Are Chinese Societies More Susceptible or Inclined to Corruption?

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Abstract

Corruption today threatens the strength and international credibility of the People’s Republic of China’s emerging new economy, and is in fact a main issue for the regime critics. Here, the practitioner-academician is asking and probing, “What make Chinese societies more predisposed or prone to corruption? Is this true? If so, what are the key reasons for this? If not, are there any mitigating reasons for it?” Several suggested solutions to limit the problem of corruption are also put forth and examined. Among other things, he puts forth the argument for the reinstatement of (Confucian leadership, the Rectification of Names and) values so as to minimize or reduce the menace of corruption.

Keywords: Corruption, international credibility, economy, Confucian values, Chinese gods, Tuah Peh Kong, Fu Lu Shou.

INTRODUCTION

In many countries of the developing world, corruption has become part of the fabric of society; the scourge of corruption is real. Corruption is evidently becoming one of the most serious social problems faced by China today (Wang, 2005). Although corruption does not appear to affect China’s economic growth, it does weaken the soundness of the system and make it vulnerable to instability, crises and even collapse. It also causes investors suspicious and reluctant to invest their money. (http://factsanddetails.com/china.php?itemid=304&catid=&subcatid=49).

For 2011, China was ranked 75th out of 178 countries in Transparency International’s Corruption Perceptions Index, ranking above fellow BRIC (Brazil, Russia, India, China) nations India and Russia, but below Brazil (slightly) and most developed countries. Means of corruption include graft, bribery or enticement, embezzlement, backdoor deals, nepotism, patronage, and statistical falsification (Lu, 2000: 10). Post-Mao People’s Republic of China (PRC) has experienced unprecedented levels of corruption, making corruption one of the major obstacles to the nation’s social and economic development (Yan, 2004: 2). China’s central bank has also indicated that thousands of corrupt officials stole more than $120 billion and fled overseas since the mid-1990s, and the People’s Bank of China released a study in June 2011 that said between 16,000 to 18,000 government officials and executives at state-owned enterprises smuggled about 800 billion yuan out of China between the mid-1990’s and 2008 (http://stopcorruptionpolitions.blogspot.com/2011/06/chinese-officials-stole-120-billion.html).

Paper’s Aims and Objectives

There is a common Chinese saying, “money moves the gods”. In this paper, the author is examining, “What make Chinese societies more susceptible or having the tendency to corruption? Is this true? If so, what are the key reasons for this? If not, are there any mitigating reasons for it?” Besides, several suggested solutions to curb the problem of corruption are put forth and assessed.

In the Chinese Way of Life, The Gods Bestow and Even the Gods Can Be Bribred

The Chinese have gone through centuries of hardships, deprivations and sufferings, and such difficulties, ranging from the Hwang Ho floods to droughts, typhoons,
earthquakes and many other natural disasters. Deeply etched in the Chinese psyche is the need to break free from these adversities; and instead lead and live in a life of comfort and luxury; the latter certainly has its bright lights, both attractive and appealing.

Several Chinese Gods need mentioning here. The Chinese even have the Fu Lu Shou, and they pray to these Gods of happiness, wealth or prosperity, and longevity (Low, 2010a), and through a unity and through this trinity, they enhance each other's powers. There is also Tua Peh Kong, (Hokkien) God of Wealth, common among the overseas Chinese in Malaysia and Singapore. Tua Peh Kong is a Taoist deity who is worshipped by the Chinese, and he is normally shown seated on a throne dressed in robes that feature the longevity symbol, representing that the wealth he brings to households will last for a very long time. In his right hand, he carries the ru yi, itself a most auspicious symbol. A jade ru yi is believed to confer fabulous luck on those who want power and authority. Tua Peh Kong is usually shown carrying it to stress on the great good fortune that he is able to bestow upon those who ask him for wealth and success. In his left hand he holds an ingot of gold. His appearance is one of loving-compassion (Too, 2000: 74-75).

Ang and Low (2012) have also highlighted that most Buddhists pray to Buddhas; some pray to the Laughing Buddha. The Chinese, though at times unknowingly, use the Laughing Buddha as one of the sources of inspiration. And indeed, the Laughing Buddha can be a good source of motivation: it is put in homes for Buddhists or often found in Chinese homes and offices as symbols of abundance and prosperity and sometimes even as a god of contentment and happiness.

