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## “I DON’T LEND MONEY; IT CAUSES AMNESIA!” MONEY, CULTURE AND ETHICS

### **Abstract**

Christian leaders seek to be ethical people and make ethical decisions, but often the ethical dilemmas a leader must face do not have clear-cut answers. Ethical dilemmas can be even more troubling when they occur in a culturally diverse situation that is coupled with decisions involving financial transactions. Views of money and how to handle money are culturally influenced and may not be the same as the views of the leader, who may come from a different culture. This leads the Christian leader to ponder: When working in a culturally diverse environment, how can one tell the difference between a money-related cultural difference and an ethical infraction? The following article discusses the challenges of intercultural leadership that involve financial transactions and offers suggestions for addressing the resulting cultural and ethical questions.

**Keywords:** *Crosscultural leadership, culture, crosscultural business ethics*

It almost sounds trite to say that today’s world is increasingly global and interrelated. But despite the overuse of these words and the fact that they are indeed true, even in this increasingly shrinking world, a Christian leader who wishes to be an ethical person while effectively engaging with people of other cultures must be culturally sensitive. Differences that are due to one’s cultural frame of reference influence one’s perception of another’s intentions, actions or statements. Cultures have developed over thousands of years, and ignoring the effect of culture on one’s leadership approach comes fraught with tremendous peril.

For example, when working in Singapore, we discovered that one of our Asian staff who had been trusted with funds for various purchases for the company had instead used the funds for personal expenditures. The question arose as to whether this inappropriate action on the indi-

vidual's part should be disclosed to the entire staff because transparency would lead others to see what happened to an individual who was not trustworthy, or whether the individual should be dismissed from employment quietly. In Singapore, the culture demands that one not lose face or be publicly embarrassed. Since most of the decision-makers in the company were from Western cultures, the idea of using the situation as an example to others was very appealing. Which approach should a leader take? Is the decision guided by ethical principles or by cultural standards?

While culture can be defined in many ways, this article will use Project GLOBE's definition, which understands culture as the "shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives that are transmitted across generations" (House et al., 2004, p. 15). House expands on this definition by noting that culture usually manifests itself through commonly shared practices and through values that reflect preferred practices.

Ignoring how those we lead and serve believe things *should be done* (that is, commonly shared practices) and how they *prefer to have them done* may result in a leadership disaster. And yet, how one's followers perceive things *should be done* may bring ethical challenges, particularly when the leader is from another culture and when a financial transaction or money handling is involved. Ethical leadership is challenging enough when the leader and the led share a common culture. In a culturally diverse situation, the challenges multiply. What may be a supposed "ethical" infraction when dealing with a monetary transaction may, in fact, be a matter of different cultural beliefs on the part of those involved regarding how things *should* operate. Companies have been doing business around the world for many years, sometimes ethically and sometimes not. But in today's world, the luxury of acting one way in one instance and differently elsewhere is gone. Actions spin around the world with literally the speed of light, usually with the help of the Internet. Hence all leaders in all situations who wish to be ethical must consider their actions in light of a world that is at the same time both interrelated and culturally diverse. The challenges of leadership in today's world must be seen as both culturally and ethically driven.

## The Cultural Question: Communal Societies Versus Individualistic Societies

Anthropologists have defined cultures as either collectivistic or individualistic, while still recognizing that most societies fall on the continuum between these two extremes. For example, American society is highly individualistic. Americans are rewarded for their individual initiative, innovation, and problem solving. They generally prefer individual rewards that include recognition for the work they, individually, have done. Other societies, such as many in Africa and Asia, are collectivistic societies, where people are rewarded for working together and the valued qualities are solidarity, generosity, and acceptance. In these societies, the group rather than the individual receives the recognition and the reward (Hofstede, 2001).

How a society works in these two extremes may differ in significant ways. In a collectivistic society, the individual is considered quite powerless. Necessary resources or influence to make a difference on a large scale are seen as impossible for the individual to obtain. Thus most solutions to problems in a collectivistic society are *micro-solutions* which provide the person a tiny, immediate competitive advantage in a socially acceptable way.

In an individualistic society, there is an expectation that to get big things done, one should take the initiative to inform a large corporation or the government of the problem and subsequently expect that society will act to solve the problem. Thus most solutions to problems used by people in an individualistic society are *macro-solutions* (Maranz, 2001).

