



# MA Multidimensional Deconstruction of the Mohist Concept of "Benefit" and Its Potential for Reshaping Modern Management Ethics and Incentive Systems

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**Abstract.** Contemporary management practices are currently undergoing profound transformations. Traditional Western management models face significant challenges due to their overemphasis on financial returns. While pursuing economic efficiency, these models often neglect the ethical responsibilities and social value of enterprises as social organizations. This study systematically explores the rich connotations of the ancient Chinese Mohist concept of "benefit" (li), aiming to provide new insights for addressing contemporary management dilemmas. We construct a tripartite theoretical framework comprising value ontology, relational mechanisms, and practical principles. This framework is guided by "the benefit of all under Heaven" (tianxia zhi li) as its value orientation, grounded in "mutual benefit" (jiaoxiang li) as its relational foundation, and guided by "meritorious accomplishment benefits the people" (gong li yu min) as its practical standard. This theoretical system not only provides a philosophical foundation for modern management but also charts a direction for organizational transformation and development in the digital age. This study delves into the multidimensional implications of this theoretical framework for management practice, with particular focus on its unique contribution to guiding enterprises in unifying social value and economic value.

**Keywords:** Mohist thought; Benefit (Li); Management ethics; Stakeholders; ESG; Shared Value; Leadership; Corporate Mission; Digital Governance

## 1 Introduction: The Need for a Paradigm Shift in Management Theory

Contemporary management theory is at a critical juncture. The long-dominant paradigm of maximizing shareholder value, while driving growth, has revealed clear limitations. Crises like the 2008 financial crash, pandemic supply chain failures, and climate change highlight the systemic risks of focusing only on economic efficiency. [1]This raises a key question: what management theory can lead enterprises toward sustainable development? Current approaches, such as stakeholder theory and ESG,

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offer new perspectives but lack philosophical depth and practical pathways. In the evolving landscape of global business, scholars and practitioners are actively seeking alternative paradigms that strike a balance between efficiency and equity [2]. Without a strong cultural foundation, they struggle to shift the management paradigm fundamentally. Here, ancient Chinese Mohist thought on "benefit" may provide fresh insight. Unlike Western utilitarianism, Mohism emphasizes "the benefit of all under Heaven" and "mutual benefit". [3] Mozi advocated "universal love and mutual benefit", elevating benefit from the individual to the societal level. This thinking holds significant implications for modern management. This study explores the managerial value of the Mohist concept of benefit to build a framework integrating Eastern wisdom with contemporary practice.

## 2 The Deep-seated Dilemmas of Modern Management Theory and the Need for Transformation

### 2.1 The Historical Evolution and Limitations of Western Management Models

Western management theory has evolved through distinct stages, oscillating between efficiency and humanity, control and autonomy, and economic versus social value. [2] This reflects an unstable value foundation. Taylor's Scientific Management boosted productivity but suppressed worker initiative, reducing labor to mechanistic "cogs." Later approaches like Human Relations emphasized social needs, yet remained confined to capital logic without rethinking management's purpose. [4] By the late 20th century, the shareholder maximization paradigm dominated, treating firms as profit machines and neglecting their social role. (Table 1)

Table 1. Historical Evolution of Drawback

Time Period	Dominant Ideology	Core Purpose and Approach	Major Issues Caused
1890s-1930s	Scientific Management	Standardizing tasks for efficiency	Worker dehumanization, labor conflicts
1930s-1950s	Human Relations Movement	Focusing on social needs	Manipulation of relationships, paternalism
1950s-1980s	Management by Objectives Shareholder Primacy	Goal-setting by results Profit maximization	Short-termism, increased pressure/Neglect of ethics, environment, inequality

Time Period	Dominant Ideology	Core Purpose and Approach	Major Issues Caused
1980s-2000s	Downsizing & Reengineering	Cost reduction, process redesign	Mass layoffs, loss of loyalty and memory
2000s-Present	Digital Surveillance/Algorithmic Management	Algorithmic real-time monitoring	Privacy invasion, algorithmic bias, dehumanized work

This pattern illustrates a cyclical "efficiency trap," where managerial innovations, despite their initial benefits, frequently lead to systemic crises—from financial meltdowns to ethical scandals [7].

### 2.2 Practical Dilemmas of Existing Management Theories

Traditional management models face multiple challenges. Strategically, a short-term profit focus often undermines sustainable development, as firms prioritize quick returns over long-term investments in R&D, talent, and social responsibility. [6] Organizationally, bureaucratic rigidity conflicts with market demands for agility, slowing decisions and eroding trust—especially during digital transformation. In leadership, a narrow utilitarian focus weakens ethical judgment, leading to moral dilemmas. Recent corporate scandals demonstrate that value-free management ultimately harms long-term success.

