get something else, and both are better off for having made the deal.

The "win-win" nature of typical business transactions in a modern marketplace should be sufficient to indicate the burden of proof involved in proposing *The Art of War* as a general introduction to business strategy. Indeed, the very legitimacy of business depends upon the demonstrably "win-win"

character of the vast majority of commercial transactions. The marketplace is not a battlefield, but a civil forum, legally regulated by the State, established to promote the orderly conduct of economic exchanges. Business affairs are subject, at least in theory, to the rule of law. When for whatever reason business deals fail, disputes about them are settled through the courts, institutions designed to insure that “benevolence and righteousness” normally prevail. Warfare, by contrast, is a last resort—as Sun-tzu himself clearly teaches. It occurs in situations that are beyond the reach of the rule of law. Its necessity is specific to situations of social disorder, characterized by a rising violence that threaten the very existence of the State and its capacity for protecting the common good emergent in a civil society.

Strategies and tactics that, arguably, are not only appropriate but even mandatory in warfare, may be judged as inappropriate and forbidden in commerce. Given the specific purpose of commerce and the basic assumptions involved in legitimating the marketplace, any direct application to business of strategies and tactics tested in the crucible of warfare may seem like predatory behavior. A predator is one who plays the game according to his own set of rules, or no rules at all. For a modern CEO to fancy himself an army commander of the Warring States period is to harbor a self-serving illusion that eventually leads, not to moral clarity but to deep confusion. Acting out this fantasy predictably results in irresponsible and counterproductive actions that will destroy not only the company he works for but also his own career. It is useful to remember that Gekko went to jail for twelve years, once the scale and scope of his predatory business practices were exposed.

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Such arguments contesting the wisdom of applying *The Art of Warfare*'s strategies and tactics directly to business have largely been ignored, at least in the business cultures that still admire the likes of Gordon Gekko and his many disciples. Since the release of Oliver Stone's movie, *Wall Street* (1987), there has been an explosion of business literature promoting Sun-tzu's *The Art of War* as the key to success in business. In this concluding section I will attend to three such books, that represent three different ways of arguing Sun-tzu's relevance: First, *Strategy Power Plays: Winning Business Ideas from the World's Greatest Strategic Minds* (Phillips & McCreadie, 2009); second, *The Art of War for Managers: 50 Strategic Rules* (Michaelson, 2009); and *Sun-tzu and the Art of Business: Six Strategic Principles for Managers* (McNeilly, 2011).

Phillips and McCreadie's *Strategy Power Plays* targets those busy, very busy business people who are hungry for ideas that can help them fulfill their ambitions, but who don't have the time to appreciate the nuances. What they have on offer is a sampler composed of exactly one hundred pithy sayings, culled from Sun-tzu, as well as Niccolo Machiavelli's classic of the Italian Renaissance, *The Prince* (1532), and Samuel Smiles' *Self-Help* (1859), a Victorian best-seller that served in its day as a primer for becoming a self-made man. Phillips and McCreadie simply assume the relevance to business of the axioms they've derived from these sources, and provide little if any access to the diverging contexts from which they emerged. Significantly, Machiavelli is invoked more times than the other two authors combined; nevertheless, all three are subject to a fundamentalist mode of interpretation, in which it is assumed that the meaning of these texts in translation is self-evident. Read in the shadow of an arguably misunderstood Machiavelli, Sun-tzu becomes an early apologist for ruthlessness in business. What better way could there be to bankrupt the construction of a model of wise management based on

the wisdom literature of the ancient past?

Instead of a hundred provocative ideas, Michaelson offers a mere fifty “strategic rules,” derived exclusively from Sun-tzu. He also provides readers with a copy of Lionel Giles’ first modern English translation of *The Art of War* (1910), so that they can begin to explore its meanings on their own. Michaelson’s approach to Sun-tzu is clearly superior to that of Phillips and McCreadie, because he does make an effort to derive his “strategic rules” from the specifics of each of the thirteen chapters of *The Art of War*. The main ideas of each Sun-tzu’s chapters are given first, followed by a number of stories from the business world of the past 25 years, that seemingly confirm the strategic lesson that Michaelson discovers in Sun-tzu. Sun-tzu is proposed as a guide to Western business managers because, in his travels to China and Japan, Michaelson has discovered that Chinese and Japanese business people, not to mention their military officers, are trained using *The Art of War*. Because the competition, allegedly, is doing it, Westerners should be doing it too. Beyond that, Michaelson appeals to the “timelessness” and “simplicity” of Sun-tzu’s “principles.” Business people can appropriate them because they are readily decontextualized from the situation in which they were first formulated:

“The Art of War is a classic not only of strategy but also of simplicity. There was nothing very complex about warfare in Sun Tzu's time. It involved land battles of large bodies of troops armed with personal weapons. And the very simplicity of The Art of War makes Sun Tzu's lessons readily transferable to business strategy.... The fundamental principles of strategy are the same for all managers, all times, and all situations. Only the tactics change — and tactics are modified to the times” (Michaelson, 2009)

Skepticism may be the most appropriate response to Michaelson’s hermeneutic naivete. The analysis that I’ve offered, however preliminary, sketches just the tip of the iceberg lurking in failure to appreciate Sun-tzu’s worldview.⁷ The naïve assertion of a “timeless” universality to Sun-tzu’s strategic “principles” makes it all-too-easy to breeze past the problems involved in applying *The Art of Warfare* to business management.

