Silence On A Dark Side of Business Opportunities in Asia: An Emerging and Growing Challenge

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Abstract
This paper examines the global growth of Asia as it creates opportunities, with one particular negative social issue arising out of increased migration to Asia by individuals of varying racial, ethnic, national, educational, social and cultural backgrounds. This particular issue is one with a credential of centuries of controversy which evades much of the emerging and present literature discussing the growth and change in Asian prospects, economy, and societies. The issue is racism, especially as experienced by individuals of African or Black descent seeking professional and sociocultural opportunities in Asia, specifically in the countries of China and South Korea where reports and incidents of racial treatment and discrimination are increasingly being experienced by blacks recruited and being recruited by international management and career companies seeking foreigners to teach English or work in other sectors of the Asian economy. The author presents overview of growth factors in Asian economic global emergence, discussing human capital growth and educational quality, along with some other pertinent growth factors cited in economic growth literature. The author then describes the emerging development of the controversial issue of racism against Blacks stemming from increased migrations across the Asian countries for professional and other prospects, especially regarding a failure and fear to address the issue, providing insights into business practices by Asian firms, especially South Korean and Chinese educational and recruiting companies that involve racial discrimination. The author examines some potential negative impact on business and offers recommendations for change to business leaders and managers working in the United States and Asia.

Key words: Asian economy, Global economy, Discrimination, Racism, Economic growth, Quality of education, Asian Financial Crisis, Outsourcing, Offshoring, Managing diversity, Colonialism, Operational outsourcing, Strategic outsourcing, International Monetary Fund (IMF), Human capital, Education, School economy, Global economy.
Introduction

There are always new opportunities brewing for the development of scholarship and literature and the new interest in Asia is no doubt one of the most intriguing and fruitful to have emerged in several decades. The focus on Asia and its rapid development and increased importance in the global economy means that practitioners in various fields and from various schools of thoughts, philosophers, and leaders will be able to exercise their opinions and expertise concerning a great host of factors that will emerge in examining prospects and opportunities, problems and challenges, and in understanding the entire macrocosm of Asian societies and their emergence. While this is the case, the interest and attention on Asia is still in infancy and many issues will remain characterized by paucity over the next several decades. Issues of controversial social nature will not be the most favorable owing to issues of cultural pride and the exigencies of understanding economies and their modes of production, consumption, growth and development as more readily important to our current global progress and needs. Furthermore, an unwillingness to address some issues, especially that under consideration and discussion in this paper will not become the most comforting to discuss for many individuals, especially those who do not accept being associated with ideas that have been viewed as highly objectionable and reprehensible in history; for example, racism.

Currently, many individuals who visit Asia, especially Korea and China are becoming aware of the issues of racism existing in the region, especially as directed toward Blacks. The most obvious expression and display of this racism against and toward Blacks became evident during the 2005 visit of then secretary of state Condoleezza Rice to China. The available business opportunities and the ability to do business in China and gain professional and cultural experience is being affected by increased racism, especially for Blacks who are looking to China for teaching and working opportunities, as well as opportunities to learn about the culture and language. South Korea is another area where this hostility is being met by African Americans and other Blacks. According to Yu Chao (2005), the Chinese, like the Koreans and Japanese, have historically been isolated from the rest of the world. Their discriminatory attitudes are fueled by fear and mistrust of foreigners, and a growing sense of nationalistic pride. This needs to change along with the globally transforming Asian region and economies. Asia has opened its door and in the 21st century global village, closely this door is not an option. If the door to opportunities is going to be opened, it must be opened on every side to enjoy diversity and its great benefits.

