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Go Glocal:
Intercultural Comparison of Leadership Ethics*

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Abstract

This article deals with basic concepts of leadership based on the research of the French sinologist François Jullien. It addresses particularly the concept of efficacy in Greek thought in comparison with Daoist thought (Zhuangzi). This comparison is particularly relevant because classical Chinese philosophy developed over thousands of years with hardly any influence from the West. The spirit of Daoist strategic thinking is to avoid the trap of particularity by getting the opponent to adapt and keeping oneself open to adaptability. The moral price is a "logic of manipulation". The shortcomings of this ethic is confronted with the Western quest for ethical principles and values.

Keywords: intercultural leadership ethics; Western tradition; Taoism; Zhuangzi; François Jullien; Michel Foucault; China; values; dignity; efficiency; efficacy.

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On Leadership Ethics

Terms like "leadership ethics" or "business ethics" are viewed by many people as oxymorons. The reason for this is not only because they represent *prima facie* a contradiction of goals and intentions – profit vs. generosity, egoism vs. altruism – but because of the confusion between morality (Greek: *ethos*) and ethics. The term ethos – or mores, from which our modern term morality derives – refers to (habitually) practised customs, i.e., behavioural rules and values in a given society with regard to what is considered as good or bad for oneself, for others, for the firm, for the society or for the environment. Some of these rules and values are codified by law. In the Western tradition, monotheism plays an important role, even in secularized societies, as a foundation of morality (Assmann 2000). Ethics (Greek *philosophia ethiké*) is the field of philosophical research that has morality as its object of study.

Leadership ethics, understood as the study of moral rules and values particularly in economics and politics, is both a new (Ciulla et al. 2005; Johnson 2004; Ciulla 1999) and a very old field of philosophical research, dating back to pre-Socratic philosophy as documented for instance in the famous dicta by Periander (600 BC): *meleta to pan* ("take care of the whole") or Pittakus (600 BC): *kairón gnothi* ("know the right moment"). The question of the education of the good ruler as a question of "taking care of oneself" (*epimeleia heautou*) has been one of the main topics of Western political and moral philosophy since Plato (Foucault 1988).

Today's quest for global moral responsibility on the part of economic and political leaders and institutions has become crucial because of the increasing violence arising from cultural struggles, global media, ecological disasters, economic injustice and political oppression. This is the reason for the relevance of international declarations and conventions as well as of corporate codes of ethical behavior with either a moral or a quasi-legal status.

Intercultural ethical research faces two dangers: either we are satisfied with merely juxtaposing concepts or we stall at an early stage of the dialogue, relying on what may look like either common ground or an incompatible view. In the light of further dialogue, however, such obstacles to deep mutual understanding might dissolve into far more complex interrelationships. As Nietzsche remarked, we live in the "era of comparison" (Nietzsche 1999, 44). The ethical quest for a global morality is a never-ending task. Universal codified principles and values of moral behavior are subject to problematization not only from the viewpoint of different cultural traditions but also from new social, political, economic and technological developments. Within this background, industry has become more and more aware of its responsibility towards society as a whole. Corporate Social Responsibility (CSR) is a key issue of leadership ethics.

The following thoughts on the intercultural ethics of leadership are based on the research of the French sinologist and philosopher François Jullien, particularly in his comparison on efficacy in Western and Chinese thinking (Jullien 2004, 2006). This comparison is particularly relevant because Chinese philosophy developed over thousands of years with hardly any influence from the West.

Leadership Ethics: West and East

The essence of the Western perspective on leadership is grounded in the concept of efficacy. According to Jullien, the thinking on efficacy has been characterized since its very beginning by the Greek concepts of:

- goal (*telos*) and means (*di'ou*)
- action (*praxis/poiesis*) and will (*boulesis*)
- the model (*eidos*)
- the leader (*hegémon; demiourgós*)
- actualization (*enérgeia*).

The goodness of the action of a leader is conceived with regard to a model (*eidos*) or goal that the leader is supposed to achieve through theoretical (*nous*) and practical reason (*phronesis*) on the basis of a plan or an idea (l) in order to master or "in-form" a situation. Efficacy is the power or capacity to produce a desired effect. It is based on a project that anticipates a process towards a goal. It is direct, based on the will, the courage and the knowledge of the leader who tends to be a decision maker and master of the situation. To be a morally good leader means eventually to become a (tragic) hero. Nature (*physis*) itself is conceived as a production process conducted by a pottery god (*demiourgós*). Good leaders are god-like.

