Daryl Koehn Confucian Trustworthiness

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It is not the failure of others to appreciate your abilities that should trouble you, but rather your own lack of them.1

—Confucius

Confucius contends that individuals are ethically obligated to refine themselves and to become exem-plary human beings. Such refinement (jen*) requires education. Becoming an educated and influential individual depends, in turn, upon establishing trust: "Only after he has gained the trust of the common people does the gentleman work them hard, for otherwise they would feel themselves ill-used. Only after he has gained the trust of the lord does the gen-tleman advise him against unwise action, for other-wise the lord would feel himself slandered" (19/9). At first glance, Confucius appears to think of
trust in a manner not all that different from Western theorists. Trust is the trustor's expectation of good will on the part of the trustee. Trust is something we can bestow on or refuse to other people. Trust must be gained and, if we are not careful when reposing trust, we will feel ourselves betrayed. On closer ex-amination, though, we find that Confucius diverges from many Western theorists because he regards the virtue of trustworthiness as more important than trust per se. To be worthy of our trust a person does not have
to cater to our needs. While a good leader will try to ensure that those ruled have enough to eat and drink, people will still honor a leader in hard times: "Death has always been with us since the beginning of time, but when there is no trust, the common people will have nothing to stand on" (12/7). This saying sug-gests that we should trust as long as the good will of the trustee is evident, regardless of whether the trustee promotes our material well-being or con-forms to our expectations. Virtuous persons, who look beyond their own narrow self-interest and who seek the spiritual as well as merely material wel-fare of all of their fellow citizens, merit our trust. Cultivated individuals display good will by never treating the multitude with contempt.
Instead he
always praises the good while taking pity on the backward (19/3). To excessively hate those who are not refined only provokes them to unruly behavior (8/10), and the trustworthy person seeks to avoid war and conflict (7/13). Those who are devoted to the way of virtue take
instruction from anyone who speaks well. Anyone who truly is trying to be virtuous is eager to learn, and she never dismisses what is said on account of who is speaking (15/23). The person of jen* will even speak with a madman (18/5). In general, the person of jen* is intent upon helping others realize what is good in them (12/16). He neither looks for the evil nor denounces others as evil (17/24). He hates evil, not evil people: "To attack evil as evil and not as evil of a particular man, is that not the way to reform the
depraved?" (12/21). If we focus upon evil persons, we will not discern opportunities for realizing the good in others. We will not merit the trust of others be-cause we will not be acting so as to refine people. In-stead, our judgments will foster hatred and discord. Many Western ethics of trust contend that we are
justified in accusing those who fall short of our ex-pectations of betrayal. Confucius asks us to consider instead whether we have demanded more of those we have trusted than we should have. We ought to err on the side of making allowances for people (15/15), re-membering that individuals

have different strengths. Virtue exists as a continuum. The person of jen* has good relations with others precisely because she does not expect complete virtue from everyone:

A man good enough as a partner in one's studies need not be good enough as a partner in the pursuit of the way; a man good enough as a partner in the pursuit of the way need not be good enough as a partner in a common stand; a man good enough as a partner in a common stand need not be good enough as a partner in the exercise of moral discretion (9/30).

It is up to us to choose our partners and friends care-fully. In some cases, our business associates, friends, and family members may fail to keep their promises to us or may not show us due respect. However, we should not waste our energy accusing them of being untrustworthy. It is not the failure of others to appre-ciate our abilities that should trouble us, but rather our own lack of abilities (14/29). The Confucian ethic sees the value of trust but always directs our attention back to our own performance and attitudes. When there is trouble, we should look inward (4/17) and bring charges against ourselves, instead of blam-ing or scapegoating others (5/26). The Confucian ethic takes the energy out of our

anger at others for slighting us and redirects that energy back into self-examination. This redirec-tion is appropriate for several reasons. First, there is little point in getting angry with others. If they have harmed us out of ignorance, then the correct response is to try to educate them, not to harm them in return. If they intend us harm, we should still try to dissuade them, rather than retaliate in kind. Second, even if others persist in trying to wrong us, we should not let their actions distract us from the arduous work of be-coming an authoritative person. Since refinement or jen* is within our control, we always should look to our own behavior and not worry overly much about what others are or are not doing to us. Warned that Huan T'ui would try to assassinate him, Confucius retorted: "Heaven is the author of the virtue that is in me. What can Huan T'ui do to me?" (7/23). The person of jen* is free from anxieties (7/37) because he keeps his eye on what is most important: "If, on examining himself, a man finds nothing to reproach himself for, what worries and fears can he have?" (12/4). Confucius was famous for maintaining his composure in the face of insults: "To be transgressed against yet not to mind. It was towards this end that my friend [Confucius] used to direct his efforts" (8/5). It is our trustworthiness, not others' machina-tions or venom, that should be our primary concern. Third, it is easy to misjudge another. We may