The Surprising Growth of Asia’s Economy: Ideas and Theories

Asia is increasingly opening up its doors to many individuals and businesses from all over the world who are seeking opportunities that are economic, cultural, and social. The drive toward Asia stems from several factors: its growing economy and increased political, economic, and military roles and importance in the world, its diverse and rich cultures and history, cheap labor and availability of raw materials, the ability of large corporations to find new opportunities for market expansion and profitability, while evading strict laws in their home nations or western nations, and the fact that mature competition in many western economies is driving people to seek professional prospects elsewhere. Asia has been experiencing decades of growth as if arising out of a dark age to surprise the before-dominant economies of the West with its growth in virtually all sectors of political economy. While factors of technology and effects of globalization have been isolated as key growth factors, Asia’s growth goes far beyond this
according to Radelet, Sachs and Lee (1997), arguing that the countries of East and Southeast Asia grew extremely rapidly during the last quarter century. The following countries and regions are especially referenced in the growth strides of Asia and its increasing prominence in the global economy: Hong Kong, Singapore, Taiwan, Korea, China, Malaysia, Thailand, and Indonesia. Radelet, Sachs and Lee (1997) argue that, “With the exception of several European countries in the immediate post World War II period, growth rates of this magnitude and duration are unprecedented in human history” (p. 3). Using econometrical formulas and theories, Radelet and colleagues attempt to explain this growth with two major factors in mind: economic policies and economic structure.

Growth in Asia is unequal; meaning that growth is not continental, since many of the region’s economies have not enjoyed the growth which the above eight countries and regions have, but instead are still struggling to develop growth variable factors. Radelet, Sachs and Lee (1997) believe that four explanatory variables have contributed to Asia’s current economic growth or prosperity as a region: (1) initial conditions (initial per capita GDP and initial human capital stock); (2) natural resources and geography, including natural resource intensity, landlockedness, location in the tropics, and the ratio of coastline distance to land area; (3) policy variables (government savings, quality of institutions, and openness); and (4) demographic variables - growth of the working age population, growth of the total population, and initial life expectancy at birth (pp. 5-6). The movement of people and goods in both directions across the borders of Asia’s economies has been an instrumental factor in Asia’s growth, especially as Asia’s increased population drove its governments and leaders to open up national borders to trade and financial assistance to stay afloat. The advents of regionalization and regionalism, internationalization and globalization have contributed significantly to Asia playing its part in the global economy, finally recognizing that its isolation based in social and cultural pride and distrust of foreigners was creating adverse effects on the survival of the people and progress of nations. Thus, Asia was not only forced by needs and demand and supply to become an active trading partner and trader in the global economy, but recognized that its survival could not be cemented in a continental vacuum.

The growth of Asia is not only surprising, but fascinating because of the economic theorizing behind the growth of a region of mainly poor countries. Sachs and Warner (1995) explain this growth phenomenon by arguing that initially, poor but open economies tend to grow faster than rich open countries, and that while countries that isolate themselves from the global economy are in a much weaker position to take advantage of new technologies, when they do acquire and begin to use such technologies, such poor countries that are open countries exhibit the highest growth rates, and the richer countries record slower growth rates. Radelet, Sachs and Lee (1997) argue that the tendency for poor countries to grow faster than rich countries has two important implications in the Asian context: (i) it provides one piece to the puzzle of explaining East Asia’s rapid growth during the last thirty years as low levels of income in the 1960s provided the potential for rapid growth, which implies greater capacity and more growth in the future; and (ii) as East Asian countries become wealthier, their growth rates are likely to slow, with Japan being an obvious example.

Another important factor cited in the growth of Asia is development of human capital via education quality fueling economic growth. This is consistent with Hanushek and Woessmann (2007) contending that educational quality and economic growth are closely related. Hanushek and Woessmann (2007) like most human capital theorists believe that as a nation’s quality of human resources increases through better and more educational opportunities for its people,
productivity and earnings will increase to fuel economic growth. This includes technology education and the acquisition of new methods of production and growth through trans-global knowledge sharing facilitated through work and study exchanges. Hanushek and Woessmann (2007) argue that there is strong evidence that the cognitive skills of a population are powerfully related to individual earnings, the distribution of income and economic growth. This becomes visible in the Asian economies that have experienced unprecedented growth over the past decades as they have tremendously increased their human capital by deliberate strategic planning in what Belli, Anderson, Barnum, Dixon, and Tan (1998) call project economic development and analysis in which governments, regional trading blocs and leaders across the region not only designed and selected, but also developed many projects contributing to the welfare of countries or regional partners, especially in promoting regional development through international trade.

