Abstract

Guanxi practices in China’s corporate world have increasingly become a concern among both Chinese and Western government officials, as well as Western corporate leaders and business schools. The oversimplification of guanxi as a way of obtaining added opportunities and business advantages in China has led to the increased use of guanxi-gift giving as a disguise for bribery. The aim of this thesis is to show that guanxi is a complex social practice that cannot be separated from its role outside of the business context. In fact, there is a necessity to build guanxi relationships outside of a business setting in order to cultivate a relationship within a business context that is based in trust and mutual respect. This thesis reconsiders the discussion of guanxi in the Western business literature within the context of the historical, sociological, anthropological, and legal literature on guanxi as a social and cultural practice guided by a long tradition of Confucian ethics. This thesis underscores the diversity and depth of guanxi practices in China and argues that oversimplifying guanxi without recognizing the significance of China’s Confucian roots can lead to the incorrect use of guanxi.