A simple example may illustrate.

In an individualistic society, traffic problems are solved by cars and trucks obediently waiting in line (or if you prefer, queuing) at a stop light, even in the middle of the night on a deserted road in the middle of nowhere. If we, as Americans, are disgusted with the macro-solution and determine that a stop light is needed at a particular intersection or that a roadway needs to be re-constructed to create a better traffic pattern, we contact government officials or call the press—or at the extreme, hold a public demonstration—and continue our complaining until a better macro-solution is adopted or passed into law.

If you have ever driven in a non-Western country where the society is collectivistic, you know that obediently waiting at a stop light may not get you to your destination! Cars will move to all open spaces at the

intersection and then leap forward to race down the road, hopefully beating out the competition. Lining up across both lanes of traffic at an intersection permits one to gain a small advantage over other drivers in a socially acceptable way, so that one arrives at one's destination first.

In the American culture, a bus would only stop at a designated bus stop. In a collectivistic culture, bus drivers stop anywhere, regardless of the traffic jam they may cause. In this manner they may gain a small advantage over other bus drivers, and the individual who wanted to either embark or disembark from the bus has also gained a small advantage over other riders.

We may laugh at these examples of driving in different cultures. But the truth is, dealing with traffic is not the most difficult part of cultural adaptation. Much more difficult are the issues which deal with financial matters and culturally related views of money. In his oft-cited article, "The Chinese Negotiation," John Graham (2003) notes that in business negotiations, Americans may see Chinese negotiators as "inefficient, indirect, and even dishonest, while the Chinese see American negotiators as aggressive, impersonal and excitable" (p. 82). Note the use of the word "dishonest" in this quotation. These perspectives may raise both ethical and cultural questions when dealing with a financial situation. Consideration of the ethical implications causes one to wonder how one should act, and whether or not there is an ultimate standard to which one is responsible.

## **The Ethical Question: Cultural Relativism Versus Cultural Imperialism**

Given the wide cultural range of interpretations for behaviors that may have ethical implications, a leader may be tempted to either (a) use the home rules without considering cultural settings or (b) try to avoid conflict by adapting to whatever the local culture permits, even if it means ignoring any ethical misgivings. Ethical theorist Thomas Donaldson (2003) calls these two basic perspectives cultural relativism and cultural imperialism.

*Cultural relativism* follows from the belief that no culture's ethics are better than another culture's ethics. It can best be expressed by the statement "When in Rome, do as the Romans do." If one argues that giving a bribe in a country such as Japan is acceptable because it is the Japanese way of doing business, one is practicing cultural relativism.

However, adopting a strict interpretation of cultural relativism requires that one accept whatever actions occur in the country in which one works as ethical. This can lead to horrific situations because cultural relativism is morally blind. To illustrate, Donaldson (2003) cited the example of European tanneries and pharmaceutical companies in the late 1980s which approached the government of Nigeria in their search for cheap waste-dumping sites. They obtained permission from the government to accept their highly toxic polychlorinated biphenyls (PCBs). Local workers who did not know what the barrels contained unloaded them while wearing only thongs and shorts, and placed the barrels near a residential area. Did the fact that unloading such materials was done with the Nigerian government's permission make the actions of the European companies ethical? Hardly!

*Cultural imperialism*, on the other hand, refuses to recognize that cultural traditions and beliefs may actually differ around the world. For example, the Japanese define business ethics in terms of loyalty to their companies, their business networks, and their nation. Americans, on the other hand, value liberty more than loyalty and emphasize rights, equality, fairness, and individual freedom (Donaldson, 2003). It is difficult to decide that one stance is superior to the other. But these differences are real and rooted in historical developments or traditions. The notion of "rights" (which Americans hold dear) evolved with the rise of democracy in post-Renaissance Europe. This concept is not found in either Confucian or Buddhist traditions. To refuse to accept these differences as real can have disastrous consequences. This imperialist approach to culture got a large U.S. specialty-products firm in China into difficulty when a manager caught an employee stealing. The manager followed the company's usual practice for such an offense and turned the employee over to the provincial authorities, who executed him (Donaldson, 2003).