Asia’s growth is highly linked to investments, both domestic and foreign investments, and the advent of technological change and adoption making it possible to have competition in markets that traditionally have been considered natural monopolies (Belli, Anderson, Barnum, Dixon, & Tan, 1998). Asia has developed much superior advantage in many areas of technology, creating both opportunities for development and trade, as well as attracting many western businesses to its lands. Furthermore, a slight change in governmental inclination toward foreigners and foreign businesses such as allowing increased investments has led to growth of multinational corporations in Asia. The ability of some Asian countries to capitalize on their expertise in technology development has created propitious returns and opportunities for foreign trade and alliance with many wealthy corporations. In turn, outsourcing of labor and manufacturing to these regions have brought incomes to poor and needy populations and demand and supply have changed to create new service and product opportunities for many Asian entrepreneurs. Authenticity in culture and history has fueled the growth of a viable tourism and hospitality industry in many Asian countries bringing in currency and opportunities from many nations. The protection and growth of local Asian industries have also yielded great benefits in the export-import business for many Asian countries.

While the growth of Asia can make for interesting economic discussion, the economic complexity of explanation is beyond the scope and purpose of this paper which is focusing more directly on the effects and impacts of the achieved growth in terms of opportunities and challenges; specifically on challenge stemming from emerged opportunities: racism as a social discrimination against Blacks who are seeking opportunities for growth and learning in Asia. The leadership factor in Asia continues to be part of creating growth by focusing simultaneously on stability. Asia’s leaders are very proactive in promoting the economic growth and wealth of the region and this is seen in increased cooperation among the nations in the region. This is also obvious in China’s robust leadership role in strategically planning and vigorously pursuing comparative growth in the global economy. Effective governance and economic management across industry sectors have been key features of Asian economic growth. According to Radelet, Sachs and Lee (1997), “There is little question that policymakers in East and Southeast Asia have been so much more successful than their counterparts in other regions of the world in managing their economies. Through the course of several turbulent decades, Asian governments maintained stable economies, even when economies in other regions spiraled out of control” (p. 51). This is a strong argument indeed. If Asian policymaking success accounts in such major part for Asian economic growth and prominence in the global economy, then there are great implications for effectiveness in policymaking, leadership, governance and economic management in western economies.
Opportunities in Asia: China and Korea

Despite the slump in world economic growth and activities beginning in and around 2007 to become the current recession and slow recovery, Asia is still burgeoning with many opportunities for professional economic prospects to both individuals and companies looking toward the region for new business ventures. Many companies still see a great future in Asia and many individuals either know someone working in Asia or with the desire to travel to Asia to seek new work and earning opportunities. The Chinese economy is especially important in the numbers and types of opportunities being created and available in Asia to individuals and businesses. According to EconomyWatch (2010), market liberalization in the Chinese economy has brought its huge economy forward by leaps and bounds. In addition, “China’s economy is huge and expanding rapidly. In the last 30 years the rate of Chinese economic growth has been almost miraculous, averaging 8% growth in Gross Domestic Product (GDP) per annum. The economy has grown more than 10 times during that period, with Chinese GDP reaching 3.42 trillion US dollars by 2007” (EconomyWatch, 2010, p. 1). China now has the second largest economy and there is no sign that its growth will level off anytime soon. China is rapidly seeking better and greater opportunities to grow and its quest to increase public transportation, recently building some of the best and fastest trains among other great technological marvels shows that China means business in the global economy.

According to a recent CNNMoney.com article, October 21, 2010, by Censky (2010), while China’s economic growth slowed for the second quarter in a row, cooling fears that its economy is growing at an unsustainable pace, the Chinese economy is still expanding rapidly (Figure 1). Censky (2010) tells us that while China’s gross domestic product, the broadest measure of economic output, grew at an annual rate of 9.6% during the third quarter of 2010, the pace has slowed somewhat, down from a surging 11.9% growth rate at the beginning of the year. While the rest of the world is experiencing grim economic conditions, China is still doing well despite a slight stagger. In fact, Censky (2010) and others believe that China has taken on a leadership role as the key driver of a worldwide recovery.