Principles formulated at such a level of generality beg the question of whether business affairs are sufficiently like warfare to warrant the application of lessons learned in the one field to carry over to the other. One obvious example is the way in which Michaelson handles Sun-tzu’s final chapter on “The Employment of Secret Agents.” Where Sun-tzu is clear in recommending espionage conducted by any means necessary, Michaelson skirts the issue of the legality (as well as morality) of trading on inside information by focusing his remarks on market research. His closest approach to the problem created by applying Sun-tzu’s methods of espionage in business is this: “Only a gambler with inside information can rationally bet his or her whole stake on a single race. Good marketing research management puts you in the business of managing risks instead of taking risks” (Michaelson, 2009). To be sure, Michaelson’s rightly emphasizes the importance of “good marketing research.” But where would he draw the line on efficient “data collection” and the development of “accurate intelligence”? Has he never heard of Gekko, and his all-too-numerous imitators on Wall Street?

Finally, there is Mark R. McNeilly's *Sun-tzu and the Art of Business* (2011). McNeilly, at least, has attempted to synthesize the wisdom to be gained from Sun-tzu into just six strategic principles for management. All six are well grounded in *The Art of Warfare*, and all six give evidence of genuine insight, not only into Sun-tzu's teaching but also into the promise and perils of guiding one's business by it. The problem created by Sun-tzu's wholehearted endorsement of espionage, for example, is faced squarely by McNeilly (2011) in his discussion of the third principle, "Deception and Foreknowledge Maximizing the Power of Market Information", McNeilly begins by translating Sun-tzu's "foreknowledge" into terms appropriate to competitive markets. He asserts that just as defeating one's competition does not require assassinating their executives, so "you do not need to resort to corporate espionage." He confronts spying for commercial purposes, and clearly states the reasons why it is both immoral and illegal, as stipulated in "The Society of Competitive Professionals Code of Ethics" (McNeilly, 2011). But being clear about the moral and legal prohibitions against corporate espionage does not render Sun-tzu's teachings irrelevant to business. McNeilly goes on to show the necessity for good intelligence work in business, and the lessons to be learned from strategic failures and successes in this area. For example, he analyzes perceptively both the USA's intelligence failure regarding the existence of weapons of mass destruction in Saddam Hussein's Iraq, and Sir Gordon White's success at Hanson PLC in managing its 1986 acquisition of Smith Corona and its subsequent restructuring. In both cases, there are lessons to be learned, consistent with Sun-tzu's wisdom, on how to develop "foreknowledge" without violating the moral and legal limits on corporate espionage. McNeilly shows how it is possible to follow Sun-tzu without going the way of Gordon Gekko and his imitators.

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What then is the relevance of Sun-tzu's *The Art of War* to constructing a reasonable and relevant model of "wise management"? The preceding points suggest that, like other ancient classics that have been regarded as sacred sources of wisdom, *The Art of War* should be taken seriously but not literally. Applying its teachings to the conduct of today's business affairs requires, first of all, reading it with historical understanding. Its literal meaning must be re-contextualized in the specific exigencies of warfare—as understood by Sun-tzu—before it can be decontextualized through a process of metaphorical extension. If modern business sometimes seems like warfare, we must, if we are to be truly wise, also reckon with the ways in which it is unlike warfare, just as Sun-tzu recognized the difference between an ideal ruler and a wise commander. Learning from Sun-tzu's wisdom requires intellectual as well as moral self-discipline. The tendency to ignore the difficulties involved in rendering Sun-tzu relevant to business must be resisted, out of respect for the specific circumstances that inform not only for Sun-tzu's own wisdom, but also for the challenges that managers face in today's global marketplace.

NOTES

1. Chapter two of *The Art of War* makes this point clear: "For there has never been a protracted war from which a country has benefited" (Sun Tzu, 1971). Thus those unable to understand the dangers inherent in employing troops are equally unable to understand the advantageous ways of doing so.
2. Gekko is actually paraphrasing Sun-tzu, most likely recalling the following from Chapter four, line fourteen: "Thus a victorious army wins its victories before seeking battle; an army destined to defeat

fighters in the hope of winning” (Sun Tzu, 1971).

3. Bud, too, is paraphrasing Sun-tzu. Here is the original text as rendered in the Samuel B. Griffiths translation we are following primarily: “All warfare is based on deception. Therefore, when capable, feign incapacity; when active, inactivity. When near, make it appear that you are far away; when far away, that you are near. Offer the enemy a bait to lure him; feign disorder and strike him. When he concentrates, prepare against him; where he is strong, avoid him. Anger his general and confuse him. Pretend inferiority and encourage his arrogance. Keep him under a strain and wear him down. When he is united, divide him. Attack where he is unprepared; sally out when he does not expect you. These are the strategist’s keys to victory. It is not possible to discuss them beforehand”. To be victorious, one’s strengths should be matched against weaknesses, and vice-versa. “Asymmetrical warfare,” in short, is not an anomaly peculiar to counterinsurgency operations. In Sun-tzu’s perspective, it is and ought to be the first rule of success, and not an expedient peculiar to guerilla warfare.

