



A STUDY OF THE ISLAMIC BUSINESS MORAL PRINCIPLES

Dr. Ishtiaque Ahmed

Associate Professor, Dept. of Commerce, Purnea College, Purnia (Bihar)

Abstract:

The purpose of this article is to show the business beliefs view in Islam. We have presented the various repeatedly verses from Holy Quran and teachings of the Prophet (SAWA). Most of the Muslims are overlooked the right standard of the business practices which basically the divine book mentioned. These principles are simple such as business sincerity, fair transactions between the parties, humanity in business agreement and contracts, rational treatment with workers, common respect and legitimate business practices etc. Being Muslims we have to follow the system and parameter for business dealings which stated by Islamic jurisprudence the business will continue its image and will be able to stay alive.

Keywords: Islam, Moral Principles, Quran, Hadith

I. INTRODUCTION

The whole pillar of business in Islamic countries basically depends on the basics and moral principles of Islamic ideology. Islamic monotheism is the soul of all dealings and transactions. Allah (SWT) has clearly mentioned in His book all the related acts which should perform by sellers or merchants while making or dealing with buyers or customers. Holy prophet states “the hypocrite is not a promise person if he makes promise he breaks it and if he makes compact, he act disloyally” (Bukhari, hadith No: 32). In Holy book we can read different verses like “And O my people, Give full measure and weight in justice and reduce not the things that are due to the people, and do not commit mischief in the land, causing corruption.(Hud, part 12, verse,85.) “Give full measure and cause no loss to others” And weigh with the true and straight balance.” (Verse no: 181,182) “And defraud not people by reducing their things, nor do evil, making corruption and mischief in the land.”

Here we shall discuss shortly about those beliefs and philosophy which Islam authorizes in business dealing and which comes under the scope of business ethics.

1. Faith
2. Rightful wealth on acquiring property.
3. Order to spending
4. Zakat
5. Parsimony (thriftiness)

6. legalized earning
7. Sincerity in business transactions.
8. Kindness in business contacts.
9. Fulfilling all business obligations.
10. Reasonable handling of staff.
11. Common respect.
12. Plain business transactions.
13. Purchasing, and buying fairly.

Faith:

Trust should be the first belief for every Muslim, because the faith on Tuhaid (monotheism) is the basic steps for all dealings and actions. There are three aspects of Islamic monotheism. Oneness of the lordship of Allah, to believe that there is no Lord except Almighty Allah; He is alone the creator, sustainer, planner of the universe and all that exist. Oneness of the worship of Allah, to believe that none has the right to be worshiped but Alone Allah. Oneness of the names and qualities of Allah, we must not qualify Allah except with what He or His Messenger has named or qualify him” (M.Muhsim khan, M.T.Al-Hilali, 1999).

Allah says in the noble Quran “And subjected to you all that is in the heavens and all that is in the earth, it is all as a favor and kindness from Him. Verily, in it are signs for a people who think deeply” (surah 45, part 25, verse no, 13.)

“Such is Allah, your lord, none has the right to be worshiped but He, the Creator of all things, so worship Him (Alone), and He is the Trustee, disposer, of affairs, Guardian over all things,”(surah 6, part,7, verse no 102.) and other place Allah the Almighty says “Verily We have sent down the Book o you (O Muhammad (sws) in truth: so worship Allah (Alone) by doing religious deeds sincerely for Allah’s sake only.”(Surah 39, part 23, verse no 02.) Similarly in several other places in the noble Quran we can see about the lesson of monotheism such as in surah no 01, verse no 05, part 01, surah no 02,part no 01, verse no 138, surah no 03,part 03, verse no 30,surah no 07, part 07, verse no 29, surah no 13,part 13, verse no36, surah no 16,part 14, verse no 120, surah no 22, part 17, verse no 31, surah no 24, part no18, verse no 55, surah no 29, part 20, verse no 17, surah no 30, part no 21, verse no 28, surah no 40, part no 24, verse no 14.

Rightful wealth on acquiring property:

The second main thing which Islam allow to his followers is rightful source of wealth and property, if some one earning so they must discriminate between lawful and unlawful source of income, this discrimination is based on such criteria that if one person earning and the other person suffering loss so Islam does not permit such kind of earning and transaction, Islam only allow those transaction in which both the parties have the benefit and their free consent. Because Islam wants impartiality between dealings. (Mawdodi, 1974)

As Allah Almighty says in His noble Quran “O you believe, Eat not up your property among yourselves unjustly except it be a trade amongst you, by mutual consent, and do not kill yourselves,. Surely, Allah is Most Merciful to you.” (Surah 04, part 05, verse no, 29.)