South Korea is another strong economy where the opportunities available for native English speakers is being fueled by the school economy and global education industry, which

Figure 1: Chinese Economic Growth 2008 – 2010
McFarlane (2010) describes as characterized by high levels of competition in education, training, and schooling that are driving businesses and individual survival. Many South Koreans like their Chinese neighbors are traveling to different places all over the globe to acquire better education and learn English and other languages as part of the nation’s quest to develop human capital to the fullest for competitive advantage in the global economy. According to the U.S. Department of State (2010),

> Over the past several decades, the Republic of Korea has achieved a remarkably high level of economic growth, which has allowed the country to rise from the rubble of the Korean War into the ranks of the Organization for Cooperation and Development (OECD). Today, South Korea is the United States’ seventh-largest trading partner and is the 15th largest economy in the world (p. 1).

This tremendous growth in Korea’s economy has been attributed to the shift and transformation from the centrally planned, government-directed investment model toward a more market-oriented one. In addition, through assistance from the United States and assistance from the International Monetary Fund (IMF) Korea was able to quickly bounce back from the Asian Financial Crisis of 1997-1998. However, the U.S. Department of State (2010) believes that Korea’s fast recovery from the Asian Financial Crisis was due largely to the extensive financial reforms that restored stability to markets as developed by President Kim Dae-jung. According to the World Factbook (2010), “With the global economic downturn in late 2008, South Korean GDP growth slowed to 2.2% in 2008 and declined 0.2% in 2009. In the third quarter of 2009, the economy began to recover, in large part due to export growth, low interest rates, and an expansionary fiscal policy” (p. 1). There are several long term challenges that will affect South Korea’s economy in the near and coming future. These include the existence of a rapidly aging population, inflexible labor market, and overdependence on manufacturing exports to drive economic growth. Disregarding this, Korea is an area providing varied and interesting opportunities for individuals and corporations from across the globe.

**Corporate Business Opportunities**

Many Americans, American businesses and individuals and businesses from all over the globe are currently looking toward South Korea for economic and professional opportunities. The global education industry has opened up many opportunities for working and living in Korea as students and working professionals. Many businesses in the fields of international management consulting and recruiting are finding numerous opportunities to make a profit by working directly with Korean corporations. The school economy present in Korea has some of the greatest opportunities for individual college graduates seeking both a cultural experience and opportunities to work overseas in Asia. China also offers these opportunities with a greater space for exploration of culture and history and with broader familiarity and appeal developed for Chinese culture, many American college graduates and other professionals are often excited to go to China to work and teach English as a second language, while gaining the opportunity to learn Chinese as China becomes a world economic superpower, and might grow to acquire even equal political and leadership prominence in the future.

Business corporations and entrepreneurs are also looking to China and Korea for opportunities. Outsourcing in the form of offshoring business functions to take advantage of cost savings has become a trend for western business owners who are looking for new markets and
ways of cutting production costs. Outsourcing means contracting outside of an organization to have work completed that was formerly done by internal employees (Sherman, Bohlander & Snell, 1998). There are two forms of outsourcing taking place today: operational and strategic outsourcing. Operational outsourcing occurs across many different functions of an organization - information technology, human resources, facilities management, and a multitude of other back-office functions, while strategic outsourcing involves outsourcing product manufacturing, assembly, and logistics activities, in whole or in part (Mensik, 2002). Both these forms of outsourcing are taking place through offshoring, where these functions are being handled by companies in Asia for American and other companies.

The establishment of foreign subsidiaries or multinational presence in Asia has become a very popular practice by large business firms looking for new markets and establishing global brand names. China and South Korea as well as several other nations in Asia are viable economies where American and European businesses are profitably operating while saving millions of dollars in labor costs and escaping some of the restrictions and regulation and monitoring by their home countries. These same opportunities provide expatriate managers and workers with earnings and cultural experiences and varied ethnicities and races are experiencing Asian cultures and societies through corporate work affiliations. Trade or the export and import business is one of the most prominent areas along with manufacturing as many companies, including federal and other government agencies are working in these areas that put them in the heart of Asian economies and societies. New business opportunities will continue to emerge for both individuals and corporations as the economy of Asia continues experiencing transformation.