4. Arguably, the virtues listed for a wise commander are simply a variation on the list of those cultivated by all who aspire to become “*junzi*” or exemplary persons, by following the Confucian way. Confucian moral philosophy typically recognizes five virtues: “*Ren* (仁, Humaneness), *Yi* (義, Righteousness or Justice), *Li* (禮, Propriety or Etiquette), *Zhi* (智, Knowledge), *Xin* (信, Integrity)” (cf. “Confucianism”. Retrieved on March 13, 2012, from <http://en.wikipedia.org/wiki/Confucianism>). The commander’s virtues of that Sun-tzu lists-- wisdom, sincerity, humanity, courage, and strictness—differ primarily in emphasis, as these are tailored to the specific challenges of organizing an army and leading it to victory. In his 1910 translation of *The Art of War*, Lionel Giles comments on this difference: “Here ‘wisdom’ and ‘sincerity’ are put before ‘humanity or benevolence,’ and the two military virtues of ‘courage’ and ‘strictness’ substituted for ‘uprightness of mind’ and ‘self- respect, self-control, or proper feeling.’” Sunzi (2009-10-04). *The Art of War* (p. 9). Adams Media. Kindle Edition.

5. The asymmetry in the relationship between a commander and his troops is analogous to a father’s relationship to his children: “Because such a general regards his men as infants they will march with him into the deepest valleys. He treats them as his own beloved sons and they will die with him”. By the same token, a father lacking the proper parenting skills will bring disaster not only upon himself but upon the whole family: “If a general indulges his troops but is unable to employ them; if he loves them but cannot enforce his commands; if the troops are disorderly and he is unable to control them, they may be compared to spoiled children, and are useless” (Sun Tzu, 1971). Note that when the troops behave like spoiled children Sun-tzu blames the commander for failing to live up to the virtues specific to his role as commander.

6. The emphasis on “Benevolence” (仁, *Ren*), and “Righteousness (義, *Yi*) should recall for us Confucianism’s list of five basic virtues, characteristic of all “*junzi*” and pre-eminently so, the ideal Confucian ruler or emperor. Sun-tzu’s later commentators, to be sure, interpreted *The Art of War* after China had been unified militarily and politically during the long series of imperial dynasties. Thus, we may want to avoid the anachronism of reading back into the original text meanings that were emergent only in later times, in conditions very different from those that obtained during the Warring States period. Nevertheless, the text gives evidence that Sun-tzu assumed the appropriateness of distinguishing civilian and military affairs and the appropriate ways (“*dao*”) of conducting them. A ruler may be incompetent in military affairs precisely because of the same virtues that enable him to fulfill his own role as head of

State and the embodiment of its civil society. Conversely, a commander whose character might be well suited to the ruler's role, or at least to significant participation in his court, might be regarded as weak and indecisive precisely because his mind and heart conform

7. Two studies have guided my own growing appreciation of the significance of Sun-tzu's worldview, his tacit acceptance of the Yin-Yang correlative cosmology, that he shares with the Yi Jing (The Book of Changes) and Laozi's Daodejing, namely, (1) Sun-Tzu: The Art of Warfare (The First English Translation Incorporating the Yin-Ch'ueh-Shan Texts). Translated, with an Introduction and Commentary, by Roger T. Ames. New York: Ballantine Books, 1993. (2) Francois Jullien, A Treatise on Efficacy: Between Western and Chinese Thinking. Translated by Janet Lloyd. Honolulu: University of Hawaii Press, 2004. Ames' commentary shows how and why an "uncommon" understanding of the Yin-Yang correlative cosmology is relevant for interpreting Sun-tzu's seemingly simple assertions. Jullien's treatise resonates well with Ames' philosophical reconstruction of the classical Chinese worldview, and compares Sun-tzu in depth with Clausewitz's treatise On War (1832). Jullien's insightful probing of Chinese and Western ideas on how things get done suggests that Michaelson is incorrigibly wrong about the timeless universality of the basic principles of strategy. Giving these works the attention they deserve, alas, takes us far beyond the scope of this paper.

REFERENCE

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CORPORATE HARMONY AND CONFIDENCE BUILDING SPHERES ON THE FINANCIAL MARKET

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Abstract: As the last financial crisis was caused by abuse of trust on the part of the financial institutions, this paper describes a proposed structure integrating sustainability and ethics based on trust and confidence. The author describes relations between business ethics and some theories of corporate governance and presents a possible answer to the question of whether trust can be measured. Then he sketches a square of rules and regulations in which the financial market with its regulations is immersed, split into four overlapping sectors of financial market law, company law, codes of best practices and corporate governance principles. Interactions between these sectors lead to the creation of an inner circle describing the integration sphere where all the areas merge together in harmony. Lastly, the author formulates a proposal for the broadest understanding of corporate governance – corporate harmony.

Keywords: corporate governance; corporate harmony; rules and regulations square; business ethics; financial institutions

The last financial crisis has already been named as a crisis of trust that came about as a result of financial institutions abusing the trust of their clients and shareholders on an unprecedented scale. It disrupted a process of sustainable development of financial institutions, largely due to unethical behavior on the part of their managers. We can now find strong declarations at the highest levels that “*in a context of crisis, authorities must consider how to safeguard competition principles without hampering policy measures to avoid a slump or the erosion of trust in the financial sector*” (OECD, 2009a, p. 11). However, when we get down to more specific documents, such as another OECD report (2009b) that provides recommendations for some improvements in corporate governance, what we see, surprisingly, is that the words “trust” or “confidence” disappear completely. Several issues are discussed that require mutual trust and confidence, but those words never appear in the report.

It might seem like corporate governance had nothing in common with business ethics, which obviously is not true. In a recent study, Nordberg (2010) examines three main theories: the agency theory, the stewardship theory and the stakeholder theory. Then he analyzes a role of ethics in corporate governance, discussing three ways in which it can be approached: as teleological, deontological or virtue ethics. He concludes that “*the link to the ethics of corporate governance comes in what directors aspire to achieve*” (Nordberg, 2010, p. 185) and compares what implications those three theoretical perspectives may have on such a practical outcome as behavior of individual directors and of whole corporations.