In contrast, the key leadership concepts in classical Chinese thinking are:

- process (*dao*)
- situation
- non-action (*wu wei*)
- the sage
- potentiality

The key underlying idea is that of the potentiality of the situation. It is this potentiality, and not primarily the will and knowledge of a leader, that is "efficient." This means that the main task of the leader

is to evaluate the potentiality according to the changing factors affecting the situation, but not in advance according to a plan or model as in the case of the concept of "efficacy". There is a tendency of the situation from the very beginning but there is no model to follow. Instead of the view of the leader as a hero mastering the world through his action, Chinese thinking puts the role of the human actor into perspective so that he becomes almost invisible. A Chinese sage follows the prescription of Laozi "do nothing (*wu wei*) and let nothing be left undone" which means that he does not impose his plans on the situation but emerges in the spontaneous course of things.

If the Western tradition has a tendency to mysticise action, Chinese thinking relies on the virtue of immanence – either the one of the "way" (*dao*) as in the case of Daoists, or of morality or inner rectitude, as with Confucians. According to Daoists, good is not a norm outside the world and imposed on it but is the virtue or efficacy of something that is immanent, the notion of immanence being common to both schools of thought (Jullien 2004, 94). In both cases, morality, understood as inner rectitude and/or spontaneous course of things, is more effective than violence of (individual) action. The sage allows the effect to come about instead of claiming to be its origin or making it proprietary. He lets things ripen and has no plan or dream of mastery. The ripening process of nature is called "heaven," which spontaneously interacts with "earth" in an unending process of initiative and receptivity, yin and yang. Interaction with the process is indirect or gradual. There are no blockages based on models or final achievement or full actualization of potentiality. Efficacy derives from emptiness which is "quite simply that which allows an effect to pass" (Jullien 2004, 111).

The logic of emptiness is neither material nor spiritual but functional. This kind of (non-) action without a specific goal is in fact a reaction more than an action. Aiming, for instance, for a specific moral effect such as "equity" also incorporates a global principle, namely "humanity," that allows equity to be fulfilled in a particular case without coming to full effect (Jullien 2004, 122). Non-action takes place upstream, not with regard to the end but to the beginning of a process. It works as an efficient strategy that allows the necessity for efficacy and action to diminish as the process advances instead of having to act directly or downstream on the situation.

Instead of resting upon the efficacy of a leader or a (transcendent) god as in the West, the Chinese tradition roots human action on situative adoption and emphasises the constant and immanent transformation or transition of reality. For the Chinese sage, efficacy is at its best, i.e., fully efficient, when it becomes invisible. This is the reason why China gives primacy to indirect speech while in the West the principle of free speech (*parrhesia*) plays a fundamental role in the conception of Greek democracy and later on in the modern principles of freedom of the press and freedom of access (Capurro 2007a; Foucault 1983). In China the sage speaks less and gives signs. He calls attention, instead of transmitting a message.

Instead of a speculative moral theory we find a logic of the path and fluctuating speech accompanying the process of the *dao*.

The spirit of Chinese strategic thinking is to avoid the trap of particularity or individuality by getting the opponent to adapt and keeping oneself open to adaptability. Chinese efficacy might be used to defeat the enemy in war as well as to achieve political despotism through the "logic of manipulation" far more than in Machiavelli. This is the moral price of conceiving everything, including human behavior, as a process: "there is no room here for values of any kind." (Jullien 2004, 152).

Process and Value

The shortcomings of Chinese leadership ethics have to be confronted with the Western quest for ethical principles and values in such a way that a dialogue might lead to a mutual understanding and dissolve *prima facie* incompatibilities into a theory of complex interrelationships. The West would face the Chinese challenge of focusing on being rather than doing, on efficiency rather than efficacy, on processes and potentialities of situations rather than on leaders and actions. With regard to the Western history of leadership, we can easily realise that taking values and principles as absolute can lead and has led to violence, intolerance and totalitarianism. Learning leadership ethics from China means, in this regard, learning to see values not as something transcendent and permanent but within a process by which we continuously and efficiently evaluate everything that is in between us (natural and artificial things) as well as our interplay itself.

In fact, value is not a property of things but the effect of our relationship with others. Things, natural or artificially produced, are *per se* worthless, no less than humans are *per se* invaluable. Economy arises out of an evaluating process. "Diamonds are essentially worth nothing" says Mordechai Rapaport (Walt 2006). As the Australian philosopher Michael Eldred remarks, things are not intrinsically valuable, but they are good for something. Their usefulness, which is reflected and temporarily fixed as exchange value in money, arises only in the context of usages as a way of our living together, or ethos in the sense of customary practice. The same can be said with regard of our own abilities or capabilities. As Eldred, following Hegel, underlines, value is a "determination of reflexion" ("Reflexionsbestimmung") or a "mirror relation" and not a property of things (Eldred 2004). Things are validated as valuable within the social interplay. This does not mean that the valuator would be able to assign a value *ad libitum* according to arbitrary preferences. Things are really valuable, but we are always dealing with their value-for-others and in the mirroring of others, and not with some kind of value-in-itself. When the evaluation play takes place – and it does permanently from the very moment of our presence in the world as co-players – it refers also to the players themselves, their capabilities no less than their unique role as co-players. In this case we speak of moral values, i.e., of our mutual recognition of our capabilities as well as of our special role as co-players. Both aspects of our moral

lives, i.e., of our lives as validators within a community, are indirectly reflected in the "interplay" (Eldred 2006) of evaluating things.