The Education Industry

The growth of the global education industry in the form of a school economy expanding with increased globalization of knowledge and information through technology and social exchanges has created opportunities in every corner of the earth (McFarlane, 2010), and Asia is a fertile ground for opportunities in the global school economy and education industry. There are numerous companies both in Asia and the United States working as professional recruiters for Asian schools, colleges, universities and private, as well as public corporations to find teachers and mentors to teach English to Asians. This trend is so popular that millions of Americans are constantly exposed to advertisements featuring such opportunities on the Internet via social network and job sites, contacts from recruiters or the buzz network. Opportunities to teach English in Asia, especially in South Korea and China are among the most prominent with these two countries having aggressively growing markets for more and more candidates each year. Teaching English as a second language (TESOL) in Asia is a multimillion dollar industry that is growing, and while other opportunities are available for teaching business, and many other subjects in colleges and universities, the major benefit being sought is that of English Language exposure.

The push to learn English by Asian countries, especially South Korea and China indicate a new awareness of the power of language, and most profoundly education in positioning both people and country to effectively progress and survive in the globally competitive economy of the 21st century. China has a very large economy, in fact, currently the world’s second largest economy, and its sway over the United States’ economy is an additional factor giving it priority across industries including education where teaching Chinese as a second language is opening new opportunities for individuals and companies in both countries. One area of education in the
中华人民共和国正在迅速发展，基于汉语教学，特别是在美国，那里的学校可以去学习汉语语言和文化。许多公立学校也在开发汉语教学项目，并招聘母语为汉语的讲者来协助教学。中央情报局和联邦调查局以及其他政府机构也在扩大教育行业作为加强中国和美国关系的经济机会。

许多美国和世界各地的毕业生寻求在中国和韩国教学的机会，而《高等教育报》、高等教育工作等网站现在提供中文和韩国的大学教授或管理人员的职位列表。因此，拥有美国和其他国家的研究生学位的人可以在中国和世界各地的大学和大学中找到教学机会，而来自亚洲国家，包括印度、中国、韩国和其他国家的教师或教授则在北京的大学和大学中建立存在。学习汉语的人数正在迅速增长（Yu Chao, 2005）。因此，文化与经济之间存在着不断交流和交流。

**Stories and Pains of Racism by Recruiters and Victims**

故事和招募者的种族歧视声称以及受害者的痛苦，反映了亚洲国家的某些历史和文化事实；许多亚洲国家尚未达到种族多样性，特别是在涉黑问题上，韩国和中国是这两个国家招聘英语母语讲者的领头国。这些亚洲国家似乎认为英语讲者是高加索人，这可能是种族歧视的重要因素。

许多招聘广告会偏好美国的英语母语讲者，这从韩国和中国的招聘者角度来说意味着高加索人种和出身。事实是，许多亚洲公司仍然没有对其他种族、民族、语言和文化有正确的认识，这在很大程度上是由于其历史、社会和文化发展以及殖民主义和错误信息对这些社会和他们对其他人的看法的影响。

亚洲社会历来是相似的人群的所在地，不仅在种族上，而且在起源和观念上。虽然历史上有与高加索人和亚洲人的接触，特别是在韩国和中国，在最近的年份中，这些接触被高加索人所忽略。从高加索人学到的关于黑人的刻板印象和殖民时期的影响，以及许多亚洲人对黑人的看法，使得今天许多人对黑人存在着种族歧视。

亚洲国家为了避免外国人而避而远之，这使得亚洲社会在多元化方面落后于其他国家和民族，这为西方国家创造了更多的机会。因此，在当今全球背景下，许多对黑人或其他较深色皮肤的人的种族歧视的申诉并不令人惊讶。作者本人目睹了招聘者在亚洲市场中放置非裔美国人和其他黑人或非洲裔美国人时所遇到的困难，特别是在教育行业。
some of the demands made of recruiting firms and professional management recruiters are extremely insensitive and ridiculous.