"Neither markets nor corruption is new to China. Officials' values were a concern to Confucius, and to emperors through the centuries" (Johnston and Hao, 2010: 80). The Chinese have this practice of holiday corruption, a term used to describe bribes given in the traditional gift form during holidays such as the lunar New Year; and they are often in the form of hongbao, red envelopes that traditionally contain gifts of money (http://factsanddetails.com/china.php?itemid=304&catid=8&subcatid=49). Interestingly, to the Chinese, even the gods can be bribed. One of the main reasons, in the author's view, can be seen perhaps by the way the Chinese or for that matter humans, model their religion. Even the gods, ranked in a hierarchy, are patterned after their extended familial structures — there is the Jade Emperor, top officials or general gods and lower official gods. And even favors can be gotten from the gods, and they can be bribed. On the 24th day of the last lunar month of the year, the Kitchen God of each household is offered with incense, paper money and sticky sweet cake so that when he goes up to Heaven to report to the Jade Emperor once a year, he would either not speak at all or only relate good/sweet things to the Emperor about the respective household, and if this is so, it would help the household to have a prosperous and happy time for the year ahead.

Having said the above, nonetheless, one would think that in terms of certain values/religious values and practices as in Buddhism, Taoism and others, the fear of reprisals or karmic repercussions or that of love, that altruistic or social responsibility feeling may reduce the inclinations among the Chinese to corruption. A Chinese saying has it that, "A man whose heart is not content is like a snake which tries to swallow an elephant". One may, as a substitute, feel affluent, having abundance (Low, 2012a) or even be detached (Ang and Low, 2012; Low, 2012d; Towler, 2002), and without giving greed any part, role or authority in one's life, and that can ease or soften one's tendency to being corrupt. One can also stand tall by the way of clinging on to one's value of integrity.

It Is Not Simply Aesthetics or Investment in the Chinese Art and Antiques

It is worthy to mention here that more exists than merely aesthetics and investment in today's demand for Chinese art; art has become an obscure, unseen screen that helps businessmen navigate Chinese corruption. Apart from appreciation and investment, it might be an alien concept for laymen outside the Chinese system that one of the most essential functions of art works is corruption. The notion of "elegant bribery", or Yahui in Chinese, refers to the action and process of a systematic corruption that only involves cultural products and artifacts: antiques, rare plants, paintings and calligraphy as a medium of the crime. Art works, in particular, have become no more than aids of corruptions among officials, merchants, art dealers and sometimes even artists (Ou, 2011).

Interestingly, the history of elegant bribery can be traced back to old Chinese dynasties, and possibly, it has been a thorny problem since the Ming dynasty (1368-1644). Look at the case of the Prime Minister Yan Song (1480-1567) and his son Yan Shifan (1513-1565). They were infamous for corruption in general, and both were said to be notorious to have received elegant bribes in particular. Eventually, the emperor confiscated all of their properties; and over 6000 pieces of invaluable calligraphy and paintings were found — most of them were payoffs or bribes of their subordinates.

Corruption through the gifts of art works or elegant bribery is much more difficult to trace and prosecute by the police than the other kinds of corruption, mainly because the corruption process of such kind is exceptionally discreet (Ou, 2011). No receipts or vouchers exist and there are no records of dealings and
Facing Intense Competition, Wanting to Move Up?

Like any other person, the Chinese are simply being human, and in being human, it is the unschooled or ‘unvalued greed’ that makes Chinese societies more susceptible or having the inclination to corruption. Besides, competition is more intense in China as there are more people living there than in any other countries in the world, and everyone wants to move up or be successful. China’s population has increased to 1.37 billion, including 1.3397 billion on the mainland, the National Bureau of Statistics (NBS) (ChinaToday.com; 2011). On the other hand, even when there is no competition, corruption still prevails. Generally speaking in communist countries, even the low levels of competition, either among bureaucrats or among those being regulated, raise the incentives for corrupt practices. For example, companies facing few or no rivals cause high rents, which officials or regulators will be tempted to skim by demanding bribes and kickbacks (Sandholtz and Taagepera, 2005).

One of the common features of Chinese corruption is the involvement of the spouse (usually the wife) and the child played an important role in senior officials’ acts of corruption. There were few cases where officials were unaware of bribery taking place within their family. Sometimes, family greed fostered an official’s corruption and speeded up the steps for acquiring the illicit gains.

