

Learning from the Jainism: A Review of Jain Ethical Doctrines and Their Financial Relevance

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ABSTRACT

Jainism, an ancient Indian philosophy, offers a profound ethical framework with significant relevance to contemporary financial and business practices. This review paper explores the core ethical doctrines of Jainism—primarily Ahimsa (non-violence), Aparigraha (non-possessiveness), and Satya (truthfulness)—and examines their application in the modern economic sphere. The paper's objective is to synthesize existing literature to understand how these principles can inform and guide ethical finance, corporate social responsibility (CSR), and sustainable corporate governance. The methodology for this review is qualitative, involving a comprehensive analysis of academic literature, philosophical texts, and case studies that link Jain values to business ethics. The review of literature delves into the foundational concepts of Jain ethics, including the theory of Karma, and their historical and modern interpretations. It then connects these doctrines to financial relevance by discussing their impact on ethical leadership, responsible wealth management, and investment decisions. The discussion section synthesizes these findings, arguing that Jain ethics provide a compelling alternative to purely profit-driven models, promoting a balance between economic goals and social-environmental well-being. The paper concludes that the integration of Jain ethical principles offers a robust pathway for businesses and financial institutions to navigate the complex challenges of the modern corporate landscape, fostering a culture of integrity, accountability, and long-term ethical profitability.

Keywords: Jain Ethics; Ethical Finance; Ahimsa; Aparigraha; Sustainable Finance, Financial relevance.

1. INTRODUCTION:

Jainism is an ancient religion rooted in a philosophy that teaches a path to spiritual purity and enlightenment through disciplined practice.⁶ Central to this path are the five main vows, or *Panchmahavrata*: Ahimsa (non-violence), Satya (truth), Asteya (non-stealing), Brahmacharya (sexual continence), and Aparigraha (non-possessiveness)⁷. These principles constitute a comprehensive ethical system that has guided the Jain way of life for millennia, influencing everything from diet to social interactions. In an era marked by recurrent financial crises, corporate scandals, and growing concerns about environmental degradation and social inequality, these ancient doctrines are gaining renewed attention for their potential to inform a more ethical and sustainable economic paradigm.

Jain ethical doctrines provide a robust and highly relevant framework for modern financial ethics, promoting sustainable and responsible corporate practices. The core principles of Ahimsa (non-violence), Aparigraha (non-possessiveness), and Satya (truthfulness) serve as a powerful moral compass for business and finance¹. Ahimsa guides businesses and investors to avoid

industries and practices that cause harm to any living being or the environment, aligning directly with the principles of ethical and sustainable investing¹. Aparigraha challenges the conventional pursuit of limitless wealth accumulation, advocating for responsible wealth management, moderation, and philanthropy, which are cornerstones of corporate social responsibility (CSR)²¹. Satya reinforces the need for transparency, integrity, and fairness in all financial dealings, building the trust that is essential for healthy market function³. Research indicates that integrating these values fosters ethical leadership and an "organic" corporate culture characterized by trust and openness, which correlates with enhanced financial and non-financial performance, including profitability, corporate image, and stakeholder satisfaction^{4,5}. Therefore, learning from Jain ethics offers a viable path to harmonize profitability with social and environmental responsibility, addressing many of the moral shortcomings evident in the contemporary financial landscape.

The conventional financial world has often been criticized for its myopic focus on short-term profitability and shareholder wealth maximization, sometimes at the expense of broader societal and environmental welfare^{8,4}. The aftermath of events like the 2008 global financial

crisis has spurred a search for alternative models that integrate ethical considerations more deeply into corporate and financial decision-making. It is in this context that the ethical framework of Jainism presents a compelling and timely resource. The principles of non-violence, non-possessiveness, and truthfulness offer a moral compass that can guide businesses toward practices that are not only profitable but also socially responsible and environmentally sustainable.

This review paper aims to explore the profound connection between Jain ethical doctrines and their financial relevance. It seeks to provide a comprehensive overview of key Jain principles and analyze how they can be applied to modern business ethics, corporate social responsibility (CSR), ethical investing, and corporate governance. By examining the existing body of literature, this paper will demonstrate that learning from the Jains is not merely an academic exercise but a practical pathway toward building a more just, resilient, and humane economic system.