If we define the stewardship theory as a model where managers are “*motivated by a need to*

achieve, to gain intrinsic satisfaction through successfully performing inherently challenging work, to exercise responsibility and authority, and thereby to gain recognition from peers and bosses" (Donaldson & Davis, 1991, p. 51), we can derive from Nordberg's conclusions that virtue ethics expresses itself in the stewardship approach to doing business. Trust and confidence play a crucial role and satisfied managers earn esteem by creating long-term value of "their" company. As he explains, "*in a virtue-based system, individual and collective aims seem to be self-reinforcing*" (Nordberg, 2010, p. 187). However, mechanisms have to be implemented to support such an approach and prevent would-be stewards from becoming frustrated and turning into unfettered agents. Therefore, I set out an integrated corporate governance model based on a well-balanced equilibrium between all regulation and self-regulation spheres. I develop here an idea of a rules and regulations square specified earlier (Grabowski, 2010) that leads to a concept of corporate harmony, built on trust and confidence. This specific square is constructed for the financial market case, but may be easily applied to any branch or business area.

How Trust Can Be Measured?

In the whole variety of financial institutions there is one thing in common: we entrust them with our financial assets that we earn during our lifetimes in the hope that these will be reasonably managed to assure our future profits. We entrust them with our fortunes in the confidence that they will not be lost. We entrust them with trust...

One question that naturally arises is how trust can be measured, if at all. Of considerable interest in this regard is a study where a Corporate Governance Index (CGI) designed on the basis of OECD Principles (OECD, 2004) was plotted against the market-to-book ratio of companies listed on the Hong Kong Stock Exchange (Cheung, 2007). A positive relation was proved and further conclusions were presented by Cheung, Connely, Limpaphayom and Jiang (2008). They explained that in 2003-2006 corporate governance practices measured by CGI were improving continuously. More interesting, however, were the next results that showed "*an asymmetric response between stock returns and changes in corporate governance practice*". In the language of trust it means that trust is built slowly, but may be lost very quickly.

Confidence Building Spheres

The issue is well known from the point of view of customers who should trust financial institutions, but are afraid that their trust might be abused. However almost all big banks in Poland (and in several other countries) are listed on the stock exchange and their shares may be bought by everybody, even by the same clients mentioned above, who enter into quite another relation with the banks. Clients may become shareholders with their direct investments or indirectly through investment or pension funds, or insurance companies that reinvest their money. So even without their full knowledge of that fact, they enter into an inevitable conflict of interest, as they are to have an interest not only in their personal profits as customers but also in the long-term value of banks as their shareholders. As listed banks function under financial regulations and also under company law and other corporate regulations, we can specify two distinct areas where financial regulations are devised to protect clients from financial institutions, and corporate regulations are devised to protect shareholders.

On the other hand we can look at those areas of regulation from the point of view of their authors, so that we obtain another classification – legally binding regulations (hard law) and self-regulations (soft law). Such overlapping categories prompted me to draft a diagram below, and to consider how their mutual interactions may influence the trust building process on the financial markets.

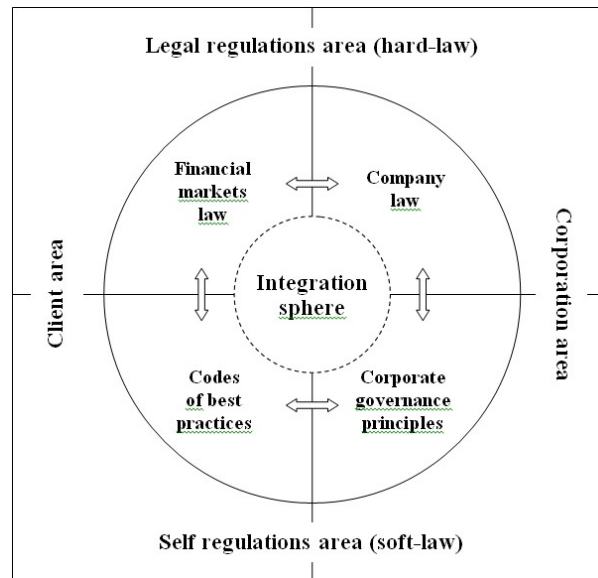


Figure 1. Rules and Regulations Square

We can identify three regulation layers there: the first, basic layer represented by the rules and regulations square depicting the system of law in a given jurisdiction, the second layer sketched as an outer circle of regulations for a given field of activities with four specific sectors, and the third layer with an inner circle representing the integration sphere where all four sectors merge in harmony.

The financial market works within the rules and regulation area sketched as an external square cut into four smaller areas delimited by two perpendicular lines crossing in the centre. The vertical line splits the square into two main areas – the client area on the left-hand side with external relations between market institutions and their clients, and the corporate area on the right-hand side with internal relations between those institutions and their shareholders. The horizontal line splits the square into two other main areas – the hard law area on top with the entire body of law regulations, and the soft law area below with the broad spectrum of self-regulations.

The whole regulation system for financial institutions and their stakeholders is immersed in the external rules and regulation square. This is represented by an outer circle just inside the square, divided between four sectors according to the primary division described above. On the top left-hand side we can see the financial market law sector where the hard law area and the client area intersect, and below we can find the codes of best practices sector where the soft law area and the client area intersect. On the right-hand side there are two remaining sectors: the company law sector on top where the hard law area and the corporation area intersect, and the corporate governance principles sector below where the soft law area and the corporation area intersect.