Officials did not always take bribes by themselves. Sometimes, family greed fostered an official’s corruption and speeded up the steps for acquiring the illicit gains. Officials didn’t always take bribes by themselves (http://www.china.org.cn/english/2003/Jun/66715.htm). Some have indeed argued that China’s corruption culture is partly based on the Confucian emphasis on loyalty to family and friends and the fact that these things have precedence over rule of law, which is seen as malleable not absolute (http://factsanddetails.com/china.php?itemid=304&catid=8&subcatid=49#3301), this author would, however, argue that true Confucian values place emphasis on a person’s integrity (lien), and such blames or wrong attributions are, in essence, misinterpretations and misunderstandings of the true Confucian values and its practices. [Confucians also stress on the value of righteousness which interestingly results in a Chinese saying “sacrifice ties of blood for righteousness”: Hanyu Pinyin: da yi mie qin, which speaks for itself of not favoring one’s own blood ties. Besides, Mencius, Confucius’ later disciple, emphasized that “the principle (of friendship) is not to take advantage of one’s seniority or high position or the high position of one’s relatives” (Mencius says, 2009: 10.) Such wrong interpretations might, over the years, have also been politically capitalized by the Communist leaders to advance communism doctrines and/or in the imperial past, akin to the Chinese proverb, “rats know the way of rats”, rationalizing or vindicating favoritism and nepotism among the ruling gentry when they should accordingly or honorably set and prime the tone and model.

Confucius remarked, “Man’s existence lies in his integrity. A man without integrity can exist merely through his luck.” (Analects of Confucius, VI: 19, also cited in Low and Ang, 2012). True, to Confucius, “The gentleman understands what is moral. The small man understands what is profitable.” (The Analects - Confucius, IV, verse 16) (Lau, 1979: 74). It seems, convincingly so, that one can resist temptation once but not a hundred or a thousand times; however, in Confucianism, right actions are always vital. And a gentleperson (junzi) should be of high integrity and be self-disciplined. True, to the ordinary Chinese, making money and doing business appears very attractive; it is, in fact, one of the ways to be mobile or move up the social ladder, if not, just to survive. Money certainly motivates. However, a person with money yet unschooled, without the values of integrity or social responsibility values may make him or her lead or live a small person’s life; he or she will not give or add value to the society. He or she simply pursues what he or she wants. Take the case of Gu Kailai in the People’s Republic of China: she is charged with poisoning Neil Heywood, a 41-year-old British man with whom she and her husband had business dealings, after a row over money. The motive was Gu’s fear that the Briton would
harm her son Guagua, 24, after they fought over money issues due to a failed overseas property project (Kor, 2012).

The Chinese government has been taking many measures to deal with corruption. For example, one of the goals of the many economic, administrative or political reforms that have been carried out in recent years has been to prevent official corruption. In China today, the main countermeasure is the punishment of corrupt officials. There are political, administrative and criminal punishments (Wang, 2005: 3).

However, eliminating corruption is not an easy task. The Chinese government indeed needs to be serious in stemming out corruption and not just dealing with the symptoms – but rather with the root causes. Though many Chinese – coming from Maoist-Communist background and orientation would certainly not agree, this author would argue that there must be a subscription background and orientation would certainly not agree, this author would argue that there must be a subscription to the Confucian junzi (gentlemanly, genuine and of high integrity) concept, value and efforts in order to eradicate corruption. Confucius said that, “To attack a task from the wrong end can do nothing but harm.” (The Analects – Confucius, II, verse 16) (Lau, 1979: 65). [Note that corruption is often in part to blame for social unrest, and environmental and health problems. A poll conducted by the Pew Research Center before the 2008 Olympics found that 78 percent of the Chinese interviewed said they were concerned about corrupt officials. Many feel that corruption and the public reaction to corruption is the Number 1 threat to the Chinese Communist Party rule. Many people feel the Communist party could lose support and eventually lose power because of corruption. Corruption ranks among the key grievances among ordinary Chinese (http://facts and details.com/china.php?itemid=304&catid=8&subcatid=49 ).] Stemming corruption must not be done with the view to simply showcase that the Chinese Communist Party (CCP) is doing something about the problem or just to please or placate the angry public (Barboza, 2009).

Interestingly, it has also been said that well-known anti-corruption cases in China are often an extension of factional struggles for power in the CCP, as opposing factions apply the “war of corruption” as a weapon against rivals in the Party or corporate world (Barboza, 2009).

