

ANCIENT CHINESE THEORIES OF CONTROL

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ABSTRACT

This article presents evidence about very ancient Chinese theories of managerial control -- how superiors and subordinates should relate, and how to control, lead and motivate people. The ancient Chinese used duties and ceremonial etiquette to increase social integration. They also developed well-articulated bureaucracies with departments, coordination links among officials, standard operating procedures, and audits of officials' performance.

Before 350 BCE, the Chinese said leaders should lead by example rather than give orders, and should elicit support from their subordinates. Then, a different regime of managerial practice began to develop. A key element is this shift was the use of laws that were intended to help rulers strengthen their control and remain in power.

EXPLORING BCE

This article grows out of efforts to find and make sense of texts describing managerial practices Before the Christian Era (BCE). We undertook this project, not to prove any hypotheses or to justify a theory, but to find out what data exist about ancient management and organizations. How did ancient management practices differ from modern ones? How were they similar to modern practices? How did ancient organizations organize?

There are many reasons why the ancient management practices should have differed greatly from contemporary ones. Since the people of 4000 years ago faced different economic and technological challenges than contemporary people, they understood their worlds differently. Travel was difficult, communication slow and error-filled, time keeping very imprecise (Loewe, 1968). The ancient social systems about which data exist -- states, governments, armies ♦ were very different from their modern counterparts, and very few data exist about ancient business organizations (Swann, 1950). Perhaps, some modern ideas about managing are recent inventions, or at least inventions of the last 2000 years.

Whether or not people of 4000 years ago faced different problems than to people today, they evidently had as much intellectual ability as people today. Insofar as evolution has produced changes, the more recent changes have been too slow to produce results in a period as short as 4000 years. After reviewing the paleoanthropological evidence, Cartmill, Pilbeam, and Isaac (1986: 419) concluded:

For the past 40,000 years, most hominids have been characterized by modern human morphology and by archeological traits demonstrating characteristically modern behavior patterns and potential. Unprecedented increases in the amount and rate of technological innovation accompany the appearance of anatomically modern hominids in Europe at the beginning of this period, and similar transitions are known, although less well documented in the archeological record, from other parts of the world. These and related facts ♦ for instance, the first appearance of representational art at or soon after this horizon ♦ suggest an enhanced capacity for the manipulation of symbols.

Although capable of diverse behaviors, people may have consistent behavioral tendencies -- such as reactions to reward and punishment, or feelings about hierarchical domination -- that would cause ancient management practices to face the same basic issues as modern ones. Similarly, some properties of human activities -- such as coordination, division of

labor, exchange, and leadership ♦ may be so generic that they occur in all societies (Becker and Barnes, 1961; Udy, 1959). Finally, since modern managers and modern organizations face very diverse technologies and cultures, there could be considerable overlap between the distributions of ancient and modern practices.

We have examined ancient texts from the areas now called China, Egypt, Greece, India, Israel, Iraq, and Italy (Rindova and Starbuck, 1997). This article concentrates on China because China offers more texts that go back several thousand years, the Chinese texts are more elaborate, and they address issues regarding more complex political structures. However, we believe we understand ancient Chinese texts better because we also studied ancient texts from other areas. For example, the Nile River gave Egypt comparatively fast and reliable transportation, which enabled its rulers to establish and maintain simple, centralized hierarchies (Kees, 1961). In contrast, until 250 BCE, China consisted of many states with differing sizes and resources (Bodde, 1986; Ebrey, 1981); these provide a loose parallel to modern large corporations with many divisions and subsidiaries. Between 250 BCE and 206 BCE, China became a centralized empire that exemplified tight authoritarian control, such as one also finds in some modern firms (Bodde, 1986).

As much as possible, we are trying to learn what managers *did* do rather than what scholars advised them to do. Consequently, this article does not encompass texts by philosophers such as Mo Tzu and Lao Tzu, highly regarded as thinkers, because we have been unable to find evidence that actual practices followed their ideas until after the Christian Era (CE) began. Nearly all of our sources are texts created by practicing managers for the instruction of practicing managers, so they are didactic and prescriptive and sometimes pragmatic. These texts are very unlike modern empirical descriptions written by social scientists.

This article focuses on ideas about managerial control -- relations between superiors and subordinates, leadership, socialization, rules, procedures, rewards, and punishments. The article touches on political history, the feudal system, and the evolution of formal roles only insofar as these topics may relate to managerial practices. To help readers understand ancient practices, the article occasionally draws parallels to modern theories or research about management in Europe and North America. However, these citations are merely examples, as one article cannot realistically encompass both modern and ancient.

The first section of this article discusses the evidence and our interpretations of it. Evidence is scarce and biased toward the interests of rulers and senior officials. Because translations sometimes differ significantly, the quotations appearing in this article are our interpretations. The second section recounts how the very ancient Chinese conceived the interdependencies between micro and macro social relations, how interpersonal dyads relate to organizations and states. Because managerial practices shifted dramatically around 350-200 BCE, the third section focuses on the control practices before this shift. After reviewing concepts about leadership, it describes part of a bureaucracy that existed around 1100 BCE. Finally, it discusses recommendations for how subordinates ought to behave. The fourth section turns to the very different control practices guiding the creation of the Empire around 350-200 BCE. This period emphasized tight control from the top, achieved through laws, rewards, and punishments. The final section summarizes the article.

THE EVIDENCE

We started with anthologies of ancient Chinese texts and books about Chinese history before 0 BCE, of which there are not many. As Loewe (1986: 3) remarked in volume 1 of *The Cambridge History of China*, "In general, the historian of this period has perforce to rely almost exclusively on sources compiled in the peculiarly Chinese form of the Standard History (*cheng-shih*). Only exceptionally is it possible to call on other written evidence with which to identify a document on which the compilers of these works drew, to check the accuracy of their statements of fact, to examine questions of authenticity, or to balance their opinions and judgments."

These initial sources pointed to works that discuss topics such as management, administration, government, business, economics, politics, and law. Then we searched the card catalogs of the Library of Congress and the Research Libraries (RLIN) for translations of the original source documents, and borrowed as many of these as possible. Ultimately, we were able to examine several thousand documents in several hundred books. The references cited in this article comprise only a minute fraction of the reading we did over three years. Table 1 associates dates with the main sources quoted.