While business struggles with both extreme approaches to ethical decision-making in unfamiliar situations, it is more likely that a religious organization, with "truth" on its side, will choose the cultural imperialism stance when faced with difficult decisions in international and intercultural situations. Most Christians will find the stance of cultural relativism, which seems to imply that almost anything is correct in the culture, unacceptable. But when practicing cultural imperialism, which requires that one assert that there is a single list of truths and that

people must express moral truth using only one set of concepts, it is often too easy to assume that what is personally familiar is right and that things which are different are wrong.

Donaldson (2003) proposes that rather than act at either end of the spectrum, one should seek an “ethical threshold” for behavior based on core values, respect for local traditions, and the belief that context matters when deciding what is right and what is wrong (p. 122). The core values that Donaldson suggests are:

1. The Golden Rule
2. Respect for Human Dignity and Human Rights
3. Practice Good Citizenship

### *The Golden Rule*

Interestingly, the “golden rule” is the *one* tradition which is found in all cultures and religious traditions. In Christianity, we find it expressed in the words of Jesus: “Do to others what you would have them do to you, for this sums up the Law and the Prophets” (Matthew 7:12, NIV). But this ethical idea is also present in the other major world religions, such as Buddhism, Confucianism, Hinduism, Judaism, and Islam. Two other standards which are also universally accepted are best identified in the familiar words from the Old Testament: “Thou shalt not kill” and “Thou shalt not steal” (Exodus 20:13, 15) (Trevino et al., p. 300). But beyond these three commonalities, the determination of what is ethical and what are ethical actions may not be clear as one crosses geographical and cultural boundaries.

### *Respect for Human Dignity and Human Rights*

One area in which cultures differ is the use of child labor. While child labor has been illegal in the U.S. for many years, in some cultures the wages the child earns may provide a significant portion of the family’s income. Where education is limited, school may be too expensive for many families, and the alternative to factory jobs may be prostitution or worse forms of “employment.” On the other hand, children need to obtain sufficient education as a means to break the cycle of poverty.

The Levi Strauss Corporation discovered that in Bangladesh it was using two contractors who appeared to employ underage workers. This was against Levi’s Code of Conduct. No birth certificates were available, but the children appeared to be under the age of 14, the international

standard for a reasonable working age. To fire the children risked significantly diminishing the family income and probably would result in the children turning to prostitution or begging to make up the lost money. So Levi Strauss came up with a unique solution. The contractors agreed to hire a physician to examine the children who seemed to be underage. Those children who were determined to be under 14 were removed from the production line and were sent to school, even though they were still paid their factory wages by the contractors. In addition, Levi Strauss covered the cost of the children's uniforms, tuition, and books for school. When the underage children reached the age of 14, they were offered back their original factory jobs (Haas, 1994).

Levi Strauss used creativity and corporate clout to solve a difficult business situation which was definitely unethical. But it is not always easy to determine what are human rights and human dignity in another culture. Donaldson (2003, p. 128) suggests two guidelines for developing good ethical judgment when the "right way" is not clear:

The first of these guidelines he calls the "Conflict of Relative (Economic) Development." In this situation, ethical standards may differ because the two countries are at different stages of economic development. For example, many countries experience huge differentials in wages. Paying lower wages which are fair in the host country (even if not "fair" in the home country) may be a recognition of the difference in economic development. The leader must be cautious, however, because in some instances the host country's standards are inadequate at any level of economic development, particularly when dealing with pollution, public health, or workers' safety issues.

The second of these guidelines Donaldson calls the "Conflict of Cultural Tradition." These situations include many cultural practices, such as the claim of the more needy to the resources of one with more wealth, the focus on the immediate need without regard to the future, and the unwillingness to account for funds because confrontation is distasteful and socially unacceptable. Other examples include gift-giving in Japan and the role of women in Saudi Arabia. In all these instances, the cultural beliefs and/or the religious beliefs make it unlikely that these differences will disappear. In these situations, important questions must be asked: Is it possible to live successfully in the host country without undertaking the practice? Is the practice a violation of a core human or religious value? If the answer is "no" to both questions, Donaldson would state that the practice is probably ethical.