The most interesting part of that diagram is the two-directional arrows that symbolize a mutual

penetration of boundaries. It becomes more intensive in the central part of the diagram, finally leading to the creation of an integration sphere represented by the inner circle. A dotted line emphasizes its flexibility, as it surrounds an area where all the regulation fields merge together. The deeper and more harmonious this integration sphere is, the better conditions exist for building trust between financial institutions and their stakeholders.

Interactions Leading to Integration

Interactions between Client Area and Corporation Area

The mutual penetration of boundaries between these two areas is the easiest to identify, as several financial institutions are organized as stock companies. They consequently fall both under company law regulations and under regulations appropriate for specific branches of financial law. The more those two areas are consistent, the more effective they are. Such a clarity and uniformity of law promotes the protection of its “consumers”, which in this context we can refer to as being both financial institutions and their clients.

These interesting relations can be observed in the self-regulation area at the lower part of the diagram, as the clients of a bank may at the same time be its shareholders. They are therefore interested in the lowest level of all fees for the services the bank is providing to them, even if that comes at the cost of lower protection of the bank’s interests as such. On the other hand, as shareholders of that bank they are interested in the highest earnings and the easiest way of creating earnings is to make the fees as high as possible. But those are the same fees for services that their bank offers them as clients. The conflict of interests is obvious and may be resolved only when we consider the company interest in the holistic and long-term context, as in the short-term period the most important factor is quick profit only. By contrast, when we consider the long-time perspective we easily discover that security and the bank’s development become much more important, as they ensure a constant grow of client numbers and also the security of their deposits. The conscious clients-shareholders will therefore tend to favor the equilibrium between the needs of “their” bank and its clients, leading them to the conclusion that the company interest should be understood as a mutual interest of all shareholders that understand and take into account the interests of all other stakeholders, including clients (which is the main motive of modern stakeholder theory).

Such reasonable client-shareholder will therefore be very careful to ensure that the self-regulations applied by the bank take into account all those complex interdependences, promoting sustainable development and building long-term ties between bank and its clients based on mutual trust.

Interactions between Hard Law Area and Soft Law Area

Let us start with the right-hand side of the diagram, namely with the corporation area. I have already analyzed (Grabowski, 2006) some examples of interrelations between law regulations and self-regulations, with corporate governance understood as a splice of all regulation levels. In some models the regulation crux is shifted to provisions of codified law, in others more emphasis is put on corporate governance codes that are developed on a more voluntary basis. The boundary is dynamic and we can identify its constant flow in both directions. The most typical movement is the “hardening” the law by absorption of particular principles of corporate governance in company law, but we can also observe some softening moves in the opposite direction.

An interesting approach could be seen in the shareholders rights directive (Directive, 2007). It introduced a set of universal regulations for all Member States of the European Union, but left them a great deal of freedom in a choice as to the area (hard law or soft law) in which they should be applied. In my earlier paper (Grabowski, 2008, p. 486) I discussed an interesting example of that approach with the possibility of casting votes by correspondence. It is specified as follows: *“while the timing of disclosure (...) of votes cast in advance of the general meeting electronically or by correspondence is an important matter of corporate governance, it can be determined by Member States”* (Directive, 2007, motive 12). One of the characteristics of self-regulations in the corporate area is their high centralization – on a given market only one document with a corporate governance code exists that is directed to all listed companies, and only in some exceptional cases may a few codes co-exist in one country. As corporate governance is an important issue for all enterprises, a centralized set of guidance directed specifically to unlisted companies was developed lately by the European Confederation of Directors’ Association (ecoDa, 2010).

A much more complex situation appears in the client area on the left-hand side of the diagram. The hard law area is highly centralized here, as apart from the set of acts of law mentioned earlier another set exists that deals with consumer protection. Quite the opposite situation may be observed in the soft law area, as the granulation in the codes of best practices sector is really extensive. Over twenty sets of such codes were developed by different branch organizations in Poland. An attempt was therefore made to prepare a Canon of Good Practices on the Financial Market (KNF, 2008), which sets out the principles common to all financial institutions. This is a nice example of co-existence and infiltration of both areas, as the Canon was worked out together by thirty organizations that represented all types of financial institutions and consumer protection organizations and also some governmental agencies, including the Polish Financial Supervision Authority (KNF).

Crossing the Boundaries

The works of the European Commission are a good example how the boundaries of four sectors described above could be crossed. Let us begin with four recommendations (European Commission, 2004, 2005, 2009a, 2009b) that create a set of complementary documents touching on some crucial problems of corporate governance in financial institutions and listed companies. Later on the European Commission (2010) issued a green paper on corporate governance in financial institutions and remuneration policies. All those documents are about specific regulations concerning both the client area and the corporate area. The green paper points out the overlapping interests of financial institutions’ clients and shareholders, leading to the conclusion that *“the supervisory authorities, whose mission to maintain financial stability coincides with the interests of depositors and other creditors to control risk-taking by the financial sector, have an important role to play in shaping best practices for governance in financial institutions”* (European Commission, 2010, p. 4).