Table 1: Dates Associated with Key Sources

2500 to 1121 BCE	"The Great Plan"	Treatise
Around 2200 BCE	Kaou-yaou	Prime minister to King Yu
After 1750 BCE	E Yin	Prime minister to a ruler and regent to a young ruler-to-be

Soon after 1100 BCE	King Ching	Ruler
Around 1100 BCE	"The Officials of Chou"	Government document
Around 500 BCE	Confucius	Official and scholar
Around 350 BCE	Shang Yang	Prime minister
250 to 233 BCE	Han Fei Tzu	Scholar
246-216 BCE	Li Ssu	Official and prime minister

Looking into the distant past is somewhat like looking at foreign cultures, but it is also more difficult and treacherous. We have depended upon modern scholars of Chinese history and philosophy who publish in English, and these scholars emphasize the texts that they regard as most important or most interesting. No writing survives from before 3000 BCE. The ancient methods of writing leave much ambiguous, perhaps because laborious writing processes led people to write fewer words, and one cannot interact with the original authors to clarify what they meant or what assumptions they were making. The surviving texts represent only a small fraction of what once existed, and they are nonrandom samples. The catalog of the imperial library of 0 BCE lists 677 works, of which only 152 still exist (Bodde, 1986). The destruction of old texts has often been selective, based on ideological criteria. Some scholars appear to have attributed to their predecessors, texts that they themselves wrote. Many scholars rewrote texts, and with them, history. In 212 BCE, the first Chinese emperor burned nearly all the extant books and murdered nearly all the literate people. Intending to end the old feudal system and to replace it with a new order, he sought to erase the traditions that had supported the old ways. But some works did survive this destruction. One scholar hid 29 important works; other works were found hidden in the walls of houses or in the graves of kings.

The dates and authors associated with the very oldest texts can be debated because authors sometimes sought to give their own words more authority by attributing them to historical figures. Since old works were recopied to preserve them, it is impossible to sort out older from newer contributions. The dates we report are generally the ones in the texts themselves.

Not surprisingly, the oldest texts are speeches by rulers or advice addressed to rulers. However, the advice offered to rulers generally applied to their officials as well. We have found no texts used for educating future administrators. This is strange, given that the Chinese developed schools for training future officials and procedures for assigning graduates to appropriate administrative positions.

Despite the fragmentary evidence, this project has yielded valuable findings. First, we have found some texts that have previously been unknown to management scholars. This article discusses one document that has never before been translated into English, and that went out of print in other languages over 140 years ago. This document, "The Officials of Chou," shows that ancient organizations could be complex, well defined, and bureaucratic, in contrast to beliefs that complex bureaucracies are a modern phenomenon. Second, the records show that ancient people had interesting and diverse theories about human behavior and management. These theories are simultaneously very like the theories of today and very unlike them. Some managerial philosophies popular today have clear antecedents running back 4000 years. Third, in a few instances, ancient texts seem more insightful and useful than today's textbooks on related topics. For instance, many ancient Chinese asserted that holding a position of authority obliges one to work on improving one's personal qualities.

Our Interpretations

After examining documents from several societies, we have inferred that ancient forms of writing -- including Chinese ideograms -- leave much ambiguous. Contrasting translations indicate that pronouns often have unclear antecedents; active verbs are often indistinguishable from passive verbs; the subjects of sentences are often implicit, as may be the verbs. Different translations may bear weak resemblance to each other, and they occasionally make no sense. Where two translations do say very much the same things, it typically turns out that one translator looked at the work of a predecessor. The oldest texts rarely survive in their original forms: What survive are copies made to replace rotting

forerunners. There are often places in which successive copyists appear to have compounded their predecessors' errors. The copyists sometimes modernized the texts as well as copied them.

The quotations in this article are our own interpretations, compiled by comparing several translations. Although we did consider translations into other languages, all but one of the translations that we used are in English because we intended our interpretations to be in English. After discovering that translations differ, sometimes differ greatly, we concluded that any single source may be unreliable. So whenever possible, we compared several translations and constructed composite "interpretations." One very helpful source has been a book in which Karlgren (1970) compared all commentaries in Chinese and translations to other languages of the oldest documents.

Our primary goal was to develop interpretations that would make the best sense to late-twentieth-century readers. The many differences among translations reflect, among other things, the immense differences between languages, historical periods, societies, beliefs and expectations, cultures. Where translations diverged, we read footnotes, read the materials to which footnotes referred, and made judgments about which words made better sense in terms of management or administration. Of course, some sources elicited more confidence than others because of their careful scholarship; in particular, we have relied more heavily on the translations and documentation by and Karlgren (1950) and Legge (1865). Table 2 illustrates our interpretation process, showing three translations of a passage from Confucius, our interpretation of this passage, and our rationale for this interpretation.

Table 2: Three Translations and Our Interpretation

<p>Lau (1979: 74): The Master said, "If a man is able to govern a state by observing the rites and showing deference, what difficulties will he have in public life? If he is unable to govern a state by observing the rites and showing deference, what good are the rites to him?"</p>
<p>Pound (1951: 207): He said: "Can with ceremony and politeness manage a state, what difficulty will he have; unable to govern a state with ceremonies and courtesy, what ordered enlightenment has he?"</p>
<p>Waley (1938: 104): The Master said, "If it is really possible to govern countries by ritual and yielding, there is no more to be said. But if it is not really possible, of what use is ritual?" [The saying can be paraphrased as follows: If I and my followers are right in saying that countries can be governed solely by correct carrying out of ritual and its basic principle of 'giving way to others,' there is obviously no case to be made out for any other form of government. If on the other hand we are wrong, then ritual is useless. To say, as people often do, that ritual is all very well so long as it is not used as an instrument of the government, is wholly to misunderstand the purpose of ritual.]</p>
<p>Our interpretation: Confucius said, "If an official can follow procedures and be considerate, what other abilities could the official possibly need? But if an official cannot operate in this way, what use has the official for procedures?"</p>
<p>Comment: Rites, ceremonies, or rituals may have included religious ceremonies. In 500 BCE, a ruler of a state would very likely have seen religious ceremonies as intertwined with governmental activities. However, rites, ceremonies, or rituals are not limited to religious ceremonies and etiquette associated with differences in social ranks. Indeed, Confucius placed great importance on ceremonies of all sorts. Thus, this quotation probably embraces all types of formalized practices, whether traditional or established by leaders. The modern term denoting the whole range of formalized practices is "procedures." Modern managers do not use the terms rites, ceremonies, or rituals to denote diverse behaviors; if they use these terms, it is solely to denote symbolic activities.</p>
<p>The other key element in this saying is translated as showing deference, politeness, and courtesy; yielding; or giving way to others. Courtesy or politeness may entail giving way to others, but it is possible to be polite without giving way to others. Conversely, yielding need not involve politeness. We chose "consideration" as expressing this compound Confucian idea, partly because the Ohio State leadership studies have given "consideration" special significance.</p>

Our interpretations are integral parts of the text of this article, not merely quotations to illustrate points made in the text. Were they quotations, we would have to explain what the quotations mean to us. But instead, we have worded these interpretations carefully to express what we think they mean. In effect, the interpretations often contain points we would otherwise make in our text.

To make it easier to see the relevance of old ideas to today, our interpretations depart from the original sources in two ways. First, the ancient texts very rarely speak of women holding positions with formal authority. Since this is no longer the case, we have removed references to gender, changing man to person, men to people, king to ruler, and so forth. These changes have sometimes entailed using plural nouns rather than singular ones. The changes have not, however, altered

the texts in essence because (a) men created the texts for consumption by men and (b) a reader can convert our interpretations by substituting man for person, king for ruler, and so on.