“And whoever commits that through aggression and injustice, we shall cast him into the fire, and that is easy for Allah.”(Surah 04, part 05, verse no, 30.) “And in their properties there

was the right of the beggar who asks and the poor who does not ask others” (surah 51, part 26, verse no 19.)

Similarly on other places on the noble Quran we can study about the property such as, surah 2, p.2, v.188, surah 3,p.4,v.186, surah no 4, p.4 v.5 and 7, surah no,59,p.28,v.7and9, surah no 70,p.29,v.25.

Order to spending:

The basic teaching of Islam tells us about spending and not collection of money, but here the purpose of spending is not that a man must spent on his or her luxury and spam works but the main point is when a person saved more than from his needs so then it is obligatory to spent that excess amount or money on the way of Allah (sake of). So Islamic concept here is totally different than other secular concepts, here Islam says if one spend for the sake of Allah, his wealth increase, and there will be blessing on his property and wealth and Allah will give him recompense. We can find a several verses in the Holy Quran in which Allah ordained to spend for His sake and He will require for.

Allah says in the Quran “And they ask you about what they ought to spend. Say: “that which is beyond your needs.” (Surah 2, p2, v 219.)

“Satan threatens you with poverty and orders you to commit Fahsha (evil deeds); whereas Allah promises you forgiveness from Himself and Bounty, and Allah is All Sufficient for His creatures needs, All Knower.”(Surah 2, p2, v 268.)

“And whatever you spend in good, it will be repaid to you in full, and you shall not be wronged.” (Surah 2, p2, v 272.)

“Allah will destroy Riba (interest) and will give increase for Sadaqat (charity, alms), and Allah likes not the disbeliever, sinners.” (Surah 2, p2, v 276.)

Similarly in surah no 02, p2 v.280, surah no 02, p2 v.264, 265, surah no 02, p2 v.271, surah no 02, p2 v.267, surah no 02, p2 v.264, surah no 30, p21 v.39, surah no 35, p22 v.29, 30, surah no 51, p2 6v.19, surah no 04, p05 v.36. Quran also teaches us about to spend for the sake of Allah.

Zakat: (a contribution from wealth in the way of Allah)

Islam prohibits earning only for self and not caring the poor people in the society. Islam prevents the concentration of wealth in few hands but ensures the distribution among the poor people in a prescribed rate. Zakat (an contribution from wealth in the way of Allah) will be collected from all those who are involved or engaged any productive business activity or having excess money or holding assets for a period of not less than one year. Islam ensures the best of social security and bring Cooperation with the rest of the community members. (Habib Ur ehman, 2003.)

Because zakat purifies the wealth and bring prosperity in a state and efface the concept of socialism and capitalism in which wealth comes under the control of one hand. In various places in the noble Quran Allah Almighty says “take Saddaqa from their wealth in order to purify them” (surah 09, verse no 103, part no 10). And other place Allah says “ As – Sadaqat are only for poor Al Masakin, and those employed to collect and to attract the hearts of those who have been inclined, and to free the captives, and for those in debt, and for Allah’s cause. (Surah 09, verse no 60 part no 10). In surah Baqara Almighty orders “Establish worship and pay the

poor due (give zakat), (verse no 43.) “Perform As-Salat and give zakat (poor due) and that is the right religion.”(Surah 98, verse no 05, part no 30.) We can also find several verses in the Holy Quran in which Allah have cleared about the ZAKAT, for example we can see the following verses in the noble book. In surah no 73, part no 29, verse no 20, surah no 58 , part no 28 , verse no 13, surah no 41 , part no 24 , verse no 0 , surah no 33, part no 22, verse no 33, surah no 31, part no 21, verse no 04, surah no 27, part no 19 verse no03,no surah no 24, part no 18 , verse no 37, surah no 23, part no 18 verse no 04, surah no 22, part no 17, verse no 41, surah no 21, part no 17 verse no 72, surah no 19, part no 16 verse no 31, surah no 09 , part no 10 verse no 05 , surah no 05 , part no 06 verse no 12, surah no 04, part no 05 verse no 77, surah no 02 , part no 01 verse no 43.)