The difference between both interplays is that in case of the interplay of our mutual valuation we can become aware of the invaluable source we bring into the play that is also the source for the determinate value we ascribe to the productive action we call labour. This, as we can call it, ethical difference between both interplays makes plausible why evaluating things and products leads to a potential, i.e., non-definite determination of the value of what we produce or encounter. The productive and evaluating action itself is part of embracing social and natural processes in which we are intertwined on the basis of our specific way of being as valuators.

This being intertwined in such an evaluating process of ourselves as well as of the things we encounter and/or produce is, to put it in Kantian terms, our dignity ("Würde"), which is then not grounded metaphysically on our being members of a transcendent world of noumenal beings, but phenomenologically as the immanent interplay in which we are *nolens volens* engaged. The origin of morality as the dimension of special attention and respect we owe or pay to each other, lies thus not merely in the autonomy of the person but, more radically, in the intertwining of the worthless nature of things with our own evaluating presence by letting appear the potentiality of what remains indeterminate in the process of being (dao). From this perspective, economy, conceived as an interplay of evaluation, is something not only not opposed to morality but it belongs to the very essence or privilege of human existence.

In other words, the economy is a key anthropological feature that indirectly mirrors the moral play of ascribing values in which we are embedded as evaluating players. To exist as a human being is then not only to be able to evaluate natural and artificial products but also to reflect that capability to ourselves and ascribe it to each other. No economic value reflects directly the invaluable mirrors as well as the process that gives origin to the whole and keeps it alive. When we lose sight of the players and the feeding process, we become merely objects of our own evaluation. We then often react with the affirmation of a so-called canon of (Western) values that are supposed to be out there visible and permanent like physical objects, made symbolically explicit in declarations of human rights and codes of ethics. But it is our own evaluating existence which is out there mirroring the process of life. We, humans, are evaluating beings (*ens aestimans*). We estimate the price of things no less than we esteem each other, learning thus to esteem ourselves. There is a whole range of possibilities between, say, love and price estimation.

Lessons Learned

If we take moral and economic values for granted they can become thinking and business killers in so far as they block and eventually hinder the process of mutual and asymmetric recognition, no less than the process of evaluating natural and artificial things. In other words, they hinder sustainability. By contrast, they become a source of efficiency and efficacy when we learn to see them as what they are, namely a mutual ascription coming from the other in the case of moral values and a product of the interplay with regard to natural things and artificial products in between us. To put this insight into Chinese terms: it is the *dao* in-between us that makes effectively and efficiently possible our engagement with and detachment from things and products, which are fundamentally worthless but potentially valuable, as well as of our mutual recognition as invaluable co-players.

The leader who draws on Chinese as well on Western insights in the quest for a truly intercultural leadership ethics is capable of avoiding the pitfalls either of reducing values to processes or of blocking processes on the basis of absolute values. Through our interplay we become aware of the worthless potentiality of things and products no less than of the invaluable contribution of the players themselves. We are devoted to the non-determination of the economic interplay that arises from the *dao* and to responsible and invaluable co-players who are asymmetrically reflected in their mutual moral recognition.

What can we learn methodologically from this short detour through ancient China?

Changing the "place of thinking" (Jullien) helps to overcome ethnocentrism:

- We become aware of different paths of thinking,
- We learn to take a distance of ourselves,
- We learn to meet the other where he/she is, instead of “trans-lating," or taking him him/her into our own.

Westernization and Easternization produce hybrid cultures. China has ambitious goals and the West is taking care of sustainability as a process of evaluating our relation to our products in their interplay with nature and society. This hybridization of the ethical perspective seems indispensable for successfully negotiating with Chinese partners (Graham and Lam 2004). The motto of intercultural leadership ethics is therefore "go glocal," i.e., open your minds to intercultural dialogue, grow successfully by crossing borders, learn from China without giving up your roots and values. “Feed your life" (Zhuangzi, cited in Jullien 2005) and the life of your company, your society, and our common world through a sustainable process of moral and economic evaluation of your actions and goals. Become aware that values are neither objects out there nor products of your subjectivity. They arise in the social interplay that is in itself invaluable and which

allows for evaluating not only natural and artificial things but also our specific dignity. Good leadership is consequently based upon the capacity of an efficient economic evaluating process, on the one hand, and, on the other, awareness of the invaluable human contribution to it within the background of the dao of nature.

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