Second, our interpretations depart from the original sources in the titles used to denote managers. The original works used Chinese titles that most translators have translated as king, prince, emperor, or duke. Even within the context of one geographic area, a term such as "king" has different meanings at different times that make it difficult for people from one period to understand the viewpoints of people from another period. For example, a fourteenth-century English duke had quite different prerogatives and status from a twentieth-century English duke. When such terms not only cross thousands of years but large geographic and cultural distances, there is need for extreme caution. Therefore, we have replaced specific titles with generic ones such as commander, leader, official, and ruler. Karlgren (1950), one of the most thorough twentieth-century scholars, made similar word choices. Of course, we have retained the original terminology where it is crucial to the meaning.

SOCIAL RELATIONS

We use the term social relations to encompass both social structures and the interactions that occur within and between them. Social structures determine the available and most effective channels of managerial control; they set boundaries on communities. Social processes communicate norms and values, define duties and proper behavior, and administer rewards and punishments. Social relations provide contexts in which individuals may pursue their self-interest and personal objectives.

Kaou-yaou, a prime minister around 2200 BCE, made one of the rare, very ancient statements about social relations. He said,

The work is Heaven's, but people carry it out. Heaven has defined social arrangements with their respective duties: It is up to us to fulfill those five duties, and so we have five modes of charitable conduct. Heaven has defined social ranks with their respective ceremonies: It is up to us to observe those five ceremonies, and so we practice them regularly. When ruler and ministers show a common reverence and respect for these [duties and ceremonies], do they not harmonize the moral nature of the people? [Karlgren, 1950, 1970; Legge, 1865]

Kaou-yaou distinguished between micro and macro social relations. His social arrangements focus on small social units that are more concrete -- essentially dyads; they require people to fulfill duties: that is, to behave in ways that produce results. For the ancient Chinese, the number five both designated a specific quantity and symbolized "some" or "several." Thus, Kaou-yaou may have been speaking of several duties, several modes of charitable conduct, several ceremonies, and so forth. But the ancient Chinese did conventionally identify five social arrangements: ruler and subject, husband and wife, parent and child, elder and younger sibling, and friend and friend. It is unclear whether these were regarded as exhaustive.

Kaou-yaou's social ranks focus on large social units that are more abstract -- essentially social strata in the feudal system. These call for ceremonial etiquette, behaviors that may have no immediate, tangible results. As Kaou-yaou indicated, each social arrangement entailed corresponding duties, and each social rank called for corresponding ceremonial etiquette. It seems quite improbable that Kaou-yaou believed there should be no ceremonial etiquette in social arrangements such as ruler-subject or husband-wife; it also seems improbable that Kaou-yaou believed there should be no duties between social ranks. Hence, Kaou-yaou was describing continuous variables rather than dichotomous ones.

Kaou-yaou also pointed to the usefulness of duties and ceremonial etiquette as means to increase social integration (to harmonize the moral nature of the people). This emphasis may reflect the fragmentation of power across Chinese feudal society (Bodde, 1986; Ebrey, 1981). Rebels overthrew several kings, and neighboring states often waged wars. Kaou-yaou made no mention of military force: As he portrayed it, social control was to be achieved through moral leadership, adherence to tradition, and capable, sincere government.

Kaou-yaou's view differs from contemporary Western views in placing the ruler-and-subject relation in the same cognitive domain with husband-and-wife and friend-and-friend. Although contemporary categories portray ruler-and-subject as a formalized hierarchical role relation, they portray with husband-and-wife and friend-and-friend as egalitarian personal relations. Indeed, each of Kaou-yaou's five relations, with the disputable exception of friend-and-friend, expresses a distinct inequality. Ruler was superior to subject, husband was superior to wife, parent was superior to child, elder sibling was superior to younger. Thus, social hierarchy pervaded micro social relations in ancient China.

Five hundred years later, another prime minister, E. Yin, continued to emphasize the importance of micro relations. He advised his ruler to make them the foundation for political structures.

To generate love, you must love your relations. To generate respect, you must respect your elders. These feelings arise in the clan and state and they consummate in the kingdom. The former king (whom E Yin admired) based his

actions on careful attention to the bonds that hold people together. [Legge, 1865; Wu, 1928]

In saying macro relations rest upon micro ones, E Yin was participating in an on-going debate that has continued to the present day. For example, Durkheim said that societies derive their cohesion and shared values from primary groups such as families, whereas Marx said that general societal properties strongly influence the relations between individuals and groups (Alexander, 1988). Dreeben's (1968) analysis of schooling affords a more recent example of thinking similar to E Yin's. Dreeben argued that schools' main function is to prepare people to behave appropriately as citizens and workers. They do this, he said, by progressively generalizing the norms and "principles of conduct" that children have learned through family life.

MANAGERIAL CONTROL BEFORE UNIFICATION -- FROM 2300 BCE TO 250 BCE

The 2000 years from 2300 BCE to 350 BCE were turbulent ones. China was composed of many states that often attacked each other. The bronze age gave way to the iron age. Improvements in agriculture fostered population growth and urbanization. Nevertheless, according to the surviving texts, the Chinese ideas about management supposedly remained rather consistent throughout this period. Today, no one can determine whether this consistency existed at the time or it arose through later revisions of history.

The traditional ideas about management generally emphasized managers' personal virtues and self-development, moral leadership, and achieving social harmony. The first two subsections outline two theories of leadership. The first of these prescribes both tight and loose managerial control, saying that an effective ruler should behave in different ways in different situations. The second theory seems to say that managers can gain effectiveness by consistently setting good examples. The third subsection surveys some of the managerial controls prescribed for a prime minister. This description shows the sophistication of the ancient Chinese grasp of control options and of bureaucratic organization. The last subsection summarizes a few prescriptions for subordinate officials.

Leadership Styles: A Contingency Approach

"The Great Plan" is a document that combines astrology, moral principles, physics, politics, and religion. A mixture of ideas from various eras, the text itself mentions 1121 BCE but includes passages that scholars judge to be older than 2200 BCE. One passage states a contingency theory of leadership. The ambiguities of ancient writing have led experts to make two interpretations of this passage. One interpretation focuses on different types of subordinates:

The three virtues are rules, firmness, and gentleness. Spell out rules for peaceful people; deal firmly with violent and offensive people; deal gently with amenable and friendly people. Employ firm supervision with those who shirk or lack initiative, gentle supervision with those who are distinguished by their talents and good dispositions. [Karlgrén, 1950, 1970]

This interpretation advises managers to consider two dimensions of people ◆ their attitudes toward social order and their attitudes toward work.

This interpretation of "The Great Plan" articulates a prescriptive theory about how leaders should behave that loosely resembles the leader ◆s side of Liden and Graen ◆s descriptive Vertical Dyad Linkage model. Liden and Graen (1980) said leaders reward subordinates who show commitment and expend a lot of effort by showing consideration, trusting them and giving them information. Toward other subordinates, leaders act impersonally and rigidly.