Review of Literature

The body of literature exploring the intersection of Jainism and financial ethics is growing, reflecting an increasing interest in faith-based approaches to contemporary economic challenges. This review synthesizes findings across several domains, starting with the core ethical doctrines of Jainism and then moving to their specific applications in the financial world.

Core Jain Ethical Doctrines and Their Foundations

The ethical framework of Jainism is deeply intertwined with its cosmology, particularly the concept of karma. In Jainism, karma is understood as a physical, material substance that adheres to the soul (*jiva*) as a result of actions driven by passions like aversion and attraction². The ultimate goal is to purge this karmic matter and achieve liberation (*moksha*) from the endless cycle of rebirth. This soteriological aim provides the ultimate motivation for ethical conduct. The five great vows (*Panchmahavrata*) are the primary tools for achieving this purification.

Ahimsa (Non-violence) Ahimsa is the paramount principle in Jainism, defined as absolute non-harm in thought, word, and deed to all forms of life¹². This is not merely a passive principle but an active practice of compassion and reverence for all living beings, which are believed to possess a soul. In its strictest form, practiced by ascetics, it involves measures to avoid harming even microscopic organisms². In modern interpretations, Ahimsa extends to a global ecological ethos, advocating for the protection of the environment and opposing practices that exploit nature^{9,10}. This doctrine forms a strong basis for non-violent economic practices, steering businesses away from industries that cause direct or indirect harm, such as weapons manufacturing, animal slaughter, and environmentally destructive activities¹.

Aparigraha (Non-possessiveness) Aparigraha is the principle of non-attachment to material possessions and the cultivation of a non-materialistic attitude. It directly challenges the consumerist and accumulative mindset that

drives much of modern capitalism. The practice of Aparigraha varies between the two main Jain sects:

Digambara Tradition: This sect interprets Aparigraha in its most literal sense, with monks renouncing all possessions, including clothing, to signify complete detachment from the material world.

Shvetambara Tradition: This tradition places greater emphasis on the internal attitude of non-attachment, arguing that one can practice Aparigraha while still possessing basic necessities.

In the context of finance, Aparigraha advocates for responsible wealth management, discourages greed, and promotes the use of excess wealth for philanthropic purposes and the welfare of society. It encourages businesses to focus on creating genuine value rather than pursuing profit at any cost.

Satya (Truthfulness) Satya is the vow of truthfulness, demanding honesty and integrity in all dealings⁶. In Jain thought, truth must always be accompanied by Ahimsa, meaning it should be spoken beneficially and without causing harm. In the financial realm, Satya translates to transparency in financial reporting, fair contracts, ethical marketing, and accountability to all stakeholders¹. It builds trust, which is the bedrock of any stable and functioning economic system⁸.

Anekantavada (The Doctrine of Many-sidedness) Beyond the five vows, the Jain doctrine of *Anekantavada*—the principle of many-sidedness or multiplicity of viewpoints—has profound ethical implications. It posits that reality is complex and can be viewed from multiple, partial perspectives, none of which holds the complete truth². This fosters "intellectual Ahimsa" by promoting tolerance, open-mindedness, and dialogue. In a business context, it encourages leaders to consider the diverse perspectives of all stakeholders (employees, customers, community, environment) rather than focusing solely on the shareholder's viewpoint, laying a philosophical foundation for stakeholder theory.

Financial Relevance and Corporate Application

The literature demonstrates a strong and practical connection between these Jain doctrines and various aspects of modern finance and corporate management.

Corporate Social Responsibility (CSR) and Ethical Governance Jain ethics provide a robust philosophical underpinning for CSR. The concept of CSR has evolved from a narrow focus on profit to a broader social contract where businesses are responsible for their impact on society and the environment¹². Jain principles align perfectly with this evolution.

Ahimsa guides companies to minimize their negative externalities and engage in activities that promote well-being.