Here are several real-life examples that have been witnessed by and communicated to the author by recruiters who recruit native English speakers to teach English in China and South Korea. One of the most astonishing examples of racism was experienced by a recruiter of an international recruiting company attempting to place several individuals into an Asian college searching for several Americans to teach English on a one-year contract. The recruiting manager handling the case was initially told not to send any Blacks. However, after the recruiting company, Western company searched for eligible and qualified candidates, two of the candidates were African Americans. The recruiting professional communicated to the Asian company, a Chinese company that two of the candidates were American Blacks. The company responded vehemently demanding that the recruiting professional should not send any Blacks. However, after difficulty finding two more Caucasian candidates to replace the Black candidates, the Chinese company agreed to take them provided they are “good looking” and “not too black” – the exact words that the Chinese home base company official used to the recruiting professional. This is indeed a highly distasteful experience and was surprising to the recruiting professional who finds it difficult to get used to what seems to be dominant issue of racism. However, the recruiting professional in this scenario has encountered numerous similar cases and accepts it as part of doing business in that region as far as race issues are concerned. A second example is where one South Korean company specifically demanded from an international recruiting company not to send any Blacks. After difficulty finding only Whites to meet the requirements, the Korean company finally agreed to take Blacks provided they were “not too dark” and provided that the recruiting company would negotiate and communicate a lower pay rate to the Blacks than what was being offered to Whites. In addition to this kind of negotiation, methods such as not renewing the contract of non-Caucasians and using pictures to eliminate candidates have been used by many of these Chinese and South Korean companies seeking workers or professional native English speakers to teach English to their people.

Race is not the only problem that surfaces to reflect prejudices and lack of diversity values and initiatives in Asian companies and societies. Issues of obesity, disabilities and other physical traits have been used by many Asian companies in their international recruiting efforts. An example of this can be gleaned from an incident in which one international professional recruiter recruiting professionals to teach English to Chinese students for a school in China had one candidate rejected because the candidate was described as “too fat” by the in-taking Chinese company, while another was described as “having too big of a head that will frighten the children.” Yu Chao (2005) provides us with an example from the related experience of a western couple who went to China to teach, the wife being Caucasian and the husband being black from the Dominican Republic. As Yu Chao relates, the wife was hired and the husband was forced to work in a café and the explanation given for not hiring the husband was that, “The parents would pull their kids out of class because they don’t want a black teacher” (p. 1). These are real incidents of which the author has accurate experience. Such incidents in the United States would amount to discrimination, but in Asian nations there are not many laws catering to or protecting individuals from such discrimination. These incidents and many similar ones have been surfacing in individuals’ experiences and stories who have worked in Asia and who have attempted to work in Asia. While there is a lack of record on these incidents and similar in the emerging literature on Asia, stories of racism and discrimination, especially against Blacks are
increasingly surfacing on the Internet in blogs, forums, and other discussion boards, electronic news bulletins and papers.

**Reasons for Silence: Contexts and Experiences**

There is a silence on the current and ongoing racism against individuals visiting or working in Asia, especially racism against Blacks and as experienced by Blacks. This silence stems from several factors including Asian cultural reluctance to openly admit and address issues of such nature, the fear on how such a realization will affect business opportunities for Asian companies and citizens, the fear of backlash from activist organizations, and what seems to a constant attempt to shield against and avoid any arguments on issues of human rights, especially by the Chinese Government. Several online discussion forums have taken an active role in discussing the issue of racism against Blacks and the dominant countries emerging as discriminating against Blacks based on race are China and Korea. One forum contributor communicates what the author has discussed above in summary as follows: “The private education market is extremely competitive, and as you may admit, Blacks are generally discriminated [against] in Asia. Such racial discrimination against Blacks in Korea might work against private institutions that hire black teachers. Given the same conditions, the mother of the child might prefer an institution that hires White/Asian ESL teachers, simply because they don’t like Blacks” (Asia Finest Discussion Forum, 2010, p. 1). While Blacks appear to get the worst treatment and are rejected based on the color of their skins, some companies and schools in China and Korea will not accept a Chinese or Korean American for an ESL position.

