

# Abstract

Today, corruption belongs to particularly topical issue, especially in connection with China, because it has destructing impacts on the overall investment climate in every country, it limits innovations and investments in education. The rate of corruption in China is labeled as critical by the international community. But this appraisal derives from the principles and values of western market economies and does not take into account the Chinese cultural differences and distinct ethical perception of the world. There is no universal definition of corruption. It is a very dynamic element, which stems from particular social-politic situation of every economy and it depends on many factors. China is a traditional relationship economy. The whole society is based on hierarchical system of relationships, which is the basis for necessary harmony among people and for moral values. This thesis tries to evaluate the rate of corruption in China in respect of the Chinese ethical perception of the world. Firstly it defines Chinese traditional values and the way of doing business in China. Further it describes guanxi contacts, which are the cornerstones of relationships in China. Guanxi is a phenomenon, which penetrates through the whole Chinese society and encompasses among others the relationships among businessmen and also between businessmen and public officials. Interconnection between private and public sectors implies a great risk of corruption emergence, which the third part of the thesis is focused on. However, guanxi and corruption cannot be mixed up. Providing that the clearly defined rules and moral principles of guanxi are respected, presence of guanxi contacts is from the Chinese point of view unambiguously ethical. The thesis further examines the future of guanxi relationships with regard to the penetration of market elements into the Chinese economy, the establishment of modern law and also anticorruption fight.