## *Practice Good Citizenship*

Donaldson's third core value is to practice good citizenship. In all instances, the individuals who attempt to live and do business in host countries which are not their native land must be good citizens. While the following list is prepared from a business perspective, it can easily be adapted to individual actions:

1. Do no intentional harm. The organization is a guest, not a conquering army.
2. Produce more good than bad for the host country. Act so the organization cannot be charged with exploitation of the host country.
3. Provide employees with working conditions which recognize their status as human beings.
4. Pay your fair share of taxes; do not violate any laws; cooperate with local governments to develop equitable laws and other supporting institutions.
5. Respect the local culture to the extent that it does not violate moral norms. (DeGeorge, 2000)

## **The Challenges**

Many of the readers of this article may be from an individualistic culture and therefore will be familiar with an individualistic culture's perceptions of how things *should* be done. Therefore I will describe (and contrast) some of the basic ethical and cultural challenges from the perspective of how a collectivistic society views money and ethics. It is important to recognize that what *looks* unethical in another culture may in fact be a cultural difference, not an ethical question. The source for this outline of the cultural/ethical challenges is David Maranz's (2001) book, *African Friends and Money Matters*, a book he wrote after being stationed for many years in Africa.

*Collectivistic societies view financial resources as "ours" or "mine"—but certainly not yours.* In a collectivistic, micro-solution environment, if one has a financial need, this individual's financial need will take precedence over all other considerations, including others' resources, others' desires (such as a donor's wishes for the use of a gift of funds), or others' expectations.

To illustrate this observation, Maranz (2001) tells the story of three single men who were renting an apartment together. The plan was to

give funds each month to one of the men so he could pay the electricity bill. On the described occasion, however, the fund-collector had a personal bill that needed to be paid before the due date for the electric bill so he used the money he had collected from the others to pay his personal bill. He expected one of his friends to pay him what was due him before the electric bill came due. But the friend did not pay. When the electric bill came due it could not be paid because the collected money had been spent. So the electricity was cut off. The apartment mates did not consider their colleague to be either irresponsible or dishonest. In their culture, his financial need took precedence over their expectations and his financial need had first claim on the available resources.

Within one major NGO whose work is worldwide, the stories of the use of funds for different purposes other than those which were designated by the donor are rampant. Stories have been told of vehicles purchased with funds initially sent for school buildings or wells. Stories are also told of funds left over after a project is completed which mysteriously disappear (Gibson, 2004, 2008). But within the collectivistic environment where need has first claim, the fact that a truck is immediately needed more than a roof on the school building means it is quite appropriate to purchase the truck. And in cases where the money appears to just disappear—that is, it is used for expenses which are not disclosed—the answer, if asked, would be that there were other financial needs which required the funds. In the collectivistic culture, the fact that the wishes of the donor are not followed is not necessarily a concern.

Obviously, these situations are of great ethical concern to donors who are from a Western culture—which is where most donors originate. In the Western culture, the donor designates how the resources are to be used and expects those designations to be followed. The response of such donors, when the designated project is not benefitted, is often to refuse to donate further, thus cutting off both present and future funding.

*Collectivistic societies require that resources be used immediately; if not used immediately, they are assumed to be “available.” Any available resources not immediately used by the owner will be used by friends and relatives. As noted above, those who have the greatest need have the greatest claim to the resources, irrespective of who is the owner. In a collectivistic society, the pressure to share is very great. People who have resources and do not use them are considered to be unsocial—the*

ultimate disgrace in a society that lives in community (Maranz, 2001, p. 16). But the penalty for not sharing can even go further. A friend of mine who was a missionary in Africa for 12 years told me about a conversation he had with a judge who was repeatedly called out during a trial. After the trial, the judge apologized to my friend for his many absences, saying “This is the end of the month and I have many relatives who come to see me at this time to get money. If I do not pay them, I fear I may be poisoned or shot. Thus I had to leave the courtroom to care for these obligations immediately” (Miller, 2002).

The sharing principle applies to all resources, including personal possessions, money, supplies, buildings, land, and equipment. For Westerners in Africa to leave things in their yards for a period of time, such as children’s bicycles, is seen as selfish and ungenerous. Others in that society do not have such possessions and could profit by them. Clearly, if the bikes are lying around, they are not being used. Thus they are available for use! But if an African should actually walk into the yard and take the bike, a Westerner would consider such an act “theft.” But to the African, such an act as taking an item which is deemed to be “surplus” would not be theft. Should the owner object, he/she would be seen as ungenerous and not a friend (Maranz, 2001, p. 18).