The Communist Chinese have over the years eradicated the useful Confucian values and replaced them with Maoist-communist values which at its roots have no spiritual bearings. To Marx, religion is the opiate of the people, and in Marxism, religion will disappear as there is no role or need for it; communism itself is anchored in dialectic materialism, and the use of communism against corruption becomes similar “to satisfying one’s appetite by painting pictures of cakes” (Chinese saying). Material basis of a system (communism) with emphasis on material rewards and outcomes (Material utopia and equality for all) will generate in itself material expectations and emphasis which naturally or through natural events (human nature) lead to materialism, greed and corruption. On the other hand even before the exposure to communism, the Chinese have, in fact, long enjoyed a good spiritual tradition. The true nature of happiness is indeed that of having a solid spiritual foundation, building the underpinning of chi (energy) is so critical in all our human endeavors and satisfaction (Towler, 2002); Confucianism is said to show that the non-religious state of existence is unsatisfying and non-harmonious. Confucianism also stresses on the pursuit of the Tao; and that the Tao is the ultimate (Low, 2011a). Confucianism generally views religious beliefs as having less importance than religious practices. In fact, like Taoism, what is good is that it stresses “on orthoax (right actions) over orthodoxy (right beliefs)” (Low, 2011a: 115).

Additionally, when one practices the Confucian concept of junzi and integrity, one also practices benevolence (ren) and brotherhood (li); one would also stand tall, contributing or giving back to the community when opportunities prevail or when one is successful. The Chinese clan associations in the early days, for example, while the members cooperated well or rendered help to each other, they also built schools and hospitals, set up temples, supported education; they even helped those in the community who could not afford it (Lee and Low, 2009; Cho, 2000).

Moreover, in such a practice, it is worthy to point out that the leaders must lead the way, setting the example (Low, 2010; 2008; Low and Theyagu, 2003). For a start, the Chinese saying, “one lamp in a dark place is better than lighting a seven-story pagoda” should be harnessed and strived for both in the rural villages/communes and countryside as well as in the bigger cities. Confucian leaders should also be disciplined (Low, 2012b), and when they set the example, they gain the moral authority; their people would then follow them and their ways. And corruption can, in most ways, be curtailed and checked.

**Overseas Chinese**

Overseas Chinese who are ethnically Han Chinese, such as Cantonese, Hokkien or Hakka refer to Overseas Chinese as 唐人 (Tàng rén), pronounced tông yàn in Cantonese, Tông-lâng in Hokkien, and tong yòn in Hakka. It literally means Tang people, a reference to Tang Dynasty China when it was ruling China proper. This term is commonly used by the Cantonese, Hokkien and Hakka as a colloquial reference to the Chinese people, and has little relevance to the ancient dynasty.

Many Chinese, over the past few decades, migrated to countries in South East Asia; and many are much
driven to look for greener pastures to make a living and to survive. Some were even stateless; the Chinese had to work hard. They scrimped and saved whatever extras that were left. Adopting the Confucian value of being prudent, they spent their hard-earned money carefully. Most Chinese carry a lot of responsibilities and burden to ensure their family’s and even their relatives’ well-being. Understanding where they came from, one can say that Chinese are more susceptible or prone to making and/or saving money for their families, and at times, even supporting family members or relatives living in the villages where they came from.

The Chinese who are, on the other hand, from private companies are prone to making money because they do not depend on the government support system to help them. When they migrated to the United States or other Western countries and even with good qualifications, these overseas Chinese may face job discriminations and unemployment. They do not get any handouts; they just have to be self-reliant. They simply have to depend on their own sweat or hard work to survive. Some of them may even get their close family members and relatives to help them out, to start a business. But, when their businesses start to pick up, they are expected to go on their own as well as to return their borrowed capital. They would also give back to the community through contributions to the poor and charities.

**Immigrants Put More Emphasis On Money**

Another key reason for the Chinese to put much emphasis on money is that most Chinese are immigrants; traditionally, either their ancestors or they have migrated from their impoverished cities or rural villages to go abroad. And they were basically ever hungry, they were very poor and they were determined to progress and succeed (Cho, 2000). They are hardy, highly adaptable and resilient; and these make them tick. To be hungry is good; hunger motivates one to achieve.

One is hungry and goes to do business to get money, enhance one’s status and better one’s position. “I was poor, and hence I want to go to business so that I can improve my position”; “business can make me rich” (interviewees’ inputs). One should thus be hungry enough yet not to be so hungry to the point that greed is good. “If one over-stresses on business and money and face much discrimination and intense competition, then one may go beyond the edge and move to the corrupt side.” “One thus needs to entertain one’s customers with wine and women; one also wins customers with all sorts of gifts. Corruption can then creep in” (several interviewees’ inputs).