think, for example, that someone is not a good leader because the community or corporation he leads is in disarray. Yet "even with a true king, it is bound to take a generation for benevolence to become a reality" (13/12). Or we may conclude we have been betrayed when a trusted party deviates from a stated plan of action. Sometimes, though, to change one's mind is the right course. A "man who insists on keeping his word and seeing his actions through to the end . . . shows a stubborn petty-mindedness" (13/20). We cannot hope to assess accurately the "betrayals" of other people if we are not striving simultaneously to be as mindful as possible (15/8). Followers have a re-sponsibility, therefore, to be thoughtful as their lead-ers. If those who are led are not mindful, they will not be able to grasp the wisdom in what the leader is saying and simply may dismiss her out of hand. Finally, we humans are only too prone to self-deceit. Scrupulous self-examination is necessary if we are not to err. For example, we may be inclined to dismiss younger workers as undisciplined and unde-serving of our trust and regard. Yet, we are far from infallible. How "do we know that the generations to come will not be equal of the present?" (9/23). In other cases, our judgment may be motivated by bad faith. One should never oppose a lord or ruler with-out first making certain of one's own honesty (14/22).

If all of us would engage in routine self-scrutiny, we would be more worthy of trust. We then would trust one another more fully. With more trust, we would be able to educate each other even better, thereby in-creasing the level of trustworthiness and engender-ing still more trust. If people are failing to live up to their potential and living in discord, then perhaps it is because we are failing to lead by example (13/4). When Confucius wanted to settle in the midst of the "barbarians," one of his disciples asked, "But could you put up with their uncouth ways?" Confucius bit-ingly retorted, "Once a gentleman settles amongst them, what uncouthness will there be?" (9/14). For all of these reasons, Confucius warns that to

love trust without loving learning can lead an indi-vidual to do harm (17/8). Judging other people's good will without simultaneously turning a critical eye on our own standard and trust-worthiness is a recipe for disaster. It does not follow that we should tolerate any and all abuse. The person of jen* is not angered by abuse, but neither does she stick around to be mistreated. She tries to choose her friends carefully, refusing to accept anyone as a friend who is not as good as herself (9/25; see also 16/4). That does not mean she chooses only completely virtuous individ-uals as her friends. It does mean she looks for others who are as critically mindful as she is. Her friends should be eager to learn. She advises them as best she can but stops if her advice is not being heeded. She does not ask to be snubbed (12/23) and does not waste her words on those who are incapable of im-proving themselves (15/8). The superior person does not look for evil but she quickly discerns it because she is thoughtful. So, "without anticipating attempts at deception or presuming acts of bad faith, [she] is, nevertheless, the first to be aware of such behavior" (14/31). Her responses to others' acts are similarly nuanced. An injury should not be taken personally but neither should it be rewarded. Confucius rejects a student's suggestion that one should repay an injury with a good turn. For if you did so, then "what do you repay a good turn with? You repay an injury with straightness, but you repay a good turn with a good turn" (14/34). By judging and responding with a high degree of discretion, we show ourselves to be worthy of trust. In turn, we should trust those who are consistently thoughtful. There probably is no such thing as a per-fect friend or colleague. However, if we use good judgment and do not expect too much of our col-leagues and associates; and if our friends use good judgment as well and do not take on too much respon-sibility, then we can have strong, secure, and trusting relations with our fellow employees and friends.

SUSPICION OF CONTRACTS

Like the Japanese, the Chinese historically have been loath to rely upon contracts. They often will not even read long contracts and may insist the document be shortened. A contract is merely a commercial agree-ment not to be taken as the gospel: "You might say they [the Chinese] sign long complicated contracts only as a formal confirmation that they intend to do business with you, not how they are going to conduct the business." The Confucian emphasis on trustwor-thiness makes reliance on contracts less attractive for several reasons. First, use of detailed contracts en-courages parties to think of the contract as the basis for trust. The parties then feel entitled to accuse each other of betrayal whenever one appears to the other to have deviated from the terms of the contract. The con-tract thus contributes to an atmosphere of distrust. By contrast, if people enter into relationships and trans-actions with the understanding that they will need to work hard to accommodate their partner's interests and to keep their own biases and self-righteousness in check, then they will have put their relationship on a sounder footing. They may still decide to use some simple written document to lay out key terms or to serve as a talking document, but they will not make adherence to a contract the entire basis of the relation. Second, reliance on contracts