A second interpretation of "The Great Plan" focuses on different situations:

The three virtues are correct procedure, strong management, and mild management. Adhere to correct procedure in situations (times) of peace and tranquillity; use strong management in situations of violence and disorder; apply mild management in situations of harmony and order. Employ strong supervision with people who lack initiative, mild supervision with the honorable and intelligent. [Chan, 1963; Karlgrén, 1970; Legge, 1865]

This interpretation advises managers to consider two kinds of contingencies ◆ the social context and the people who are being supervised.

Some modern writers credit Fiedler with having developed the contingency model of leadership (Fiedler, 1967; Ivancevich and Matteson, 1993; Luthans, 1995). Fiedler distinguishes between task-directed and human-relations-directed leadership styles, arguing that leadership styles should match "situational favorableness." Situational favorableness combines leader-member relationship, degree of task structure, and a leader's formal authority. Table 3 compares "The Great Plan's" situational interpretation with Fiedler's theory. His task-directed and human-relations-directed styles are not very different

from the strong and mild styles in "The Great Plan." As we interpret "The Great Plan," Fiedler's very unfavorable situations resemble situations of violence and disorder because these are times of low trust in leaders, low authority and power of leaders, and changing tasks. Fiedler's very favorable situations resemble situations of peace and tranquillity because the opposite conditions hold. Fiedler's moderately favorable situations resemble situations of harmony and order because these are situations of controlled moderate change that does not disrupt political leadership.

Table 3: Two Theories of Leadership: "The Great Plan" versus Fiedler

Situation	"The Great Plan's" Style	Fiedler's Style
Very unfavorable Violence and disorder	Strong	Task-directed
Moderately favorable Harmony and order	Mild	Human-relations-directed
Very favorable Peace and tranquillity	Correct procedure	Task-directed

Both theories take account of the same kinds of contingencies. They differ in their prescriptions for one type of situation. Fiedler recommends that leaders in very favorable situations use a task-directed style. "The Great Plan" recommends that leaders in periods of peace and tranquillity depersonalize their leadership and rely on correct procedures. According to "The Great Plan," Fiedler's prescription would lead superiors to over-manage.

Leadership Styles: Leading by Example

The older texts emphasized the importance of rulers' improving themselves and leading by example rather than giving instructions to subordinates or controlling them directly. They also emphasized that retaining one's position as a ruler depends on satisfying the populace. Consider, for instance, a conversation between prime minister Kaou-yaou and his ruler, Yu:

Kaou-yaou said, "If rulers sincerely try to behave virtuously, they will receive intelligent advice and harmonious support."

Yu said, "That sounds right, but explain yourself further."

Kaou-yaou replied, "If rulers attend carefully to their personal improvement, with concern for the long-term, they will be able to show unselfish benevolence and to draw perceptive distinctions among people. Then, all intelligent people will exert themselves to serve their rulers; and through what is near, the rulers will be able to influence what is distant."

Yu acknowledged the wisdom of these admirable words, "How true!"

Kaou-yaou counseled, "Success as a ruler arises from knowing people and keeping people satisfied."

Yu sighed, "Alas, even King Yao found it difficult to do both of these. When rulers know people, the rulers are wise and can assign people to positions that they fit. When rulers keep people satisfied, the rulers are kind and the people cherish them in their hearts. If rulers are both wise and kind, what reason would they have to worry about rebels? what reason to replace bad subordinates? what reason to fear people who have charming words, insinuating appearance, and great cunning?" [Karlgrén, 1950, 1970; Legge, 1865]

This approach to leadership seems to have suited the social system and existing technologies. Until 1100 BCE, China's clans were rather loosely connected; then warfare, revolt, and conquest began to create hierarchical relations among clans. However, clans continued to control lands, wealth, and many administrative positions. Because there were several strong clans with their own armies, some clans could limit a ruler's power to enforce orders. Indeed, several rulers faced revolts that overthrew them, and the usurpers declared that they had acted because the former rulers had been behaving improperly (Legge, 1865). Higher-level rulers had to delegate much control because transport and communication were slow and difficult; rulers had trouble merely finding out what was happening in distant lands.

E Yin also pointed out ways to elicit support from the populace, ways to make societies more cohesive, and requisites of good leadership. He devoted special attention to the need for powerful leaders to consider subordinates' viewpoints. In doing so, he expressed refined ideas about cognition.

Do not slight the concerns of the people: Think of their difficulties. Do not yield to a feeling of ease on your throne: Think of its perils. Be careful to think about the end at the beginning. When you hear words against which your mind sets itself, you must inquire whether these words are not right. When you hear words that agree with your own thinking, you must ask whether these words are not wrong. What attainment can be made without anxious thought? What achievement can be made without earnest effort? [Legge, 1865; Wu, 1928]

Seventeen hundred years later, Confucius voiced similar ideas to those of Kaou-yaou and E Yin. One of the most learned people of his time, and one of the most honored philosophers of all time, Confucius exerted little influence on managerial practices during his lifetime (Lau, 1979). However, Confucian philosophy became one of two influential viewpoints between 206 BCE and 220 CE. Then, following 1000 CE, Confucianism began to gain renewed prominence. Confucius's ideas, and implicitly the ancient ideas he so respected, continue to influence managerial behaviors today, primarily in China, Korea, Japan, and Vietnam.

Confucius held minor positions in the state of Lu, including inventory clerk for livestock and police commissioner, and he earned his living partly by tutoring the sons of nobles. Most of Confucius' students aspired to become senior officials, and some did so.

Several hundred years after his death, Confucian scholars wrote that Confucius had gone through the Chou dynasty's royal library, discarding worthless texts and recopying valuable ones. Scholars have cited this editing to explain the strong convergence between Confucius's ideas and those of the ancients. However, since there were about 170 states at that time, Chou's was probably not the only library that held ancient texts. Also, the best-documented evidence indicates that Confucius never visited the state of Chou (Lau, 1979: Appendix I). So this is probably a myth.

Confucius greatly respected and drew lessons from the experiences of ancient rulers and their advisors. His sayings echo the ancient teachings about attracting followers by ruling well, not abusing power, using power considerately, providing moral government, and leading by setting good examples. More than the ancients, he advocated activist rule aimed at doing good for the populace. He focused his teachings on the nobility. The following quotations exemplify Confucius' approach to ruling. The first statement says that if leaders behave properly themselves, their followers will also behave properly:

Chi K'ang-tzu asked Confucius about the art of leadership. Confucius said, "Leadership is a matter of correctness. If you lead by going down a correct path yourself, who will dare to take an incorrect one?" [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

The following conversation again emphasizes proper behavior, pointing out that rulers should consider their subjects' viewpoints and that obedience as such should not be a ruler's goal:

Duke Ting asked, "Is there a single phrase that summarizes what makes a ruler succeed?" Confucius replied, "No single phrase could ever do that. But there is a phrase that comes near to it. It is the saying: 'It is hard to be a ruler and not easy to be a subject either.' If a ruler really understands the difficulties of rule, would not this understanding be almost enough to produce success?"