Aparigraha encourages firms to look beyond profit and contribute to community development and social welfare through philanthropy and fair resource allocation.

Satya ensures that CSR initiatives are genuine and transparent, not merely a marketing gimmick.

Studies show that companies integrating such ethical principles into their governance enhance their reputation, stakeholder trust, and long-term success¹³. Furthermore, CSR practices are shown to be a mediator between ethics programs and employee job satisfaction, indicating that a socially responsible culture leads to a more positive work environment¹⁴.

Ethical Leadership and Corporate Culture The implementation of ethical principles hinges on ethical leadership. An ethical leader demonstrates and promotes "normatively appropriate conduct" through communication, reinforcement, and decision-making⁵. Research confirms that ethical leadership is a significant moderator that boosts the positive impact of CSR on both financial and non-financial performance, such as corporate image and customer satisfaction⁵.

A study on financial professionals post-2008 meltdown found that organizations can be classified into "mechanistic" (structured, regulated, authoritarian) and "organic" (democratic, open, trusting) value clusters. Organic organizations, whose values resonate with Jain principles of trust and openness, reported significantly higher levels of ethical behavior, CSR, and overall corporate performance, including profitability⁴. This provides strong empirical evidence that adopting an ethical, Jain-aligned corporate culture does not necessitate a sacrifice in financial performance.

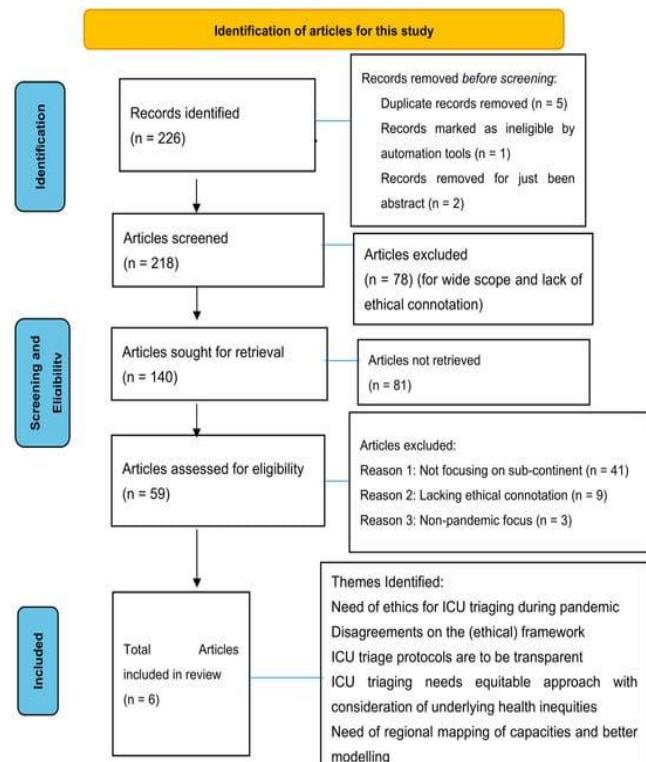
Organizational Value Cluster	Characteristics	Impact on Ethics, CSR, and Performance
Organic	Encouraging, stimulating, enterprising, equitable, collaborative, trusting, creative, driving, sociable.	Significantly higher reported levels of organizational ethics, CSR, and corporate performance (profit, market share, user satisfaction) ⁴ .
Mechanistic	Procedural, hierarchical, structured, ordered, regulated, cautious, authoritarian.	Associated with lower perceived ethical behavior and CSR. The mechanistic factor score was not a significant predictor of profit or market share ⁴ .

Ethical Investing and Sustainable Finance Jain doctrines naturally lead to a framework for ethical investing. This involves screening investments to exclude companies involved in activities that violate Ahimsa, such as the production of alcohol, tobacco, meat, and weapons. It also encourages investments in companies that demonstrate strong environmental stewardship and positive social impact. This approach predates and aligns with the modern concepts of Socially Responsible Investing (SRI) and Environmental, Social, and Governance (ESG) criteria. The principle of Aparigraha also influences investment behavior, cautioning against speculative, high-risk ventures driven by greed and favoring long-term, stable investments that create tangible value¹⁵.