The main object of zakat and charity is to help those people who do not beg of people at all. In one hadith narrated by Abu Hurairah: the prophet said seven people will be shaded by Allah under shade on the day of resurrection among them one will be he who practices Charity so secretly that his left hand does not know what his right hand has given”. (M.Muhsim khan, M.T.Al-Hilali, 1999)

Parsimony (thriftiness):

Islam also prohibits Muslim from spending spam and not like a prodigal person. Islam orders to every Muslim to spend according to their needs and they must keep up the concept of parsimony. Those who are extravagant, spendthrifts and niggard persons are not like in Islam. This lesson of Islam tell us about if one person who having sufficient money and spending more than form his need may be a chance to becomes poor and nor permits any person who do act of niggardly or become a meager and do not spend to fulfill his needs but like those who go between these two way. Islam has also closed all the doors of extravagance and made clear rules and regulation for all the things which breaks down the equal distribution of wealth. Islam proscribes all those activities which brings and creates spiritual and moral problems. Allah Almighty says in his book “And those who, when they spend, are neither extravagant nor niggardly but hold a medium (way) between those.” (Surah no 25, part no 19, verse no 67.) In other place Allah says “verily, the spendthrifts are brothers of the Shayatin (devils) and the Satan is ever ungrateful to his Lord”.(surah no 17, part no 15 verse no 27.) so we can find several other interpretations of Fiege in different verses of the Holy Quran. Such as Surah no 07, part no 08, verse no 31, Surah no 17, part no 15 , verse no 26 and 27, Surah no25 , part no 19 , verse no 67 , Surah no 04 , part no 04 verse no 06 , Surah no 06, part no 08 , verse no 141.

Legalized earnings:

Islam emphasis on legitimate and Halal earning. There is no compliance in Islam for those business men who conduct their business dealings through unlawful and unligitemate means and earns profit. Islam permits only for legitimate business as Quran tells us, “O you who believe: Eat not up your property among yourselves unjustly except it may be trade among you by mutual consent” (part no 5, surah no 4 verse no 29.)

In surah Al-Baqarah ALLAH says “These are they who have purchased error for guidance, so their commerce was profitless. And they were not guided”(S.2,P.1,V.16.) we can also study Ahadith in which Prophet has clearly mentioned the importance of legitimate earning, one day

some one asked from Holy Prophet about best sort of gains, Prophet said, a gain which a man work with his hands, and all legitimate activities.(Ahmad, 1576.)

Every Muslim business men should aware from all lawful means of business and dealings. Because once Holy Prophet said, A time will come upon people when they will not differentiate what they earned is legitimate or unlawful” (Bukhari, 1941.) Islam forbids tyrannical dealing such as Riba (interest) and condemns it, Holy Quran says “Allah has permitted trading and forbidden Riba” (s.2 p.3 v.275.) the prophet said “may Allah send down His curse all the persons who uses, pays, witnesses and write down the Riba” (Ahmad. 624), Almighty ALLAH says, “eat up not one another’s property unjustly (stealing, robbing, deceiving etc.) and nor give bribery to the rulers” (s.2.p, 2 v.188.) so we can see from the above verses and Hadith that how Islam strictly forbids unlawful dealings and business.

Sincerity in business transactions:

Honesty in business dealing is also move up in Islam. There should be clear dealing between seller and buyer. If seller sells his goods or things on fake basis then he will be guilty for that. Islam condemns all fraudulent business dealings. The prophet (SAWS) in several Ahadith also prohibited his followers from doing such practices. The seller and buyer must be honest in dealings there would be no other motive which make a transaction fraudulent and in which both become guilty.

Allah almighty says in His book “woe to those who give less in measure and weight (AL-Mutaffifin). Those who, when they have to receive by measure from men, demand full measure. And when they have to give by measure to other men give less than due. Do they not think that they will be resurrected, on a great day” (s no, 83. p no, 30. v1-6.) In surah Nisa verse no 29, Quran says” o you believe, eat not up your property among yourselves dishonestly except it be trade amongst you, by mutual consent”. The prophet (SAWS) said “he who deceives is not of us” other place the prophet said “the honest merchant will be rewarded on the day of judgment with prophets, pious people and martyrs” (Tirmidhi, 1130.) Honesty in business not mean that the seller always swear by the name of Allah for his transaction if he does so he doing wrong (Ahmad 14982).so we can find a lot to verses and Ahadith of the prophet. Some of the verses of the holy Quran may also emphasis on honesty such as. S.n0 02, p. 01 verse no 42, s.no 03, p 03, verse no71, s.103, p, 30, v03, s, 33, p21, v, 08,s,04,p,05,v,107.,s, 08,p,09,v2, . ,s, 08,p,10,v58, s,22,p1,v38.