In all the above documents we can see a deep infiltration of the area of legal regulations and that of self-regulations. The European Commission (2005, motive 4) also invited Member States *“to take the steps necessary to introduce at national level a set of provisions based on the principles set out in this Recommendation, to be used by listed companies either on the basis of the ‘comply or explain’ approach or pursuant to legislation”*. Some conclusions were then converted into hard law directives addressed to

the financial institutions, but others concerning listed companies are still being examined. Finally the European Commission (2011) issued another green paper on the governance framework, with a clearly stated intention to leave ample maneuvering room for self-regulation. The boundaries between particular sectors are floating and are delimited variously in different Member States.

Integration Sphere

Finally we reach the inner circle in the centre of the square that delimits an integration sphere where all four specific sectors co-exist in harmony. The better all the areas are coordinated, the more this sphere is homogenous. In the deep integration sphere all regulations are consistent and no small-print provisions are hidden. Only such a system creates a level playing field free of suspicions and fears of being cheated. Only then may an atmosphere of true co-operation and mutual trust be built effectively.

In that internal sphere some new initiatives may appear, amongst which the so-called stewardship code is worth mentioning as a set of self-regulations for institutional investors who play a dual role in both the corporation and client spheres. On the one hand they are shareholders exercising their corporate rights, but on the other they earn those rights through individual investors entrusting them with their financial assets to be invested. Those institutional investors therefore should exercise their corporate rights in such a way that the interests of the beneficial owners are respected, so as to promote relations built on trust and confidence.

The OECD Principles of Corporate Governance (OECD, 2004) should also be placed in this sphere together with another document that supplements the Principles with methodology for assessing their implementation (OECD, 2007). The methodology identifies the company law (corporation area) and the securities regulation system (client area). The document is based on the assumption that it is not enough to examine the regulations only, as their assignment to specific regulation areas is less important than their effectiveness. That is why another factor is also studied there, namely what recourse mechanisms are open to stakeholders when their rights are breached. Even the best regulation system cannot be assessed positively if court procedures are too slow or ineffective. Here, too, the soft law area might be useful, as *“enforcement and redress might be handled by special courts and institutions such as arbitration tribunals. In forming a judgement, the reviewer should examine the effectiveness of such institutions and their achievements”* (OECD, 2007, p. 74).

Corporate Harmony

All the above considerations lead me to make a proposal of a new definition of corporate governance understood very broadly as a whole set of relations between the company and its stakeholders built on mutual trust and confidence. It takes into account not only the company itself but also all the external spheres, both legal regulations and self-regulations together with local corporate culture and tradition. As it seems to integrate not only the three main theories of corporate governance, namely agency theory, stakeholders theory and stewardship theory, but also the most basic notions of business ethics, the name “corporate governance integrated”¹ looks like the best one. This is even more adequate as it incorporates also “integrity” that is crucial to describe a very good manager. But another name appears

¹ I would like to thank Dr. Boleslaw Rok from the Kozminski University who, after reading the first version of my paper, suggested this name.

even better, which takes its source from the Polish name for corporate governance: “Ład korporacyjny”. The Polish word “Ład”² means “beauty”, but also “order” and “harmony”. I strongly believe that “harmony” constitutes the best characteristics of really good corporate governance in its broadest sense, and therefore propose the name “corporate harmony”.

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² It should be pronounced something like “wad” or “wa:d”.

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BOOK REVIEW**The China Wave: Rise of a Civilizational State***by Zhang Wei Wei*

World Century Publishing Corporation (June 14, 2012)

ISBN 1938134001, 978-1938134005

Hardcover, 208 pages

What Chinese Want: Culture, Communism and the Modern Chinese Consumer*by Tom Doctoroff*

Palgrave Macmillan (May 22, 2012)

ISBN 023034030X, 978-0230340305

Hardcover, 272 pages

China in Ten Words*by Yu Hua (Translated by Allan H. Barr)*

Vintage (August 21, 2012)

ISBN 0307739791, 978-0307739797

Paperback, 240 pages

How will Modernity change China?

The whole world is intrigued by this question – both Chinese and non-Chinese and whether you are in favour of or fear the rise of China. Will modernity make China more like the West or, if not, how will the Chinese model differ? Behind the global interest lies the economic question – will a change in China lead to a slowdown or an acceleration of growth or will it be much of the same, maintaining China's blistering economic growth of the last 30-odd years? Because of its size, any change in growth rate will have a knock-on effect on the growth of other countries.

All three books give short shrift to the possibility that China will become like the West, that it will develop a rampant individualism which finds its expression in the liberal democratic form of government, the rule of law and free market capitalism. The chances of this happening have been dampened by the current Great Recession caused by the economic implosion that began in the US in 2007.

The China Wave

But, according to Zhang Wei Wei, who had been Deng Xiaoping's interpreter when he made the fateful decision for "opening up" China, there is a powerful faction within China itself which is still arguing for China to adopt Western policies. This fierce debate is an echo of the May 5 Movement in 1919 when Chinese intellectuals turned against their own tradition and blamed Confucianism, Daoism and Buddhism for being the forces that held China back from developing. The argument today is that while the Chinese education system turns out obedient workers that have helped to turn China into the "workshop of the world", it is not capable of producing creative individuals, like Steve Jobs, who could

lead the re-invention of the country to meet the needs of the future.

Zhang disputes the pro-West view, arguing that “China should continue to follow its own largely successful model of development while assimilating whatever is good from the outside”, mainly because, unlike Western countries, China is not a “nation state” but a “civilization” in the guise of a state.