*Collectivistic societies celebrate all special events, irrespective of the cost and irrespective of the long-term financial effect.* When a special ceremony time arrives (wedding, naming ceremony, funeral, and another rite of passage), the goal in a collectivistic society is to have the most sumptuous and impressive event possible, irrespective of the financial cost for either the present or the future. It is very important that everyone enjoys the moment and that the sponsors are proud of the celebration.

In an individualistic culture, people save or budget for similar special occasions. However, in a collectivistic culture, if one were to save resources for such an occasion, these resources would be seen as “surplus” and would be called on for use by friends and relatives. The result, however, of the combination of the need to celebrate special occasions and the inability to save for the special occasion or the “rainy day” is that the people are generally financially overextended. One may note correctly that Westerners are also financially overextended, but generally this over-extension is through credit cards or bank loans. The collectivistic society member is overextended to friends and family—the

ones to whom one looks for funds when there is financial need.

In a collectivistic society, one must solve this problem in a micro-manner. One must develop a very wide circle of “friends” who can be called upon for financial help when it is needed. This, of course, requires that the Westerner in this society, who is assumed to be very rich, be specifically sought out as a very desirable “friend” to have available in case of financial need. The Westerner, who may not be able to tell those with a true need from a clever charlatan, will be bombarded with requests for help and will be at a loss to determine when help should actually be given.

In an individualistic society, the solutions to financial difficulty are either to work more hours, become a two-salary family, or seek more credit. These are impersonal solutions, and are developed from a macro-economic perspective—that is, making available to all citizens the necessary jobs and/or credit institutions from which to borrow funds. In an individualistic society, one seldom goes to friends, and only rarely to family for financial assistance. In fact, in such societies, one distrusts friendships which regularly include financial or material exchanges (Maranz, 2001, p. 25)

From an economic development view, the cultural necessity for individuals in a collectivistic society to spend immediately to meet current needs because of fear that others will demand to spend another’s “surplus” wealth is a great tragedy. Funds cannot be saved which might ultimately be invested in job-creating businesses because they must be made available to friends and relatives. Thus, the culture creates a bias against economic development through savings and investment.

This focus on immediate needs in the collectivistic society also changes the expectations for success. In an individualistic culture, success is measured by the long-term effects of the project. In a collectivistic, micro-solution culture, long-term success is not necessary for the project to have met its goals. An example may explain this contention further. An international aid organization gave an African friend of David Maranz (2001, p. 150) several hundred dollars as seed money to establish a chicken business. The African had no experience in raising chickens, so he kept the baby chickens in the bedroom he rented. As the chickens grew, they required more and more food, so he asked David Maranz for a loan to buy food for the chickens, promising to repay the loan when the chickens were sold. Some of the chickens died and

some he ate, but when the rest were grown, he gave some to the woman who made his meals, some to other people to pay off his outstanding debts, and some he sold. But he did not make enough money to pay back the loan from David for the chicken's food, and he did not have sufficient funds to buy more baby chicks. However, he considered the project to be a total success, as he had had a job for a few months and had been able to pay off some of his debts, while at the same time having chicken to eat. The international aid organization, however, expected success to be measured in terms of the establishment of a chicken farm with long-run sustainability.

*Collectivistic societies cannot ask financial questions or demand accountability. Thus, the Western expectations for keeping the books or repayment of loans cannot be met.* Individualistic cultures, particularly as developed in Western cultures, are based on the Calvinist tradition of free will, free choice, and accountability (Morgan, 1998, p. 64). As a result, these cultures see precision as essential in accounting. Westerners believe that in situations where accounting and accountability are not practiced, individuals may be charged unfairly with accusations of mishandling of funds or theft. Only careful accounting can save the reputation of the innocent. In addition, dishonest people are less able to abuse their access to funds if the accounting system is designed to catch theft or misappropriation through good internal control.

In a collectivistic, micro-solution culture, accounting precision shows that there is mistrust because if one demands an exact accounting and/or expects repayment, one clearly does not have confidence in the individual who had access to the funds or who borrowed the amount. Because social harmony is a highly valued goal, the unpleasantness and tension which the demanding of exact accounting will bring is to be avoided at all costs.