The causes of racism against Blacks in Korea and China in particular stem from explanations ranging from those societies being racially homogenous to a lack of exposure hypothesis; they have not been exposed to Blacks, only to stereotypes, to factors such as those identified above by the author including the effects of colonialism and lack of diversity and cultural education as far as non-Asians are concerned. Many individuals use the argument of the homogenous society to explain that Koreans in particular are not racists against Blacks, but are just not aware of racism because of lack of familiarity with the issue. Other individuals also explain away what Blacks perceive as racism by Koreans and Chinese as “curiosity” which leads to staring, pointing, and other gestures that seem rude while traveling in China or other parts of Asia. Exploring some of the discussions and postings on the issue online reveals one of the potential reasons why the issue of racism against Blacks in Asia, especially China and South Korea, is not a subject of scholarly analysis and development along with the growth and interests currently being displayed in Asian global economic leaps; there are no hard evidences in terms of data on the issue and individuals become extremely tense and hostility develops among individuals representing each racial group when discussing the matter because of accusations and denials.

Despite all the explanations offered up to avoid stating that Koreans and Chinese and some other Asian nationalities are racist against Blacks, a 2005 *CBCNews Analysis & Viewpoints* article by Sylvia Yu Chao reveals otherwise. According to Yu Chao (2005), “On one of China’s popular websites called sina.com, hundreds of messages were pouring in around the time of Condoleezza Rice’s visit to China this past spring. The comments were very disturbing for a couple of reasons. People lashed out angrily at the U.S. secretary of state’s ethnicity, her looks, her gender” (p. 1). This supports the author of this paper in the view that discrimination and lack of diversity appreciation are not only reflected in race, but in other factors. According to Yu Chao (2005), the site popular among the elites and educated masses had disgusting and
inhumane descriptions of the former secretary of state because of her color; being a Black person. Yu Chao provides us with exactly what was written by these elites and educated masses of China: “a black devil,” “a black pig,” “a black whore” and “a black female dog.” “…You’re not even as good as a black devil, a real waste of a life,” “Her brain is blacker than her skin,” “The ugliest woman in the world” and “She looks like an orangutan, and talks rubbish; send us a beautiful woman next time” (p. 1). If this is not racism of the most aggressive and disgraceful form against a person, especially a high official of the United States stemming from the color of her skin being black, then those who are keeping silence are perhaps too disturbed and/or ashamed to discuss one of humanity’s most shameful and historically hurtful issues.

Yu Chao (2005) comments in her article that racism and sexism are so widespread on the mainland, this based on comments by Chinese dissident Liu Xiaobo who provided his views on the shameful incident. This is not surprising and further evidence of the silent plague of racism against Blacks in China is revealed by Yu Chao (2005), who writes, “It seems pretty difficult for a black person to live in China. My friend’s African friends know it could take a long time to get home from a social outing. That’s because many taxis speed up, instead of slowing down whenever they see black people” (p. 1). Yu Chao (2005) provides us with the experience of a young black man by the name of Jean-Marc Agnero, son of two diplomats who has been living in Beijing for many years. Regarding his experience of racism, the young man comments, “If I’m standing by a white person, a taxi driver will pass me by and stop in front of the white guy” (p. 1). According to the young man, who inquired why taxis would not stop for him, he inquired from a middle-aged man who told him, “Black people are poor and the men are usually really big and intimidating looking. So that’s why taxi drivers don’t like to pick them up. Sometimes they don’t pay” (p. 1).

The above clearly demonstrates that there is a problem of racism in China which is deeper than what is being communicated by many expatriate black workers to managers, families, and friends. The young man being interviewed by Yu Chao (2005) communicates that racism toward Blacks seems to develop overtime as he remarks, “When I first got here the Chinese were impressed to see black people. We’re new to them…“they used to touch my hair and skin. Some of them touched my skin to check if it was dirty” (p. 1). There is a clear difference between racism and curiosity and this quotation reflects that difference. Some Asians will be naturally curious having never met or seen Blacks in person, while others with learnt racism will react in the expected racist ways that have defined this negative value for centuries.