Duke Ting asked, "Is there a single phrase that summarizes what makes a ruler fail?" Confucius replied, "No single phrase could ever do that. But there is a phrase that comes near to it. It is the saying: 'The greatest pleasure in being a ruler is that one can say whatever one chooses and no one dares to disagree.' If what a ruler says is good, it is of course all right that the ruler should be obeyed. But if what a ruler says is bad, would not obedience be almost enough to produce failure?" [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

The traditional Chinese ideas about leadership resemble both contemporary "transformational leadership" and "charismatic leadership." Table 4 compares the traditional Chinese ideas about leadership with one contemporary characterization -- Tichy and Devanna's (1986) version of "transformational leadership." Tichy and Devanna's framework offers both similarities and striking differences from the Chinese ideas. In particular, Tichy and Devanna argued that their framework describes effective change agents, whereas the ancient Chinese did not seek change as such. On the one hand, the rulers wanted to expand their kingdoms and to avoid rebellion. On the other hand, they used the past as a vision about the future that they should seek. It is unclear to what degree the actual past shaped visions of the future and to what degree visions of the future shaped partly mythical stories about past events.

Table 4. Comparison of Traditional Chinese Leadership Values with the Transformational Leader

The Transformational Leader	Statements by Kaou-yaou, E Yin, King Ching, and Confucius
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(Tichy and Devanna, 1986)	
They identify themselves as change agents.	Kaou-yaou: . . . ingenuity in management combined with reverence for tradition E Yin: Heaven took notice of his virtue, and bestowed its great commission on him, that he should soothe and tranquilize the myriad regions..
They are courageous individuals.	Kaou-yaou: . . . adaptability combined with boldness Kaou-yaou: . . . audacity combined with uprightness
They believe in people.	Kaou-yaou: Success as a ruler arises from knowing people and keeping people satisfied. E Yin: Do not slight the concerns of the people: Think of their difficulties. E Yin: A minister . . . ought to seek good for the people below.
They are value-driven.	Kaou-yaou: If rulers sincerely try to behave virtuously, they will receive intelligent advice and harmonious support. Confucius said, Leadership is a matter of correctness. If you lead by going down a correct path yourself, who will dare to take an incorrect one? Confucius: If their leaders cherish procedures, then the populace will not dare to be disrespectful. If their leaders cherish justice, then the populace will not dare to be disobedient. If their leaders cherish truth, then the populace will not dare to lie. Confucius: If you show respect [for tradition and ancestors], the populace will respect you. If you promote the worthy and teach the backward, the populace will try their best.
They are life-long learners.	Kaou-yaou: If rulers attend carefully to their personal improvement, with concern for the long-term, they will be able to show unselfish benevolence and to draw perceptive distinctions among the people in their service. E Yin: Of old, earlier rulers cultivated their virtue earnestly, and so Heaven inflicted no calamities. King Ching: Without study, you stand facing a wall and your management of affairs will run into trouble.
They have the ability to deal with complexity, ambiguity, and uncertainty.	Kaou-yaou: People who display just three of these virtues daily can effectively manage and guide units of the government. People who thoughtfully and earnestly cultivate six of these virtues every day can brilliantly conduct important affairs of government. E Yin: Be careful to think about the end at the beginning. When you hear words against which your mind sets itself, you must inquire whether these words are not right. When you hear words that agree with your own thinking, you must ask whether these words are not wrong. What attainment can be made without anxious thought? What achievement can be made without earnest effort?
They are visionaries.	E Yin: When the ruler does not with disputatious words throw the old rules of government into confusion, and when the minister will not, for favor and gain, continue to occupy an position whose work is done, then the nation will lastingly and surely enjoy happiness. King Ching: I . . . look up to those former dynasties, and seek to imitate them when I instruct and direct you, my officials.
	E Yin: A truly intelligent ruler, at last as at first, chooses carefully to whom to listen and what advice to follow..

Although Table 4 does show many similarities, it seems more useful to portray the Chinese model as another alternative -- moral leadership. Moral leadership combines charisma with ideology. It aims to attract voluntary followers, who join because of both the leader's very unusual overall excellence and the leader's moral uprightness.

Control of and through Bureaucracy

Written around 1100 BCE, "The Officials of Chou" was composed at the behest of either King Ching of Chou or the Duke of Chou, who served as Regent during King Ching's youth. Like earlier texts, it says a king should lead by setting a good example. But it also details an elaborate organizational structure for the "royal domain," which was a combination of the government and the king's household staff. "The Officials of Chou" is a long, exhaustive, and detailed list of job descriptions for the multitude officials in the king's service, ranging from the prime minister to household servants (Biot, 1851; Gingell, 1852). Although concise, these job descriptions reveal a refined understanding of large-scale social control, of organizational essentials, and of rewards and punishments. They show a very well developed concept of bureaucracy. The longest section, which spells out the rights, powers, and obligations of the prime minister, suggests control methods in three domains: government officials, the populace, and affiliated feudal states and the cantons.

According to the book, the prime minister could use rules (a) to define departments, (b) to allocate responsibilities among departments, (c) to specify coordination links among officials, (d) to define standard operating procedures and exceptions to these, and (e) to audit officials' performance. Standardizing operating procedures would enhance efficiency and formalizing procedures would ensure stability. The available incentives included ranks of positions, compensation, recognition, favors from the sovereign, reappointment, fines, removal from office, and reprimand. Legal offenses or grave mistakes called for removal, whereas abuses of power or minor mistakes called for reprimand.

The book pointed out that the prime minister could control the populace and restrain conflicts through social norms,

symbolic appointments of leaders, and assignments of people to occupations. The prime minister should reinforce the norms that told people to love their kinfolk and to respect the elderly. The prime minister should also promote worthy people, assign responsibilities to capable people, protect those who serve the state well, honor high ability, age, rank, or wealth, and respect the customs of foreign visitors. Respecting the customs of foreign visitors would teach the populace to love humanity and to stay on good terms with neighbors.

The prime minister should also use the socio-political structure and resource allocations to maintain control. Rulers of feudal states bind people through landholdings. Heads of cantons with distinguished reputations unite people through shared respect. Leaders who understand feelings and abuses satisfy people. Teachers connect people through shared wisdom, scholars through showing the right way. Clans link people through kinship. Officials unite people through administration. Friendships bond people through mutual assistance. Allotting enough pastures, rice paddies, and sources of brushwood pacifies people by assuring plentiful supplies. Finally, "The Officials of Chou" pointed out many means with which the prime minister could influence the governance of affiliated feudal states and independent cantons. These ranged from ceremonies and sacrifices, through appointments of officials, to grants to students.

"The Officials of Chou" contradicts the widespread but undocumented idea that bureaucracy is a development of recent times. For example, Weber (Gerth and Mills, 1946: 197) stated, "Bureaucracy . . . is fully developed in political and ecclesiastical communities only in the modern state, and, in the private economy, only in the most advanced institutions of capitalism." Similarly, Bennis (1966: 3) said, "Bureaucracy . . . is a social invention, perfected during the Industrial Revolution to organize and direct the activities of the firm."