The lack of accounting in collectivistic cultures extends beyond record-keeping issues. There is also no requirement that the records be opened to others for scrutiny. One African organization had Western-style accounting procedures in place (Maranz, 2001, pp 40-41), but during the business meetings where the reporting took place, no members queried the officers or their reports in any meaningful way. The Africans present were reluctant to ask any questions about the reports or how the finances had been handled, lest the officers be offended. To ask ques-

tions would be seen as bringing them under suspicion or showing lack of confidence in their performance and honesty.

In contrast, in an individualistic culture, a lack of questions raises suspicions. Westerners believe that officers of organizations should insist on the opportunity to account for the resources under their care and thereby “prove” that they are honest. To be unwilling to give a careful and full report is seen as an attempt to “cover up”—and perhaps even as evidence of dishonesty.

An individualistic society believes that loans should be repaid when agreed, and generally the “agreement” terms, including the due date and amount, are written in a legal contract. It is also expected that the debtor will accept the responsibility to make payment when the amount is due. For example, in an individualistic society, rent payments due are mailed to the owner of the property prior to the due date. It is not considered to be the responsibility of the owner to personally collect the rent; rather, it is the responsibility of the renter to send the rent check to the landlord on a timely basis.

But the notion of contracts comes out of a Judeo-Christian tradition which is based on the concept of free will and accountability. Many American companies initially doing business in Russia were frustrated when Russians would sign contracts and then simply ignore them. For the Russian, the heart of the transaction is the personal relationship. If they felt slighted or disrespected in business encounters on a personal level (and often just asking for something in writing was seen as disrespectful), they believed the contract had no force.

Mirroring this different perspective to a contract, in a collectivistic culture, repayment of borrowed monies will occur when the creditor’s need becomes greater than the debtor’s need. In the case of a bank loan, it is assumed that it is unlikely that the bank will ever need the money more than the borrower does. Thus there is no perceived obligation to repay loans made by a bank (Maranz, 2001, p. 152). The same can be said of funds loaned by a “rich” Westerner. If the debt is to be collected, it is the responsibility of the creditor, not the borrower, to obtain the payments. Thus the landlord is expected to physically make several trips to find the renter and receive the payment. It is up to the lender to decide whether or not any claims to debts should be made.

## A Special Case: Bribery and Ethics

Bribery and its related ethical questions are perhaps the biggest area of financial concern that all leaders from an individualistic culture face once they leave home. Bribery is when an organization or individual initiates the payments. Its counterpart is extortion, which occurs when an official demands a payment to complete an action (Peach & Murrell, 1999). Bribery and extortion are illegal by all countries' standards. Thus there is no defense of bribery as a "local tradition" which should be respected. However, in countries where the culture is not law-based and/or the laws are not enforceable, such laws may not be effective (Sanyal, 2005).

Bribery is more likely to occur in economically poorer countries where poverty is rampant and one may therefore believe that economic advantages can be obtained by bribery or extortion. As countries prosper, bribery generally diminishes. Research indicates that bribery does not appear to be a cultural predisposition per se, but rather depends primarily on the local economic situation (Sanyal & Guvenli, 2009).

There are, however, facilitating payments and "lubrication." In many countries officials are poorly paid and the culture expects that individuals will pay these officials small sums to facilitate or expedite services (Rijckeghem & Weder, 1996). Facilitating payments are legal under the U.S. Foreign Corrupt Practices Act. Does this mean they are ethical?

The answer is: It depends.

In business, "it depends" rests on whether there are such basic social structural elements as (1) respect for life; (2) basic trust in order to have a transfer of goods, services, and money, and for orders to be accepted and filled; and (3) honor of contracts and agreements made. Without these factors, business as conceived by capitalism cannot be conducted at all, let alone ethically (DeGeorge, 1999).

For example, in Russia, the culture is based on the philosophical perspective known as "*avos*," which implies intervention in life as given by the gods, rather than as a result of human forces or choices (Morgan, 1998, p. 65). The difference between this philosophy and Western philosophy can be illustrated by considering bribery. Because Americans come from a background in which free will, free choice, and accountability are considered cultural foundations (Morgan, 1998, p. 65), individuals are believed to be personally responsible for their actions and,

therefore, if one chooses to engage in bribery, which is considered unethical, the individual must be unethical because he/she had freedom of choice and did not have to engage in such behavior.