Research Methodology

Research methodologies in ethical finance often involve systematic literature reviews and bibliometric analyses to map trends, identify key themes, and uncover research gaps. These studies typically utilize databases like Scopus and Web of Science, analyzing publications over specific timeframes to understand the evolution of the field. For example, one review of ethical finance research published between 1987 and 2020 highlighted influential countries, institutions, journals, authors, and keywords 17.

An illustrative example of such a review methodology is depicted in a flowchart for identifying articles for a study on ICU triage processes, starting with an initial identification of records and systematically removing duplicates and ineligible articles through screening and full-text assessment, ultimately leading to a set of included articles for review 35. This systematic approach ensures a rigorous and comprehensive analysis of the literature.



This review paper adopts a qualitative research methodology, centered on a comprehensive review and synthesis of existing literature. This approach is well-suited for exploring the philosophical depth of Jain ethical doctrines and their application in the complex, context-dependent field of financial ethics. The primary methods employed are:

Literature Review: A systematic review of scholarly articles, books, and conference papers was conducted. The sources were drawn from databases in philosophy, religion, business ethics, and finance. This method allows for the consolidation of established knowledge, identification of key themes and debates, and the construction of a theoretical framework linking Jain principles to financial practices. The review encompasses both primary Jain texts and secondary scholarly interpretations to ensure a robust understanding of the doctrines.

Case Study Analysis: The paper incorporates findings from existing case study analyses found within the literature. Case studies of businesses influenced by Jain principles or leaders provide concrete examples of how these ethical doctrines are translated into corporate strategy, decision-making, and culture. Similarly, analyses of major ethical failures in the financial industry, such as the 2008 crisis, serve as contrasting cases that highlight the urgent need for the very principles Jainism espouses.

Thematic and Conceptual Analysis: A thematic analysis was performed on the collected literature to identify recurring concepts and patterns. This involved coding and categorizing information related to core Jain doctrines (Ahimsa, Aparigraha, Satya, Anekantavada) and their financial relevance (CSR, ethical leadership, sustainable finance, corporate performance). This method helps in structuring the review and drawing connections between disparate sources to build a coherent argument.

This qualitative and analytical approach ensures both breadth and depth, aligning with the goal of critically examining the financial relevance of Jain doctrines. It allows for a nuanced exploration of how these ancient philosophical ideas can be practically and beneficially applied to address the ethical dilemmas of the modern economy.

Discussion

The synthesis of Jain ethical doctrines and their demonstrated relevance in contemporary financial literature reveals a powerful and coherent framework for a more sustainable and responsible economic system. The discussion here centers on the profound alignment between Jain principles and the modern quest for ethical finance, the practical implications for businesses, and the challenges of implementation.

The core principles of Ahimsa, Aparigraha, and Satya offer a compelling antidote to the narrowly self-interested and materialistic worldview that has been blamed for many ethical lapses in the financial industry. While conventional finance theory, rooted in agency theory, often assumes self-interest and opportunism, Jainism proposes a worldview based on compassion, moderation,

and integrity. The doctrine of Ahimsa, extending care to all living beings and the environment, provides a moral imperative for what is now termed ESG (Environmental, Social, and Governance) investing. It moves the conversation from mere risk mitigation to a positive duty of care. Similarly, Aparigraha directly confronts the logic of endless growth and accumulation, advocating for a circular economy and a focus on well-being over sheer wealth. This is not an anti-profit stance but a call for "rightful" profit that is earned without exploitation and is shared for the common good.

The practical implications for businesses are significant. As demonstrated by the study on corporate value clusters, firms that embody "organic" values of trust, openness, and collaboration—values that are deeply consonant with Jain ethics—tend to be more ethical, socially responsible, and, crucially, more profitable. This finding challenges the Friedmanian dogma that a business's only social responsibility is to increase its profits. Instead, it suggests that profitability and social responsibility are not mutually exclusive but can be mutually reinforcing. Ethical leadership, which is essential for embedding these values, acts as a catalyst, amplifying the positive effects of CSR on corporate performance. Businesses that adopt this framework can expect to see enhanced brand reputation, greater customer and employee satisfaction, and a more resilient long-term business model.

