Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Week 1 – Lecture 3

The relation between economics and ethics

Trawsnewid Addysg; Trawsnewid Bywydau
Transforming Education; Transforming Lives

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Learning outcomes

- Understanding benevolence and righteousness
- Goal and moral standard of the ruling body
- Law of causality
- Relation between righteousness and wealth
- Social evolution and ethics-economics harmony

I. ECONOMICS AS THE BASIS OF ETHICS

I.1 Etymological explanation of benevolence and righteousness

- “Benevolence” and “righteousness” are the two fundamental principles in the Confucian system

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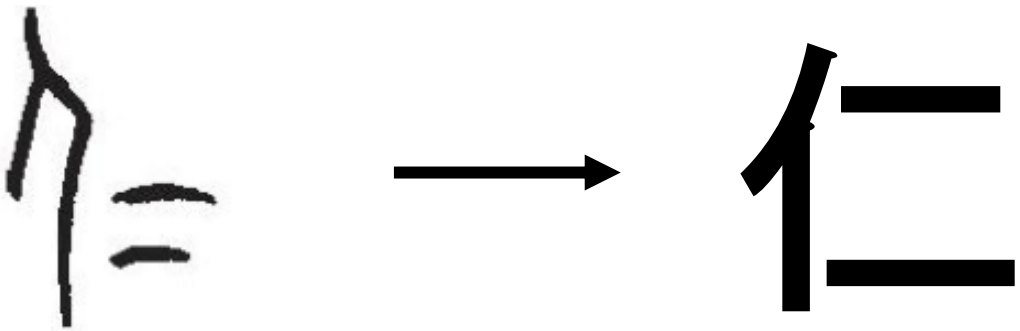
- “Benevolence”

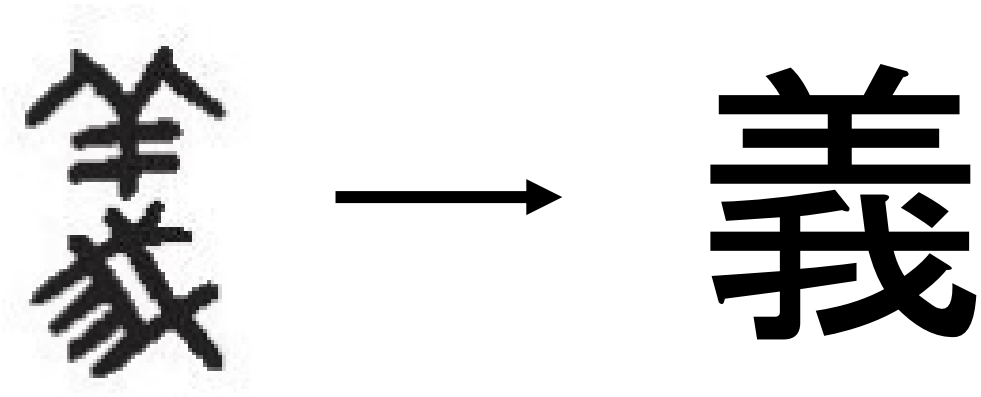


  - The pictographic representation of “benevolence” on the left means “person” (亻) and “equal” (二).

- “Benevolence” means
  - “Treating others as oneself”
  - “Equality of human nature”
  - It is about the relationship between people
- *“Benevolence is the characteristic element of humanity, and the great exercise of it is in loving relatives.”*

--- Book of Rites, Doctrine of the mean

- Righteousness



  - The pictographic representation of “righteousness” on the right means “auspiciousness” (羊) and “self” (我).

- “Righteousness” means
  - “Justice”
  - “Kindness from the self”
  - It is about oneself
- *“The superior man, in the world, does not set his mind either for anything, or against anything; <u>what is right</u> he will follow.”*

--- Analects, Li Ren

I.2 Ethical vs economic standards

- So we love <u>others</u>, and justify <u>ourselves</u>
- *"The superior man reasons about theoretical principles from the standpoint of himself, but lays down practical laws from the capabilities of the people."*

--- Book of Rites, Record of example

- Strictly control ourselves according to the highest moral standard, but treat others liberally according to the ordinary level of human nature.
  - Confucius puts ethical teaching above economic life, but regarding society as a whole, he puts economic life before ethical life.

- How does Confucius put the principle of love and justice into practical governance?
  - *“When Confucius went to Wei, Ran You acted as driver of his carriage. Confucius observed, ‘How numerous are the people!’ Ran You said, ’Since they are thus numerous, what more shall be done for them?’ ‘Enrich them,’ was the reply. ‘And when they have been enriched, what more shall be done?’ Confucius said, ‘Instruct them.’”*

--- Analects, Zi Lu

- The different standards (or priority) imposed on different “classes” of people
  - *“The mind of great men is conversant with justice; the mind of ‘small’ men is conversant with profit”*

--- Analects, Li Ren

- *"Busily seeking for love and justice, and fearing always that they could not influence the people, this is the mind of ministers and great officials; busily seeking for wealth and profit, and fearing only the condition of want, this is the mind of common people"*

  --- Book of Han, Biography of Dong Zhong Shu

- Governing body or ruling class – avoid seeking private gain, confined to ethical life.
- Common people - seek economic gain, which is the reasonable thing to do.