A Russian, however, coming from the cultural background of “*avos*” would say, “Because this is the way things are (have been given to us by the gods), we are not responsible. Permissions are required by individuals in a corrupt system or institution. The system is corrupt, so we must focus on keeping the relationship intact so we can get what we need. It is the institution that is corrupt, not the individual” (Morgan, 1998, p. 68). Therefore, in this context there cannot be personal responsibility or accountability for bribery because the individual could not influence the situation. In such a culture, a discussion as to whether the act of bribery is an ethical or unethical action cannot occur.

Finally, there are cultural practices which might be interpreted as bribery, at least by some cultures, but are not seen as bribery in the home culture. For example, it is almost impossible to do business in Japan without gift-giving. To the Japanese, whose culture emphasizes group belonging and respect, gift-giving is a sign of acceptance into the group. To the American, whose culture emphasizes individual responsibility and action, gift-giving may appear to be a bribe. To respect Japanese culture it may be necessary for companies to tolerate more gift-giving in Japan than they would elsewhere. Motorola is one company who has faced and dealt with this problem in a creative way. In Japan *only*, limited gift giving and receiving is acceptable under specific guidelines: cost limits, gifts to be given only at certain times of the year, and any gift to a Motorola must be displayed in and remain with the office after the recipient departs (Moorthy, DeGeorge, Donaldson, Ellos, Solomon, & Textor, 1998).

By way of contrast, another story about Motorola and bribery in a different Asian culture involves the construction of a large and expensive factory which was ready to begin production except for the permission from one local official. This official, who was in control of operating permits, would not issue the permit without a bribe. The choice for Motorola was either to pay the official or face a very expensive delay in opening the plant. Motorola chose to wait, and the word spread in the local community over the next few months that the plant was not yet operating because the company had refused to pay the requested “lubrication” money. Eventually the necessary permits were issued.

It is, however, one thing to be a Motorola and have the financial resources to wait out the local officials who seek “facilitating payments.” But it is another thing to be a local businessperson who may not have the clout of the multinational corporation or the financial resources to wait months until the local official issues the permit. What should one do in such a situation?

## Some Suggestions

**1. Never pay a bribe.** A friend of mine who spent years in Africa tells a story of two customs officials who insisted on a “gift” when he was passing from one country to another. My friend refused and proceeded to explain that he was a missionary, was there to share the gospel and prepare people for the second coming of Jesus, and therefore would not bribe officials, as that was illegal. As my friend put it, he presented the entire gospel to these two customs officials. Finally they relented, and let him pass. Once he had his bags across the line into the other country, he went back to the two officials and said: “I recognize that neither of you have been paid your salaries for the last six months. Here are some monies to assist you in your need.” As my friend explained, it was very clear he would not pay a bribe, but he was willing to be of assistance to government officials he knew were in need (Miller, 2002).

But how do you know who is in need? How can one tell who is a charlatan and who is needy? Only through much prayer, and through constant counsel with people who understand the local culture. Any recipient of your patronage must be chosen carefully. It is unlikely in another culture that *you* can determine who is a charlatan and who is actually in need.

**2. Never let a religious organization official coerce you into performing an illegal act in order to save “the church” some money.** For example, don’t agree to move cash between countries in order to save banking and exchange fees, and don’t smuggle in goods in order to avoid customs duties. Often the request to move cash between countries is strongest in areas of the world where there are currency controls and/or where funds are more available in one country than in a neighboring country.

**3. Be careful not to flaunt your wealth.** Since wealth is perceived to be “available” to others in collectivistic societies, it is important to not

flaunt your wealth, but rather to blend your lifestyle with those around you as closely as possible. This can be done by living as those around you do, eating the same foods, shopping in the same markets, driving the same vehicles or using public transportation as others do. But flaunting wealth can also be done unconsciously if one is not constantly aware of the issue.