Implications for Business and Professional Development

Business owners and managers must understand the changes that are taking place on the Asian continent and region. They must not only strive to understand the economic, political, and legal issues, but must understand the cultural and social aspects of the society and the emerging issues from global convergence of different values, behaviors, races, attitudes, and customs. They must understand that there are problems and challenges that will emerge that are difficult to address and resolve because of factors of resistance to change present in many Asian societies, unwillingness to change and become more tolerant, and lack of education. Recognizing that there are social problems, business leaders and managers must be prepared to deal with these issues by educating and training their employees to handle cultural and social differences.

Leaders and managers of corporations must develop programs and discuss these issues, especially those concerning race and diversity with native Asian company owners and managers.
so that they can effectively address them. Businesses nowadays depend highly on having a diverse clientele and effective and efficient processes. However, most important are the individuals behind these processes since human capital is the real measure of wealth in many organizations. When the issue of racism against any group of people as described above enters into business or industry, there is potential for deep rooted conflict and increased room for misunderstanding. Where such deep form of discrimination exists productivity will decrease because of hostility and underestimation of a particular group based on color of skin and other stereotypes. In addition, teamwork and other collaborative efforts suffer in environments where racism develops, grows, and prevails.

Asian companies need to become more diverse and tolerant in their outlook and views of non-Asians, and especially Blacks. They need to understand that race is not a measure of capacity, outlook, ability or the like and recognize that diversity is good for business as it fuels idea generation and growth. Racism can destroy business opportunities for companies and individuals and can result in backlash from activist organizations that advocate for tolerance and acceptance. Leaders and managers in China have a great job ahead of them and must become more universal and compassionate in their outlook and treatment given to others. Companies from Western countries must communicate the standards of human rights and respect they embrace in doing business and refuse to do business with companies that discriminate against certain groups because race and other factors.

**Recommendations**

Asian managers, especially Chinese and Korean, must practice diversity management. Managing diversity means being aware of characteristics common to employees, while also managing employees as individuals (Sherman, Bohlander, & Snell, 1998). Recognizing and promoting diversity means that Asian managers and leaders must actively work to encourage, support, tolerate, and accommodate variety or all sort of differences by utilizing and nurturing these differences to create advantages for their organizations. Diversity should be seen as a source of competitive advantage and U.S. and foreign companies must not compromise on human dignity and rights simply to earn money. They need to inform their Chinese and Korean or Asian business partners that they should not practice racism or discriminate against Blacks.

One of the interesting things that managers and government leaders can do is set regulations against racism and become more prominent on issues of equality and social justice in their societies. When countries such as China which leads Asia economically and politically decides to change its stance on human treatment and encourage its people to be diverse things will start to get better. Business leaders who can find the opportunity to do so must encourage the Chinese and Korean, as well as other governments to address the issue and make provisions where possible to dissuade individuals from racial actions and hostility. Education and diversity awareness are important factors in raising social tolerance and overcoming misunderstandings.

Western companies must refuse to do business with Asian companies that have a policy of discriminating against people because of the color of their skin. They must communicate their equal opportunity belief and philosophy to their Asian business partners and encourage them not to discriminate against people who are disabled or of another skin color or culture other than their own. Educating workers and business partners on diversity acceptance and tolerance can go a long way in affecting company prosperity as individuals do not develop resistance to social interaction and teamwork needed to complete essential tasks. The greatest efforts in addressing issues of social and racial discrimination will be those enforced and advocated by Asian
governments in the region and corresponding countries in an effort to promote cooperation and embrace change.

References

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Donovan A. McFarlane is Founder and Director of The Donovan Society LLC, and Professor of Business Administration and Business Research Methods at Frederick Taylor University in Moraga, California. Dr. McFarlane is the co-author of the book, *The State of Business Schools: Educational and Moral Imperatives for Market Leaders* (2010). He is published in several peer reviewed journals and has served as Dissertation Competition Reviewer for the Society for Marketing Advances (2009), is Advisory Director to the Franklin Publishing Company, and has worked for several years as an Adjunct Professor in business studies, and University Tutor in business and multidisciplinary studies. Dr. McFarlane holds degrees and significant qualifications in several fields including educational leadership, international business, and business administration, among others.