Hall (1963) noted that different writers have defined bureaucracy in terms of 11 distinct properties, but he pointed to six properties as being especially important: (a) division of labor based on functional specialization, (b) a well-defined hierarchy of authority, (c) rules about the rights and duties associated with positions, (d) work procedures, (e) impersonal relations among people performing roles, and (f) promotion and employment based on technical competence. The government of Chou exhibited all of these, as Table 5 shows.

Table 5: Bureaucracy in 1100 BCE: Examples from "The Officials of Chou"

Six Key Properties of Bureaucracy	Examples
Division of labor based on functional specialization	The prime minister was to create six ministries: administration, education, customs and ceremonies, war, punishments, public works.
Well-defined hierarchy of authority	The ministry of administration was to direct officials of all ranks. Each ministry had a titular minister, an operational minister, and nominally sixty subordinate officials. The subordinates were told to refer important issues to their minister.
Rules about the rights and duties associated with positions	The prime minister was to promulgate rules to allocate responsibilities among departments, to coordinate the administration of diverse offices, to specify work procedures, and to set punishments for errant officials.
Work procedures	The prime minister's rules were supposed to make operating procedures efficient by standardizing them, to make procedures stable by formalizing them, to accommodate exceptions by granting discretion, and to assure control by defining auditing procedures.
Impersonal relations among people performing roles	Officials were required to behave in accordance with the rules and procedures and they were punished for deviations. However, the prime minister was also told to use of kinship and friendship as means of social control.
Promotion and employment based on technical competence	The Prime Minister was to appoint (a) rulers of feudal states who had landholdings, (b) heads of cantons who had distinguished reputations, (c) teachers who had wisdom, (d) scholars who would show the people "the right way," (e) leaders who understood how to make people content, and (f) secondary officials who were competent administrators. The prime minister was also admonished to promote worthy people, to assign responsibilities to capable people, to protect those who had served the state well, to honor high ability, age, rank, or wealth, and to recognize secondary officials who have performed well.

How To Be an Effective Subordinate

In a speech to his officials around 1100 BCE, King Ching of Chou reiterated the long-standing themes of self-improvement and proper behavior, especially sincerity. But he also gave advice about goal setting, decision making, and selecting and promoting competent subordinates. Table 6 lists the King's admonitions, not in the sequence in which they appear in his speech, but categorized.

Table 6. King Ching's Rules of Good Management

Personal Qualities

- To be lazy and indifferent undermines your management.
- Let carefulness and economy be sincere virtues, and do not show them hypocritically. If you practice them sincerely, your minds will be at ease and you will daily become more admirable. If you practice them hypocritically, your minds will be stressful and you will daily become more tiresome.

Self-Improvement

- Study history in order to perform your offices well; such study will make your arts of management free from error.
- Without study, you stand facing a wall and your management of affairs will run into trouble.

Effects of Goals on Behavior

- . . . high achievement comes from high aims, and higher positions come only through diligence.
- Extinguish all selfish aims and the people will have confidence in you and obey gladly.

Effects of Rewards on Behavior

- With high rank, pride comes unnoticed; and with high pay, extravagance comes unseen.
- In the enjoyment of favored positions, think of risk and be ever cautious. Those who act without such caution find themselves amidst what they should have feared.

Decisions and Actions

- By means of bold decisions you can avoid future difficulties.
- To build up uncertainty undermines your plans.
- Be careful about the commands you issue, for once issued, they must be put into effect and not retracted.

Conformity to Rules

- Follow the statutes of our kingdom, and do not use artful language to introduce discretion into your offices.

Promoting Subordinates

- Push forward the worthy and make room for the able, and harmony will prevail among your subordinates. When they are not harmonious, the government becomes a tangled confusion. If those whom you promote show ability in their offices, the ability is yours as well. If you promote the unqualified, you are unequal to your responsibility.

King Ching assumed that his subordinates had two kinds of goals: to manage effectively and to attain personal benefits such as status, pay, and peace of mind. He gave no indication that he thought his officials might enjoy holding authority or dominating other people. He also emphasized that his subordinates should follow rules and procedures; at no point does he tell them to obey orders.

In contrast to the ideas about management enunciated by rulers or prime ministers, Confucius spoke to future officials from the viewpoint of a subordinate. His ideas about how subordinates should behave may have embodied the assumption that superior and subordinate both belong to the same social stratum, and hence that they could interact as social equals.

This assumption might explain why Confucius saw subordination as laden with ambivalence. He expressed ambivalence about forthrightness by subordinates. In the first of these two quotations, he advises circumspection, and in the second one, forthrightness.

Tzu-chang was studying in hope of becoming an official. Confucius told him, "Listen carefully and discard unreliable information; be cautious when repeating the rest and you will rarely get into trouble. Look around carefully and overlook what it is dangerous to see; be cautious when acting on the rest and you will rarely be sorry. If your speech rarely gets you into trouble and your actions rarely make you sorry, success as an official will follow as a matter of course."

Tzu-lu asked him how to serve a superior. Confucius said, "Don't oppose covertly. Resist overtly." [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

Confucius also expressed ambivalence about whether officials should follow procedures. First, officials should both adhere to procedures and be considerate. If procedures make consideration impossible, the procedures will not work properly.

Confucius said, "If an official can follow procedures and be considerate, what other abilities could the official possibly need? But if an official cannot operate in this way, what use has the official for procedures?" [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

Second, procedures should restrict the behaviors of superiors but not of subordinates as long as the subordinates are trying sincerely to serve their superiors:

Confucius said, "Were anyone to obey all the established procedures when serving a superior, the subordinate would be thought servile."

Duke Ting asked, "How should a superior use subordinates and how should subordinates serve their superior?"

Confucius replied, "In employing subordinates, a superior should adhere strictly to established procedures.

Subordinates should devote themselves sincerely to their superior's service." [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

Evidently, superiors should adhere to procedures because people are comfortable with procedures.

Confucius said, "As long as a ruler follows procedures, the populace will be easy to govern." [Chan, 1963; Lau, 1979; Pound, 1951; Waley, 1938]

Among twentieth-century analysts, Merton (1940) and Gouldner (1954) have written about the reasons for and consequences of procedures in bureaucracies. Merton pointed out what Confucius appears to have observed, that procedures make relationships more impersonal and that officials may follow procedures even when they are dysfunctional. Also discussing a topic that interested Confucius, Gouldner said that the use of general and impersonal procedures makes supervisory authority more legitimate.

MANAGERIAL CONTROL DURING UNIFICATION -- FROM 350 BCE TO 206 BCE

Around 350 BCE, the small state of Ch'in began to grow larger and more powerful. At that time, Ch'in's prime minister was Shang Yang, a believer in total control of the populace. Shang Yang's approach has been labeled *Legalism* because it emphasized the use of laws. However, he advocated using laws to undercut social relations and thus to break down the sense of community.