II. HARMONY BETWEEN ECONOMICS AND ETHICS

II.1 The real profit is righteousness

- *"The superior man will first take pains about his own virtue...Virtue is the root; wealth is the result. If he makes the root his secondary object, and the result his primary, he will only wrangle with his people, and teach them rapine. Hence, <u>the accumulation of wealth is the way to scatter the people; and the letting it be scattered among them is the way to collect the people</u>...wealth, gotten by improper ways, will take its departure by the same...The virtuous ruler, by means of his wealth, makes himself more distinguished. The vicious ruler accumulates wealth, at the expense of his life."*

--- Book of Rites, the Great Learning

- *“Never has there been a case of the sovereign loving benevolence, and the people not loving righteousness. Never has there been a case where the people have loved righteousness, and the affairs of the sovereign have not been carried to completion. And never has there been a case where the wealth in such a state, collected in the treasuries and arsenals, did not continue in the sovereign's possession.”*

--- Book of Rites, the Great Learning

- From the teaching of the *Great Learning*:
  - People are the source of national wealth
  - Benefiting the people is the way of attracting the people
  - People are attracted the most to the righteousness of the government

- *"When he who presides over a state or a family makes his revenues his chief business, he must be under the influence of some small, mean man. He may consider this man to be good; but when such a person is employed in the administration of a state or family, calamities from Heaven, and injuries from men, will befall it together, and, though a good man may take his place, he will not be able to remedy the evil. This illustrates again the saying, 'In a state, gain is not to be considered prosperity, but its prosperity will be found in righteousness.'"*

--- *Book of Rites, the Great Learning*

- Reading:
  - *“The notion of cause and effect”, by venerable master Chin Kung*

II.2 Why is righteousness more important than profit?

- If the government and all the ministers focus on profit only, then everyone will try to “rob” each other with no end of satisfaction.
  - Reading: Excerpts from *Mencius, King Hui of Liang I - Righteousness and governance*
  - Although the above refers to the ruling body, this principle holds true for all mankind

- If righteousness (or justice) means profit, why do not the Confucians use the word “profit” as often as the word “justice”?
- *“The Master said: ‘He who acts with a constant view to his own advantage will be much murmured against.’”*

--- Analects, Li Ren

- Profit-driven actions mostly tend to attract complain. This is because profit usually comes from competition. Since everyone is already thinking about profit without prompting, it is pointless to emphasise it again.

- Those principles of the human mind which are most beneficial to society are by no means marked by nature as the most honourable. Hunger, thirst, and the passion for sex are the great supports of the human species, yet almost every expression of these excites contempt. In the same manner, that principle in the mind which prompts to truck, barter, and exchange, though it is the foundation of arts, commerce, and the division of labour, yet it is not marked with anything amiable ... The plain reason for this is that these principles are so strongly implanted by nature that they have no occasion for that additional force which the weaker principles [e. g., generosity] need.

--- *Lectures of Adam Smith (1896) (Part II, Division II, 16)*

II.3 Conflict between individual profit and righteousness (justice)

- Social profit = social justice
- Individual profit = individual justice?
  - According to the law of causality: absolutely
  - On the surface, in the short term: unclear

- Confucius speaks of the superior man as one who, when he sees gain, thinks of justice.
  - *"Zi Lu asked what constituted a COMPLETE man. The Master said, '...The man, who **in the view of gain, thinks of righteousness**.'"*

    --- Analects, Xian Wen
  - *"When yon find wealth within your reach, do not try to get it by improper means"*

    --- Book of Rites, the Conduct of the Confucians

III. CHOICE BETWEEN ECONOMIC LIFE AND ETHICAL LIFE

- *"When Zi Gong asks Confucius about government, Confucius says: 'The requisites of government are that there be sufficiency of food, sufficiency of soldiers, and the faith of the people.' Zi Gong says:' If it cannot be helped, and one of these must be dispensed with, which of the three should be foregone first?' 'The soldiers', says Confucius. Zi Gong again asks: 'If it cannot be helped, and one of the remaining two must be dispensed with, which of them should be foregone?' Confucius answers: 'Part with the food. From of old, death has been the lot of all men; but if the people have no faith in their hearts, there is no standing for any one.'"*

--- Analects, Yan Yuan

- The various guidance of governance and the trade-off between economic goals and the others ones depend upon the three stages
  - Primary stage – Food (economic life)
    - Survival is sole purpose, faith and education are sacrificed
  - Advanced stage – Faith / Education (ethical life)
    - Faith is the strongest social tie, generates trust, and guard the very survival of society and individuals
- Remember the definition of “economics”?

- Besides, there has never been a “purely economic man”
  - Reading: *Excerpts from Mencius, Gao Zi i*