### 2.3 A Multidimensional Interpretation of the Concept of "Li"

The Mohist concept of "li" (benefit) is multi-layered. Mozi taught that "righteousness is benefit" (yi, li ye), unifying moral and practical value beyond the Western deontology-utilitarianism divide.[5] This provides management with a holistic value base. Practically, "li" means mutual benefit, advocating win-win cooperation over zero-sum thinking, guiding firms to build reciprocal stakeholder ties. In time, Mohism balances present and future, urging attention to both immediate welfare and long-term development. This long-term outlook is strategically vital, directing excellent firms beyond short-term gains toward enduring value.[9]

### 2.4 Dialogue Between Mohist Thought and Modern Management Theory

Mohist thought provides rich dialogue with Western management theories. [8] Its concept of "universal love" aligns with cooperation theory, "exalting unity" echoes organizational synergy, and "exalting the worthy" shares much with modern leadership theory. Mozi's value ontology centers on righteousness, intertwining Heaven, righteousness, and benefit. Notably, the Mohist concept of "benefit" offers deep philosophical grounding for ESG. While modern ESG often suffers from instrumental approaches,

the Mohist ideal of "the benefit of all under Heaven" can help companies build a purpose-driven model that genuinely integrates environmental, social, and governance responsibilities.

### **3 Construction of a Management Theory Framework Based on Mohist Thought**

#### **3.1 The Value Layer: Recasting Organizational Purpose and Legitimacy**

The proposed framework posits that the fundamental purpose of management is to create "the benefit of all under Heaven." [10] This redefines organizational legitimacy around contributing to societal welfare, not just shareholder value. It necessitates a shift from a dominance of economic value to a balance of multiple values, from short-term orientation to long-term value pursuit, and from pure competition to cooperative and win-win thinking. This enriches, rather than denies, the concept of value. (Fig. 1)

#### **3.2 The Practice Layer: An "Altruism-Self-interest" Management Model**

This model proposes that enterprises achieve their own success by creating social value. It operates on three levels:

Strategic: Integrate significant social and environmental needs into core strategy.

Organizational: Build symbiotic networks with stakeholders through mechanisms like profit-sharing and collaborative governance.

Individual: Foster the comprehensive development of employees, recognizing them as partners. (Fig. 1)

#### **3.3 The System Layer: Ensuring Value Creation**

To embed these values and practices, robust systems are required:

Performance Evaluation Reform: Integrate social value metrics (environmental, employee well-being, community contribution) into assessments and incentives. Enhanced Disclosure: Implement verified reporting on social performance.

Stakeholder Oversight: Establish formal mechanisms (e.g., committees, dialogues) for stakeholder input and supervision. (Fig. 1)

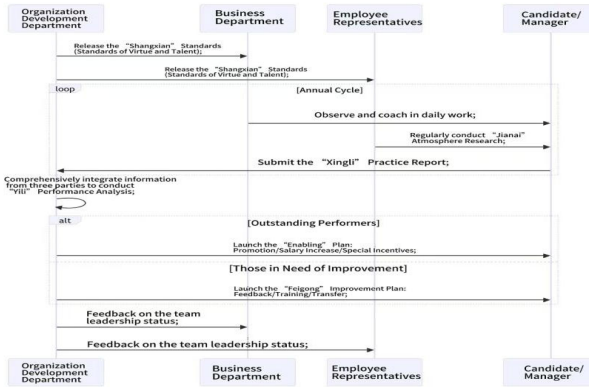


Fig. 1. Development and Evaluation

## 4 Theoretical Contribution and Practical Implications

### 4.1 Theoretical Innovation Value

This study makes three key contributions: It introduces the Mohist concept of "li" as a robust philosophical resource for management, challenging Western-centric paradigms;It constructs an integrated framework connecting value, practice, and system levels.It facilitates a creative dialogue between Eastern wisdom and Western management theory.

### 4.2 Practical Guidance

The framework offers actionable insights for managers: Re-define corporate mission around social value; build inclusive governance involving stakeholders; and cultivate leadership with a strong sense of social responsibility.[11]It provides a path to transform ESG from a metric into a strategic compass.

### 4.3 Future Research Directions

Future work should: deepen textual analysis of Mohist classics; empirically validate the framework's impact on performance; strengthen the mechanisms linking "benefiting the world" to corporate practice; and conduct cross-cultural comparative studies.The future development of management theory should transcend the limitations of Western centralism and draw wisdom from various civilizational traditions around the world.[12] The dialogue and integration of Eastern wisdom and Western theory will help us build a more inclusive and wiser management theory system, providing theoretical guidance for the sustainable development of enterprises and social progress. [13,14] In this process, Mohist "li" thought will surely play a unique and important role.

## 5 Conclusion

This study provides new ideas for the development of modern management theory through a systematic review of the Mohist concept of "li." Mohist thought enlightens us that true management wisdom lies in achieving the unity of economic value and social value, [15]the balance between short-term interests and long-term development, and the synergy between enterprise growth and social progress. In today's era full of challenges and opportunities, this wisdom is particularly precious.

The future development of management theory should transcend the limitations of Western centralism and draw wisdom from various civilizational traditions around the world. The dialogue and integration of Eastern wisdom and Western theory will help us build a more inclusive and wiser management theory system, providing theoretical guidance for the sustainable development of enterprises and social progress. In this process, Mohist "li" thought will surely play a unique and important role.[16]

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