This “civilization state” was first expressed by Martin Jacques in his book “When China Rules the World”, which was reviewed in an earlier edition of this Journal (JIBE Vol. 2 (2), 2009). Zhang even follows Jacques in having eight points (he has two sets while Jacques has one!) to support his thesis. But apart from the civilization state concept, Zhang differs from Jacques on other issues, especially in respect of imperial China’s system of treating its smaller neighbours as “tributary” states – i.e. states that seek its protection by voluntarily offering it annual “tributes” in the form of gifts. Zhang asserts that China will never revert to this feudalistic system. This is comforting to all those Asian states that have territorial disputes with China over offshore islands in the Western Pacific as they all prefer the Westphalian system that regards all nation states as equal.

Zhang’s eight reasons why China has to develop differently from all other “nation states” are what he characterized as the four “Supers” and four “Uniques” of China. The four “Supers” are, first, the sheer size of China’s population which is larger than the combined population of the US, the EU and the Anglo-Saxon states of Canada, Australia and New Zealand! Historically, it has also had a unified government for some 2,500 years, making it different from India which may have the same size of population but was only united under British colonialism. The other three “Supers” are the size of its territory and its terrain which has more unproductive mountains than rich plains; its unified history and, finally, its cultural continuity. The four “Uniques” are its pictorial-based language which serves as a unifying force for the vast territory because it is recognisable in all provinces, even while the local dialects may sound different; the continuity of its governance system which recognises the suzerainty of the centre but provides a large degree of autonomy to the provinces; the nature of its family-based social system; and its mixed economy of free market within a centrally-managed system.

Zhang claims that the China development model is superior because it builds upon the four “Supers” and the four “Uniques” to generate these eight characteristics:

First and foremost of these, is a governing philosophy that is pragmatic. As Deng said it did not matter whether the cat was black or white so long as it could catch mice! While the government accepts theories developed by intellectuals in academic think tanks, it will not hesitate to jettison what did not work.

The other seven characteristics are the primacy of the State, policies which provide a stable environment for private businesses, people’s livelihood as the centrepiece for State policy, gradual reform, the proper sequential planning for change, a mixed economy and, finally, the successful opening up of the closed Chinese economy to global competition.

The final chapter of the book contains a debate between Zhang and the Japanese-American philosopher and historian, Francis Fukuyama, author of “The End of History and the Last Man”, about issues of governance.

Fukuyama’s main contention is that even if China is doing well under its authoritarian system of government, it provides no safety valve when a “bad emperor” emerges, as was the case with Mao Zedong who had inflicted great harm on his own people through the Great Leap Forward and the

Cultural Revolution.

Zhang's response is that, since Mao, China has established both formal and informal systems of governance that will prevent such bad things from happening again. The three key policies that can prevent the emergence of another Mao are: firstly, a selection of key leaders based on merit; secondly, an adherence to a strict system of term limit (two terms or 10 years) for its top leaders; and thirdly, the practice of collective leadership.

What Chinese Want

The second book, "What Chinese Want", is by Tom Doctoroff, CEO of JWT Communications which is part of the WPP Group. To address how Chinese consumers differ from those of the West, Doctoroff draws not only on his wide knowledge of Chinese philosophy, culture and tradition but also on current market research by his firm on what motivates them.

Doctoroff's book is aimed at Western businesses who want to break into the China market with its burgeoning millions of middle class who aspire to an American lifestyle like a home and two cars and the ability to splash on luxury brands from Armani to Ferrari.

An astute observer, Doctoroff's book shows that he is no ordinary businessman but an intellectual who dispenses Aristotelian phronesis (practical wisdom).

Being the outsider, Doctoroff is the most emphatic that Chinese society will not become like the West as modernization takes hold of its society. He gives three reasons why – it has a cyclical as opposed to the progressive concept that is central to Western thinking; it has a "morally relativistic universe" in which the only absolute evil is chaos and the only good is stability; and it views the family over the individual, as the primary unit of society.

According to Doctoroff, when the Chinese consumer "splashes" on luxuries, she does not do so for self-satisfaction, or "self-actualisation" to borrow a term from Maslow's Hierarchy of Needs. She is motivated more for "face", to show the community that she and her family are doing well. Chinese also buy high-end goods for gifts and for treating their friends. He says, "In China, consumers regard brands as tools for success, not self-actualisation or fulfilment." Benefits should not be internalized but externalized!

Below the market for top brands, however, the Chinese consumer is affected by both insecurity and price sensitivity. She is insecure over safety issues especially in respect of children's products. After the 2010 melamine-in-milk scandal, baby formulas with a good brand commands huge price premiums. She continues, however to be price sensitivity because, in the absence of a social safety net, she needs to save and will, therefore, not be as feckless as her Western sisters.

A successful example of a company that read the China market right, is Colgate. When Colgate first entered China with its global product "Total", it commanded only a 3% market share. Colgate then incorporated local products into its manufacturing and developed Colgate Herbal and Colgate Strong, resulting in lower prices and increasing its market share of this very competitive segment to 20%.

10 Words

This book is by one of China's leading novelist and social commentator, Yu Hua. Translated by Allen Barr, his 10 words show us that while the Chinese language is rooted in history, it is alive and is

adaptable to meet the rapid pace of change that has characterised China in its 30-odd year march to modernity.

Two words stand out – if only because they perplex foreigners looking at China from the outside in. These are “Copycat” and “Bamboozle”. Reading Yu Hua may well help outsiders understand why China has a reputation for violating Intellectual Property Rights laws!

The average citizen does not see “copycat-ing” as doing anything wrong. After all, the most powerful tool that the human race has over all other species, is its ability to learn from those who are better.