Kindnesses in business contacts:

Islam emphasis that one should be soft and flexible in business transaction. The dealing between buyer and seller should be on humanity basis. Both the parties either they will creditors or debtors should free to demand his money back. Islam is strictly prohibited from hard words and harsh language in business dealing. The Allah messenger said “may mercy be on him who is soft and decent in his dealing with others” several verses from the holy Quran shows that hard words and language must not be used while dealing or talking with others Allah says in His book “And be moderate in your walking and lowering your voices”(s, 31 p, 21, v 19.) the prophet said “give him the best thing the best amongst you” (Muslim 3002).

Fulfilling all business obligations:

Islam strictly emphasis on fulfilling all promise because in one Ahadith prophet has reported to said: one who not fulfills his promise is a trait of hypocrite” by fulfilling promise and contact is an important thing for traders because no one can be trustworthy if he is not fulfilling his deeds. In other place the prophet said “Muslims are bound by their stipulations” if we study the holy Quran we can find a several verses which tell us about fulfilling promises surah 5 Allah Almighty says” O you who believe fulfill your obligations”(p.6,v1) we can also study about fulfilling of promise from the holy book such as in surah 53, part 27, v 37, s 68, part 29 v,39, s,21 p 17 v09, s 39 part 24 v 74, and s 48, part 26 v 10. All the things between the parties either seller or buyer must be cleared and fulfilled and not lead to any dispute and discrepancy.

Reasonable handling of staff:

Prophet (SAWS) said” the wages of the workers must be paid before the sweat dries upon his body” (Majah 2434). And other place said” I will be opponent to those persons on the day of resurrection who does not give him his due to a person who have finished work for him” Islam also teach us to give your brother as you self eat, drink as u self drink wear as u self wear and think as u self think for your self and family. This is the responsibility of the employer that he should provide all the basic things that is give him fair wages, provide him good working condition, and treat him ethically. This way Islam encourages and builds up the guts of love.

Common respect:

Give respect to others in business dealing is the dominant principle of Islam. Businesses that base on selfishly earning and producing and not caring the society are considered illegal. Islam also emphasis on mutual respect in dealings. In holy Quran Allah says “By no means shall you attain piety unless you spend of that which you love and whatever of goods you spend Allah knows it well” (s 3, p 4 v92) in several places in the holy Quran it is mentioned that Allah loves kindness and deal with people with kindness. In surah 03 verse no 119 and surah no 05 verse no 54 discussed about love with people. So kindness and mutual respect in business dealing is the leading principal of Islam.

Plain business transactions (fair purchase and buy):

Business man should be bound for clear business transaction. The buying and selling activities should be on mutual consent and not under coercion. Islam strictly prohibits such dealings in which both the parties are not clear. Even Quran tell us every Muslim business man if he is on dealing with other person so he must write down that agreement and must be cleared to both the parties. As the holy prophet is reported to have said “sale is not that which is done with out mutual consent sale is a sale which involve only mutual consent” (majah, 2176). Allah says in his book “O you who believe: Eat not up your property among yourselves unjustly except it may be trade among you by mutual consent” (part no 5, surah no 4 verse no 29.). “And whoever commits that through aggression and injustice, we shall cast him into the fire, and that is easy for Allah.”(Surah 04, part 05, verse no, 30.).

Proscribe and unlawful dealings in business transaction:

There are also some dealings in business which Islam considered unethical and illegal contacts and transactions. The seller must not adopt such matters which do not come under the scope of Islamic business ethics. These matters now days are very common in practice in business society. They may include.

Earning from Haram (illegal activities) such as selling and buying of win, alcohol, drugs.

Doing fraud in business dealings,

Often swearing by seller for selling his products, or showing things which are not in reality, window dressing of the products, etc. and those transactions in which parties make promise and not make it to fulfill.

Hoarding to make high profit, speculative activities, and

Interest in which Quran strictly forbidden.

Fixation of prices,

Flesh of the Haram animals,

Weapon which cause human destructions,

Intoxicants, flesh of pig,

Storing of foodstuff for future time and then sell out with the expectation to earn some profit,

Fraudulent business practices for selling the products in market,

Black marketing, dealings in bad condition goods and stolen goods, cheating in business dealings, giving short measures

Transactions which involve uncertainty.

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