However, the implementation of Jain ethics in a globalized, competitive capitalist system is not without challenges. The primary tension lies between the ascetic, world-denying roots of some Jain practices and the inherently worldly, profit-seeking nature of business. A simplistic application of ascetic ideals could be impractical. The key, as suggested by the literature, is to focus on the underlying *attitude and spirit* of the principles. For example, Aparigraha for a householder or a business does not mean renouncing all possessions, but rather practicing non-attachment, avoiding greed, and using resources responsibly and charitably. Similarly, Ahimsa in a complex supply chain requires diligent effort to minimize harm, rather than an unrealistic expectation of zero impact.

Another challenge is the prevailing corporate culture in many sectors, which may reward aggressive, short-term-focused behavior. Shifting this culture requires committed leadership and structural changes in incentives and performance evaluation 14. Education is also critical. The finding that many banking and finance programs in Australia still lack robust ethics education highlights a systemic gap 8. Integrating philosophies like Jainism into business school curricula could help cultivate a new generation of leaders with a more holistic and ethical mindset.

Ultimately, the Jain approach offers a "middle path" in the discourse on business ethics. It avoids the pitfall of a purely instrumental view of ethics (i.e., being ethical only because it is profitable) by grounding ethical behavior in a profound spiritual and cosmological framework. At the same time, it is not an otherworldly philosophy divorced from practical realities. The historical success of the Jain community in business and trade is a testament to the fact

that ethical conduct and worldly success can go hand in hand. The Jain ethical framework, therefore, provides not just a set of rules, but a transformative vision for finance—one that redefines success in terms of holistic well-being for all.

Conclusion

This review has demonstrated that the ancient ethical doctrines of Jainism offer a timeless and remarkably relevant framework for addressing the multifaceted challenges of the modern financial world. The core principles of Ahimsa (non-violence), Aparigraha (non-possessiveness), and Satya (truthfulness), along with the epistemological humility of Anekantavada (many-sidedness), provide a comprehensive moral compass for navigating the complexities of contemporary business and finance.

The literature synthesis reveals a clear and compelling alignment between Jain ethics and the growing global movement toward sustainable and responsible capitalism. Jain principles provide a strong philosophical foundation for Corporate Social Responsibility (CSR), ethical investing, and sustainable corporate governance. By promoting compassion, moderation, integrity, and a multi-stakeholder perspective, these doctrines guide businesses to operate in a manner that is not only economically viable but also socially just and environmentally sound. The evidence suggests that organizations embracing such an ethos, fostered by ethical leadership, can achieve enhanced financial and non-

financial performance, debunking the long-held myth that ethics and profits are inherently at odds.

While challenges remain in translating these deep-seated philosophical ideals into a global economic system often driven by short-term incentives, the potential rewards are immense. Learning from the Jains is more than an academic inquiry; it is a practical call to action. It invites businesses, investors, policymakers, and educators to reimagine the purpose of finance and to build an economic system that values holistic well-being, fosters trust, and respects the profound interconnectedness of all life. In doing so, a Jain-inspired approach to finance can contribute significantly to creating a more resilient, equitable, and sustainable future for all.

In conclusion Jain ethical doctrines—particularly *Ahimsa*, *Aparigraha*, and *Anekāntavāda*—offer a robust and timely framework for addressing the ethical shortcomings and sustainability challenges within the financial sector 2103. While the theoretical alignment is strong, future research must focus on empirical studies to demonstrate the tangible benefits and practical implementation of these principles in real-world financial contexts. This includes developing concrete methodologies for integrating Jain ethics into investment strategies, corporate governance, and the ethical design of emerging technologies like AI in finance. By embracing the wisdom of ancient traditions such as Jainism, the global financial system can move towards a more equitable, sustainable, and ethically sound future.

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