To the Chinese, the word implies “connotations of freedom from official control”. It is the ordinary citizen’s way of “cocking a snook” at officialdom or the bureaucracy. Yu Hua says with a straight face, it gives the word “imitation” a new meaning, among them “deviations from the standard, mischief and caricature”.

“Bamboozle” is another new word that’s been added to the modern Chinese lexicon. It has expanded beyond its original meaning “to mislead” to “hyping things up and laying it on thick” to “playing a con trick”.

Yu Hua gave an example from his own family experience of what “bamboozle” means. He tells the story of how his family were living and enjoying the salubrious air of Hangzhou when his surgeon father was assigned by the People’s Liberation Army, to the desolate, “one-horse” town of Haiyan.

In order to persuade his wife to bring their two children with her to join him, he painted such “bewitching” word pictures of Haiyan, that his mother was “bamboozled” into pulling out her roots and moving to join him. This took enormous courage because, “in that bygone era, China’s harsh household registration system, permitted you to live and work only in a single place and death alone can free you”.

“...when my mother came out of the bus station in Haiyan, one hand in mind and the other in my brother’s, the shock must have been overwhelming”!

Conclusion

For anyone wanting to understand how modernity is changing China and how a future China will impact the rest of the world, these three books can help them draw a three-dimensional profile of the new China.

Zhang Wei Wei provides a macro view covering the political and economic dimensions. Tom Doctoroff shows us both the big cultural perspective and paints us a picture of how the Chinese consumer already differs from the behaviour of her Western counterpart. Yu Hua describes how the average Chinese is coping with turbulent change by taking poetic license to re-interpret modern concepts such as “copycat” and “bamboozle” to help them make sense of alien ideas (like IPR laws).

In the view of this Reviewer, what these three books tell us is that the Chinese are well aware that Modernity is bringing a sea change that is swamping the mores of their society. They cannot look to the past, for instance, to deal with new challenges such as the reality of small families, an aging population, the widening gap between rich and poor, and the insidious rise of the cult of individualism. In the interconnected modern world, outsiders may proffer advice but the pace of change must still be dictated by the Chinese people themselves.

Low Siew Thiam (Chairman, Global Leadership Forum)

Contributing Authors

Gerhard Böwering received his Ph.D. in Islamic Studies from McGill University (Montreal) in 1975. From 1975 until 1984 he was Assistant and Associate Professor at the University of Pennsylvania (Philadelphia). In 1984 he was appointed Professor of Islamic Studies at Yale University, his present position. He is a member of the American Philosophical Society and the American Oriental Society and the recipient of a Guggenheim Fellowship. He also served as visiting professor in Princeton University and Innsbruck University. His publications include *The Mystical Vision of Existence in Classical Islam* (DeGruyter, 1980), an Arabic text edition of a *Commentary on the Qur'an* (Beirut, 1995 and 1997), two volumes of *Sufi Treatises* (Beirut 2009 and 2010) and *The Comfort of the Mystics* (Brill, 2013). He is the editor of the *Princeton Encyclopedia of Islamic Political Thought* (2012). His scholarly publications also include numerous articles to journals and contributions to major reference books and encyclopedias.

Dennis McCann, Professor Emeritus of Agnes Scott College, Atlanta/Decatur, Georgia, USA, has taught business ethics in the United States for over 30 years and has been involved in research, lecturing and teaching business ethics in China and South East Asia for the past 15 years. Dr. McCann is particularly concerned with identifying culturally appropriate teaching materials for Asia, based on his ongoing research in the fields of philosophy and religious studies. Dr. McCann was formally the Director of Research and Development at the Hong Kong America Centre (HKAC) during his Fulbright year (2005-2006), and served as Visiting Professor in the Department of Philosophy and Religion, Hong Kong Baptist University (2006-2008). Dr. McCann served as Executive Director of the Society of Christian Ethics, the premier academic association for professors of religious ethics in the United States (1996-2001). He is the author of several books and dozens of scholarly articles (see the attached curriculum vitae for details), most recently the co-author, with Prof. Lee Kam-hon and Ms. Mary Ann Ching Yuen, of *Christ and the Business Culture*, which is to be published this year by Chinese University Press in Hong Kong. Over the past 15 years Dr. McCann has taught, given workshops, and lectured in universities in Hong Kong, China, the Philippines, Malaysia, Japan, Thailand, Indonesia, and India.

Krzysztof Grabowski is a capital market and corporate governance expert. He worked in several market institutions – brokerage houses, the Warsaw stock exchange and market supervisory bodies. He is advising developing countries on capital market regulations and company law. He is member of national and international corporate governance organizations and a lecturer of corporate governance at Kozminski University.

Low Siew Thiam started Global Leadership Forum 12 years ago after a successful career as a corporate executive and entrepreneur. The Forum was incorporated as Singapore-based GLF PTE LTD in 2010. He has had an extensive career in both executive life and as an entrepreneur. He first started work as a trainee journalist then went on to corporate life where he worked for a global corporation - Shell Eastern as HR Manager, a national corporation - Telecoms Singapore as HR Director, and a regional conglomerate - Sime Darby where he was first HR Director and later Marketing Director, responsible for

both consumer (B2C) and industrial (B2B) marketing. In 1984, he left Sime Darby to start his own company, Homestead Furniture, which he built to be the third largest furniture retailer in Singapore. Twelve years ago, he handed over operations to his sons to start GLF.

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