can prevent people
from focussing on the larger picture and from being as mindful as they should be. A number of disputes between the Chinese and their joint venture partners have involved transfer of technology issues. The foreign partner typically accuses the Chinese side of failing to meet contractual requirements to supply land or capi-tal, while the Chinese claim that the foreign partner has not provided the technical training the two had agreed upon. The foreign partner has generally viewed this
counter-claim as a fabrication. It did provide training and the Chinese are simply trying to justify their own breach of contract. While that might be true in some cases, the person of jen* would look beyond the con-tractual dispute to the larger cultural and economic issues. The Chinese have good reason to be sensitive
about technical training. The government has made a conscious decision to modernize the country by im-porting technology and then adapting it to suit their needs and their level of development. Mao Tse Tung imported "turnkey" facilities—i.e., entire factories. The current policy is to build their own facilities using imported technology. In an effort to acquire technology as cheaply as possible, the Chinese have been willing to acquire slightly older hardware and software in the secondhand market. This moderniza-tion strategy obviously will not succeed if they do not also learn to use the technology. Therefore, the Chi-nese place great emphasis on jishu jiaoliu or technical presentations conveying technical information. They will bring in successive groups. Each group asks most of the same questions their predecessors posed. The Chinese use these sessions not only to brief all members of their team on the status of the project but also to train their people in the technology. They do not see themselves as "using" these presenters for their own purposes. They simply see themselves as obtaining an education that any person of genuine good will would wish to help them obtain. Given their history of being colonized, the Chinese
are understandably afraid of being exploited. Many have noted that, as late as the beginning of World War II, Shanghai's British quarters still had signs proclaiming "Chinamen and dogs are not permitted to enter." They do not want to give up hard currency and to provide land and other resources to their former masters in exchange for technology they are unable to use. Nor do they want to become a dumping ground for obsolete or non-functioning software. If they cannot get the software to run, they naturally suspect that they have been duped. What Westerners view as a rather cut-and-dried contractual dispute—did the Chinese live up to their end of the bargain or not?—is a major cultural issue for the Chinese. The future of China and Chinese pride and self-respect is at stake in each of these deals. Contracting to do business with the Chinese will never build trust unless each side consistently looks beyond the contract to discern the economic, psychological, and cultural factors at work. Parties will be more inclined to take this broad and more generous point of view if they remind them-selves that they may not know as much about the situ-ation as they think they do. Contractual disputes will prove more resolvable if each side shifts its attention away from the other's alleged betrayal and to the ques-tion of whether it has been behaving trustworthily.

THE PROMINENCE OF GUANXI The Chinese reliance on connections or guanxi is
another important feature of the Chinese business scene. Does the Confucian ethic endorse such a reli-ance? Guanxi is typically seen as an outgrowth of the Confucian emphasis on personal relations. And it is true that, for Confucius, good order requires that each person fulfill his particular role-based duties. Children should be filial. The ruler should be a ruler and a father should be a

father (12/11). Persons should acknowledge their role in the hierarchy. Historically these roles were relatively fixed by custom. There was little public law to which people could appeal if the authorities abused their power. In such a system, it became vitally impor-tant to cultivate relations with powerful people in the event one needed some sort of help from an authority. Family and local ties were especially important. To this day Chinese businesspeople will often treat class-mates, friends, and family members preferentially when making hiring or other business decisions. Public authorities, especially local authorities, con-tinue to exercise a phenomenal degree of power in China. Kristoff and Wudunn argue that China still has an imperial system. The party leader is the new em-peror, but local chieftains share in this absolute power:

Each lower official acts like a prince on his own turf, from the ministry to the department to the sec-tion to the team, from the factory manager to the production manager to the workshop director. The petty autocrats are often the worst, as well as the most difficult to escape. In many villages, the local chief rules even more absolutely than [the national leader], for he decides who can marry, who can get good land, who can get water for irrigation, who can be buried where. He is almost as powerful as God, but not so remote.

Businesspeople, therefore, are well advised to cul-tivate guanxi. However, it would be a mistake to conclude, as Francis Fukuyama does, that China is a low-trust, family-oriented society whose members have little practice or interest in interacting with out-siders or in dealing with others on an equal basis. If this were true, the Chinese would never have been able to achieve their economic miracle: China now ranks first in the world in the production of coal, cement, grain, fish, meat, and cotton; third in steel production; and fifth in crude oil output; its annual growth rate has averaged more than 9 percent since 1978. The Chinese would never have succeeded if they had not imported their technology and had not formed numerous joint ventures with foreign compa-nies. Nearly 10 percent of China's industrial output comes from foreign-owned and private businesses. It should also be noted that the fastest-growing countries during the last decade—China, Japan, Hong Kong, Singapore, Taiwan, and South Korea—either have a large Chinese population or have been heavily influenced by Chinese culture. The ethnic Chinese may be the most economically successful ethnic group in the world. Although they constitute only 1.5 percent of the Philippine population, they are responsible for 35 percent of the sales of locally owned firms. In Indonesia, they are 2 percent of the population but may own as much as 70 percent of private domestic capital. Again, these minor-ity Chinese populations would never have done as well as they did if they had refused to deal with non-family members.

CONCLUSION

Although recent Western discussions of trust have tended to focus on conditions for reposing trust, Con-fucius asks us to see trustworthiness as the more im-portant phenomenon: How should we behave if we are to make ourselves into beings truly worthy of trust? What responsibility do we have for ensuring that our judgment of someone's trustworthiness is sound? The Confucian ethic calls into question whether a busi-ness leader can earn the trust of her followers simply by adhering to select rules (e.g., "avoid conflicts of interest") or by adopting certain techniques. Being thoughtful is ultimately the only way to earn and merit the trust of one's fellow citizens.