A university colleague of mine, when traveling in South Africa, was asked to give a lecture about intercultural issues to students at a local college. He decided to slouch and put his hands in his pockets while he was lecturing in an effort to illustrate body language which is very offensive in Turkey. After slouching and lecturing for about 5 minutes, he asked the students what he was doing, by way of body language, that was very offensive. One student immediately raised his hand with the answer. “You are jingling your coins,” he said. “That is an American way of telling us that you are rich and we are poor.” My colleague was shocked and embarrassed! He *had* been jingling his coins—a traditional American male action that is done without thinking when one has his hands in his pockets. He had not even been aware of his actions. But to the students at the South African college, he had been flaunting his wealth! As my colleague said: “I learned more that day than I taught!” (Tidwell, 2002).

**4. Remember that ethical issues are not generally related to everyday transactions.** It is not an ethical issue as to whether one buys food at a supermarket with fixed prices or at a local “wet market” (the Asian term) by bargaining, or whether one wears shoes or flip-flops, or sits on the floor, stands, or uses a chair for worship. Rather, ethics and ethical behavior are most challenged, and most at risk, when one is in a situation where there are overwhelming pressures to either meet someone’s expectations (usually a pre-promise of some kind) and/or to perform a task in accordance with pre-expectations.

Most individuals working outside of their home culture have no problem saying “no” to the request to bribe an official for personal gain—such as fixing a traffic ticket or receiving a visa for someone who is not qualified. The pressure points come when it appears that some “greater good” will come from the bribe—such as getting work visas for colleagues or getting needed goods into the country. Be aware, as a leader, of your actions when you encounter these types of situations. Ideally, make a decision ahead of time as to what you will do.

## Conclusion

The title for this article came from a slogan on a cupholder I purchased at a service station in Wisconsin. The statement said: “I don’t lend money; it causes amnesia!”

In an individualistic society, one would not lend money because if the person to whom the money is lent fails to repay the loan, it is likely that such an act would destroy the relationship. This is what the cupholder from Wisconsin is reminding us.

But the cupholder also speaks to those in a collectivistic society where goods are shared and where one’s need trumps another’s resources. In such a society, the statement: “I don’t lend money; it causes amnesia” has a different meaning: “I don’t lend money because it will never be repaid. There is no intent to repay because if I have money to lend, I clearly don’t need the money and no one would repay someone who has more than they do! So I either hide or spend my money and thus I do not have it available to lend!”

Thus the same statement can be made, but with two totally different reasons for the action and two totally different worldviews.

Neither worldview is biblical. The Bible supports both economic views—distribution of resources in a collectivistic manner *and* individual responsibility for wealth and accumulation of goods. On the one hand, we have the words of caution in James to the rich who have heaped treasures together and used it to exploit others (James 5:1-5). We also have the words of Paul in 2 Corinthians 11 where he reminds the church at Corinth (see also Acts 18) that when he was with them, he was totally self-sufficient and did not require any of their economic resources for his sustenance. Jesus provides us with parables which show individual responsibility (the parable of the talents) and the dangers of massive selfish wealth accumulation (the parable of the foolish rich man).

What is biblical is the importance of the people! In the Christian worldview, people always come first. This will require the leader to be respectful of whatever money-view or economic perspective he/she encounters and treat everyone with courtesy, patience, and as much understanding as one can obtain through prayer and the grace of God. It will require leaders to seek the counsel of others who understand the culture better than they do. It will require leaders to be cautious in expressing their own views quickly and to use some reserve when entering a new situation, particularly when the new situation involves cultur-

al differences. It will require staying close to God and building as strong a spiritual experience with Him as possible. And it will require humor.

A good friend of mine (Gustin, 2002) who spent years in Thailand found humor helpful when she came out of the school building to find *her* flip-flops gone! As is the custom in Thailand, she had removed the flip-flops when she entered the school building. When she complained that *her blue* flip-flops were no longer among those scattered about the entrance to the room, the students could not understand her concern. After all, there were many flip-flops to choose from. Besides, hers would come back one day. What difference did it make? There were *red* ones available. When she explained that she wanted *her blue* flip-flops, they were incredulous. How could it matter? Didn't everyone own flip-flops? What difference did it make whose flip-flops one used, as long as one had flip-flops?

My friend insisted she wanted *her blue* flip-flops! She was expressing the normal Western view of goods, which means that the goods one has purchased belong to them. She learned, however, that it was better to laugh and wear whatever flip-flops were available. And wait a few days. Sure enough—in due time—her blue flip flops returned home!

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