Here, the Confucian scheme of things should be applied, with such a value system, integrity or lien and personal honor becomes more important than anything else; and if Confucian values are espoused and followed, in spite of temptations, the individual is self-regulated and monitoring, smartly practicing inner leadership (Low, 2011); corruption can thus be restrained and reduced. Indeed “a person of high integrity and morality (a gentleperson, junzi) would be happy; (s)he would sleep well. In these ways, one can thus be more or less, contented or happy” (Low, 2011a: 115).

Besides, for the Confucian, honor must truly prevail; ordinarily people avoid living in shame and humiliation (chi). They cannot be without having a sense of shame at all, often wanting honor and disliking shame and humiliation (chi).

One can also argue as such: Human societies can take pride in science and technology, but achievements can, in most ways, bring about insatiable desire for material gains. Moral values may plunge, and the human spirit is lost. But when this happens, more importantly, Confucian or traditional values can overall be spiritually depended upon as a pillar of support (Professor Chen Juomin, cited in Zhou, 1999: Preface).

**Having Guanxi Is Good but It Has Its Own Faults**

It is vital to note that guanxi (personal relationships in Chinese culture/networking) is good; it builds relationships and social networks; guanxi, in fact, begets connections, contacts and contracts as well as more trades. However, when go-getting individuals, tempted with money, power and status, group, meet and connect, they would form cliques or ‘cells’ based on dialects spoken, trades practiced or the fact that they came from the same villages (Cho, 2000) to generate more businesses and money, thus increasing the opportunities together with the bent to corruption; gifts are exchanged and favors granted. The cliques can form reliable, if not, powerful partnerships to further or perpetuate their members’ interests; members learn that working well together – albeit the corrupt way – brings new possibilities, unique opportunities and otherwise unattainable benefits. The Old Master once said, “The gentleman enters into associations but not cliques; the small man enters into cliques but not associations.” (The Analects – Confucius, II: 14) (Lau, 1979: 65). When one conspires, one forms clique to grab benefits and opportunities, challenge and compete with other groups for money, power and status instead of cooperating and uniting with others to form a coherent society.

It is not only critical, but also logical to apply the Confucian Rectification of Names. Just like a father is to be a father, a son a son, a leader must be competent, and also acts out or fulfill his or her duties and responsibilities accordingly; he or she needs to hold him
or herself high (Low, 2012c; Fung, 1948: 41). Surely one cannot put a person of a corporal caliber to be in charge of an army? As pointed out by Low, 2012c, when there is no Rectification of Names, much incompetence can exist and office politics can be rife. Or worse still, ‘shades of or the full 6Cs: Connections, Cliques, Cronyism, Conspiracies, Collusions; Corrupt practices may, in fact, prevail’. (What more?) Negative politics may then prevail, coinciding with what Holden (2003: 227 – 229; also cited in Low, 2012c: 667) has forewarned, that is, the need to avoid the lust for power, control and authority, ‘never allow the politics of the situation to distract (one)... from the importance of competence and professionalism’; and one’s ‘raw naked ambition’” (Low, 2012c: 667; italics author’s).

Values are critical to be upheld by both the leaders and the people; they are core beliefs, ideas and things people care and believe most. (Low, 2009: 2002). Knowing values is critical, as it helps one to understand how an individual ticks (Low, 2006a), and leaders should really be responsible to impart and ensure that the citizens are imbued with the correct values and that they act or behave well, non-corruptly. Whether in the nation or in an organization, values are indeed critical. Good values must be cultivated from young, with parents being the models and showing the way lest the children would be misled. Low (2011b) has argued that most parents naturally want to bring up their children espoused with the vital values and be responsible as well as independent. The author discussed the statement – “Two of the best things one can give one’s children are roots and wings”. He further highlighted that “values would certainly help to guide one’s children as well as to trigger, motivate, develop or grow their ambitions to strive for their respective personal, academic and professional excellence, thus making them good persons and citizens” (Low, 2011b: 11). In that study, one respondent expressed these, “Although an individual may not understand the benefits of holding onto values when one was taught about them during one’s childhood at home or in school, when one later encounters and experiences the good and bad things in life, one would understand and appreciate these values better. This then would enable one to better distinguish between good and bad or even the ugly and would, in fact, guide one towards making good decisions or leading a better life.” (Low, 2011b: 12).

CONCLUDING REMARKS

And clearly so, when one has the values of a gentleperson/lady (junzi) and up-keeps one’s integrity, one would do right and would thus avoid doing wrong whether with or without others around; one stands tall and is honorable and respectable.

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