If a ruler employs virtuous officials, the people will place primary importance on their social relations; but if a ruler employs wicked officials, the people will place primary importance on the statutes. The virtuous sympathize with others and seek agreement; the wicked spy upon others and argue with them. When the virtuous supervise others' behavior, they overlook crimes; when the wicked supervise others' behavior, they punish crimes. In the former case, the people are stronger than the law; in the latter case, the law is stronger than the people are. [Duyvendak, 1928]

To make laws effective requires support from incentives and ideologies.

A wise ruler uses consistent rewards, consistent punishments, and consistent ideologies . . . What I mean by consistent rewards is that profits and incomes, positions and ranks should depend solely on how much a person contributes to the state; there should not be diverse rationales for allocating rewards . . . What I mean by consistent punishments is that they should not vary with status or rank. From ministers of state and generals down to minor officials and ordinary folk, all should be sentenced to death if they disobey the ruler or violate prohibitions . . . What I mean by consistent ideologies is that advocates of free thought should be excluded from wealth, honor, and power. [Duyvendak, 1928]

Later scholars have credited Shang Yang with initiating the totalitarian rule that enabled Ch'in to dominate the entire civilized world (as the ancient Chinese viewed the world). Certainly, Shang Yang himself believed that he had found the formula for total domination, and by 221 BCE, Ch'in had conquered or otherwise taken control of every state in feudal China. King Ch'eng, who ruled from 246 BCE until 210 BCE, took the title of First August Emperor of the Ch'in.

One influence on the First August Emperor was Han Fei Tzu, who admired the works of Shang Yang. The only noble among the renowned Chinese philosophers, Han Fei was a member of the ruling clan in the small and unwealthy state of Han. Unhappy about the condition of his state, he sent frequent letters of advice to his king. When the king ignored his letters, Han Fei wrote a book. His king also ignored the book. But another, more important ruler did appreciate Han Fei's ideas -- King Ch'eng of Ch'in.

Han Fei endeavored to give rulers practical advice about how to strengthen their control and how to remain in power. Not only were his ideas very different from those of Confucius and the traditional literature, his views often contradicted the traditional views. He certainly did not intend that his advice should apply to subordinate officials as well as rulers. He never addressed advice to officials, and he told rulers to behave very unlike their subordinates.

Han Fei's approach made him a supreme exponent of Legalism. However, Han Fei's rationale for relying on laws differed from Shang Yang's. Han Fei emphasized the impersonality of laws and their capacity to eliminate favoritism, as well as the leverage laws confer in allowing rulers to exert more influence with less effort.

Truly astute rulers use laws to select people for positions; the rulers do not choose people personally. Astute rulers use laws to weigh candidates' merits; the rulers do not attempt to judge them personally. As a result, candidates of true virtue cannot hide their talents or bad candidates gloss over their faults. People cannot advance because of false praise or be driven from office by slander. Accordingly, the rulers and the officials share clear understandings of goals and methods, and they can easily bring order to their states. The rulers need only scrutinize the laws. [Liao, 1959; Watson, 1963]

Han Fei himself portrayed his contribution as facilitating adaptation to changing social values and changing economic conditions: "People of antiquity strove to be known as moral and virtuous. Those of the middle ages struggled to be known as wise and resourceful. People of today fight for the reputation of being vigorous and powerful. . . . People of old made light of goods, not because they were benevolent, but because goods were abundant. People of today quarrel and pillage, not because they are brutish, but because goods are scarce." [Peerenboom, 1993]

Although some authors have likened Han Fei to Machiavelli, his texts resemble Machiavelli's mainly in seeking to foster the interests of rulers. Han Fei's vision of society resembles that of Adam Smith: People are amoral, selfish, calculating, and opportunistic. Competition fosters high performance. Opposing interests bring out the best in each other. High achievement comes from an effective system rather than from effective individuals. And Han Fei's vision of organization resembles the bureaucracy of Weber in that impersonal rules and procedures bring consistency and counteract the bad effects of selfishness and ambition. For Han Fei, the notion of laws encompassed rules, regulations, formal procedures, and formal standards as long as a ruler decreed them, rather than officials.

One of Han Fei's basic themes was the pervasive conflict between superiors and subordinates. He advised rulers to distrust subordinates, to conceal their thoughts and intentions, and to inspire fear by their subordinates.

It is said: "A ruler must not reveal desires; for if a ruler reveals desires, the officials put on facades that please the ruler. A ruler must not reveal personal views, because if a ruler does so, the officials show false faces." Similarly, it is said: "If a ruler does away with likes and dislikes, the officials show their true feelings. If a ruler shuns wile and cunning, the officials watch their steps."

There is also a saying: "It is so still that it seems to be nowhere, so empty that no one can find it." While astute rulers repose motionless above, their officials tremble with fear below . . .

Rulers stand in danger of being undercut in five ways:

- officials can block their rulers' plans,
- officials can control the wealth and resources of the state,
- officials can issue any orders they please,
- officials can take the credit for doing good deeds, and
- officials can build up cliques.

If officials can block rulers, the rulers lose the control. If officials can control the wealth and resources, rulers cannot dispense bounty to others. If officials can issue any orders they please, the rulers lose authority. If officials can take credit for good deeds, the rulers lose the claim to providing benefits. If officials can build up cliques of their own, the rulers lose supporters. Rulers alone should exercise these powers; the powers should never pass into the hands of officials . . . [Liao, 1959; Watson, 1963]

Han Fei placed strong reliance on control through rewards and punishments.

Astute rulers control their officials by means of two handles alone. The two handles are punishment and reward . . .

Officials fear punishments and hope for rewards. Hence, if rulers wield the handles of punishment and reward, officials will fear the rulers' sternness and hope to receive the rulers' generosity. However, the evil officials of this age are different. They would take the handle of punishment from their rulers so they can inflict punishments on people

they hate, and they would take the handle of reward from their rulers so they can bestow rewards on people they like. If rulers do not reserve to themselves the power to dispense rewards and punishments and instead allow officials to hand these out, then the people fear the officials while holding the rulers in contempt, and they attend to the officials and turn away from the rulers. This is the calamity that results when rulers yield control of punishments and rewards . . . [Liao, 1959; Watson, 1963]

Yet another significant contributor to the rise of Ch'in was Li Ssu, who became the prime minister sometime between 219 and 213 and who was as ruthless as his Emperor. Li Ssu had been a student together with Han Fei Tzu, and he also espoused Legalist views. With Li Ssu's advice, the First August Emperor abolished the feudal nobility, replaced the feudal states with administrative districts, burned almost all books, standardized weights and measures and writing, built better roads, relocated masses of people, and began building the Great Wall. Li Ssu advised the Emperor to burn almost all books so that opponents could not base their opposition on tradition. Literature, he argued, contains justification for many schools of thought, many ideas about what should be. This diversity spawns criticism of the government and promotes political factions. "People wishing to pursue learning should turn to the officials as their teachers." [de Bary, Chan, and Watson, 1960]

Whereas Han Fei said, "astute rulers never use wise officials or virtuous people for selfish purposes," Li Ssu told his emperor to use his power for personal enjoyment:

Suppose that contemporary rulers fail to practice the astute methods of Shen Pu-hai and Han Fei Tzu and do not apply techniques of punishment to exploit their empires for their own pleasure, but on the contrary, pointlessly torture their bodies and waste their minds in devotion to the people. Then such rulers become the slaves of the common people instead of the tamers of their empires . . . [de Bary, Chan, and Watson, 1960]

Li Ssu had no use for rewards and his approach to punishment made Han Fei's approach look gentle.

According to the laws of Lord Shang [Shang Yang], the scattering of ashes in the streets called for corporal punishment. Now, the scattering of ashes is a minor offense, whereas corporal punishment is a severe penalty. Only the astute rulers have the insight to apply severe punishments for minor offenses. If a minor offense is punished severely, people can imagine what will be done against a serious offense! Thus, people do not dare to violate the laws. [de Bary, Chan, and Watson, 1960]

Chan (1963: 251) has expressed one prevalent interpretation of the relationship between Legalist doctrines and the Ch'in empire: ". . . the Legalists were primarily interested in the accumulation of power, the subjugation of the individual to the state, uniformity of thought, and the use of force. It is not surprising that they were instrumental in setting up the dictatorship of Ch'in (221-206 BCE), in unifying China in 221 BCE, and in instituting the tightest regimentation of life and thought in China's history. The brutality and violence of the Ch'in brought its early downfall in 206 BCE."

Legalism articulated a how-to-do-it manual for total control. This is not an ancient version of Theory X. McGregor (1960: 34) did say Theory X assumes that "most people must be coerced, controlled, directed, or threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives." However, McGregor was discussing supervision of blue-collar factory workers, and he said Theory X assumes such people are lazy. By contrast, Legalism aimed at controlling subordinates at all levels of a hierarchy, and it assumed that people are energetic, intelligent, and capable, but entirely too independent, self-interested, and deceitful.

Although the first Empire lasted for only a few years, Legalist philosophy did not vanish magically in 206 BCE, however. Rather, the Chinese bureaucracy continued to espouse Legalist principles, and the period from 206 BCE to 220 CE witnessed a continuing contest between Legalism and Confucian values (Wei-ming, 1993). In the long run, neither side won this contest, and the contest continues today.

Barley and Kunda (1992: 364) argued that American "managerial discourse appears to have alternated repeatedly between ideologies of normative and rational control." To establish their proposition, they incorporated data going back to 1870. Based on a view of organizations as collectives, normative control involves "shaping workers' identities, emotions, attitudes, and beliefs (1992: 384)." Based on a view of organizations as mechanistic systems, rational control treats workers as self-interested individuals who "either . . . understand the economic advantages of an efficient system or [are] powerless to resist a well-designed structure." Thus, rational control corresponds closely to Legalism and normative control to the ancient Chinese theories of management explicated by Kaou-yaou, E Yin, and Confucius.

CONCLUSION

Summary

This article focuses on ancient Chinese theories about managerial control -- how superiors and subordinates should relate,

and how to control, lead and motivate people. It tries to describe the prescriptions followed by practicing managers did rather than scholarly thought. China offers very old, elaborate texts that address issues arising in complex political structures. Until 250 BCE, China consisted of many states with differing sizes and resources. After 250 BCE, China became a centralized empire with tight authoritarian control.

The ancient Chinese sought to use duties and ceremonial etiquette to increase social integration. They tried to build macro social relations upon micro ones. The macro relations included organizations and social strata as defined by the feudal hierarchy. The micro relations were dyads such as husband-wife and ruler-subject.

By 1100 BCE, the state of Chou's government had developed into a well-articulated bureaucracy. There were departments, coordination links among officials, standard operating procedures, and audits of officials' performance. Documents from this bureaucracy disclose sophisticated understanding or rewards and punishments, social norms, symbolic actions, and resource allocation.

Before 250 BCE when China became an Empire, the Chinese concept of effective leadership emphasized self-improvement. Leaders should lead by example rather than give orders, and should elicit support from their subordinates and from the populace. Subordinates should serve their superiors sincerely, balancing obedience with autonomy.

Another regime of managerial practice began to rise around 350 BCE, when the small state of Ch'in began to expand, eventually uniting China as one empire. A key element in this unification was a managerial approach -- *Legalism* -- that emphasized the use of laws.

Legalism's purpose was to help rulers strengthen their control and remain in power. It stressed the use of incentives and ideological control. One basic theme was the pervasive conflict between superiors and subordinates: Superiors should distrust subordinates and inspire fear by their subordinates.

What's Interesting?

The ancient texts disclose diverse ideas about human behavior, control, leadership, management, and organization. Five of these ideas deserve special attention.

First, one interpretation of "The Great Plan" articulates a contingency theory of leadership that resembles Fiedler's. Both theories make similar prescriptions for two types of situations; they make different prescriptions for one type of situation. Fiedler says leaders in very favorable situations should use a task-directed style. "The Great Plan" recommends that in periods of peace and tranquillity, leaders should depersonalize their leadership and rely on correct procedures.

Another interpretation of "The Great Plan" resembles the leader's side of Liden and Graen's descriptive Vertical Dyad Linkage model. Liden and Graen (1980) said leaders favor and trust subordinates who expend effort, even as they act aloofly toward less committed subordinates. "The Great Plan" can be interpreted as advising leaders to behave this way.

Second, at first glance, it is surprising to discover that ancient bureaucracies were as well articulated as "The Officials of Chou." But at second look, one wonders 'Why not?' The only technological prerequisite for bureaucracy is an ability to write, so as to record rules and procedures, assignments, and transactions.

Third, the very ancient Chinese ideas about leadership resemble contemporary "transformational leadership". However, it seems more useful to portray the Chinese model as a distinct alternative -- moral leadership. Moral leadership combines charisma with ideology. It aims to attract voluntary followers, who join because of both the leader's very unusual overall excellence and the leader's moral uprightness.

Fourth, Legalism synthesized a how-to-do-it manual for total control. It assumed that subordinates are independent, self-interested, and deceitful, so superiors must pit subordinates against each other, define behavioral limits, and use rewards and punishments to obtain desired behaviors. The surviving records seem to portray Legalism as a managerial innovation that came into prominence after 350 BCE and that helped the Ch'in to unite many states into one empire. However, there are many references to the uses of rewards, punishments, and strict rules throughout the ancient documents, and so Legalism was probably creating a philosophical framework for practices as old as human beings.

Overall, it seems that the similarities between ancient and contemporary are at least as great as the differences. The differences seem to fit a model that says people from different times have to restate knowledge anew, in their own language and citing current examples. The similarities suggest that modern people can understand and appreciate the insights of their ancestors. The ancient theories are as complex as modern ones and supported by reasoning that we can appreciate even when it differs quite bit from our own.

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