

## Business Ethics in Islam

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Business ethics in Islam is a very enormous and immense term. The ethics exist greater in quantity and powerful. A lot can be demonstrated on this term. The Holy book Quran and Sunnah of our beloved prophet Hazrat Muhammad (SAW) provides us the open invitation to make our vision clear about business ethics in Islam.

Islam provides us the full fledged ethics of business if once implemented transparently; it can bring the resolution in the field of business & economy. Ethics are considered the moral standards by which people judge behaviour. Ethics are often summed up in what is considered the “golden rules”<sup>(1)</sup>.

Business is an economic system in which goods & services are exchanged for one another or money, on the basis of their perceived worth. A business (also known as enterprise or firm) is an organization designed to provide goods services or both to consumers<sup>(2)</sup>.

In business there are many different people you have to answer to: customers, share holders and clients. Business ethics are ethics that refer to the moral rules and regulations governing the business world. In other words they are the moral values that guide the way corporations or other business make decisions. Some business ethics are imposed by law.e.g. The Securities and Exchange Commission governs the way investment bankers and stock brokers do business, and court rules dealing with attorney client privilege dictate some ethical decisions for attorneys. However there are also business decisions that do not fall near the guide lines of the law, in which ethical or moral judgments must b made<sup>(3)</sup>.

According to Brainy Quote, Business is any particular occupation or employment engaged in for livelihood or gain, as agriculture, trade, art, or a profession. In general, business ethics is the branch of ethics that examines ethical rules & principals within a commercial contest. The various moral or ethical problems that can arise in a business setting; and any special duties or obligation that applies to persons who are engaged in commerce. Those who are interested in business ethics examine various kinds of business activities and ask, Is, the conduct ethically right or wrong?<sup>(4)</sup>

Significance and importance of business ethics can be enhanced by comparing it with the foundation of a building. It plays the same vital role just like the foundation & pillars play in constructing & designing a building

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skeleton. As no one can imagine a building without foundation and pillars, in the same way no business without ethics along with a touch of honesty and integrity. Every professional who conducts a business always needs a guideline, comprises on rules & principles. These ethics are designed differently keeping in mind the core values and standards of the respective organization. Every member or employee is bound to follow the designed code of ethics with sincerity, honesty, un corrupted virtue and solidarity so that the organization can achieve the required goals /profit in business.

Webster Collegiate Dictionary defines ethics in business or business ethics as it is often called, is the application of the discipline, principles, and theories of ethics to the organizational context. Business ethics have been defined as “principles and standards that guide behavior in the world of business.” Business ethics is also a descriptive term for the field of academic study in which many scholars conduct research and in which undergraduate and graduate students are exposed to ethics theory and practice usually through the case methods of analysis. According to Managing values (Business Ethics Approach), ethics is about choice. An ethical approach to a problem will inquire about ends (goals) and means (how we achieve these goals) and the relationship between the two. Business ethics (also known as corporate ethics) is a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individual and entire organizations <sup>(5)</sup>.

So business ethics is the behavior that a business adheres to in its daily dealing with the world. They apply not only to how the business interacts with the world at large, but also to their one to one dealing with a single customer<sup>(6)</sup>

Islam places the highest emphasis on ethical values in all aspects of human life. In Islam, ethics governs all aspects of life. Ethical norms and moral codes discernable from the verses of the Holy Quran and the teachings of the prophet (SAW) are numerous, far reaching and comprehensive. Islamic teachings strongly stress the observance of ethical and moral code in human behavior. More principles and code of ethics are repeatedly stressed throughout the Holy Quran Besides there are numerous teachings of prophet (SAW) which cover the areas of moral and ethical values and principles.

The Holy Quran Says:

“You are the best nation that has been raised up for mankind; you enjoin right conducts, forbid evil and believe in Allah”<sup>(7)</sup>

The Prophet (SAW) also says:

“I have been sent for the purpose of perfecting good morals” <sup>(8)</sup>

He presented in front of us how to be a successful Muslim trader. He had a remarkable reputation in dealing. Many people in Makkah even the enemies were used to praise his sincerity, honesty, hard work, truthfulness etc.

Our beloved Prophet (SAW) always emphasized on fair dealings in business with the customers. He said:

“God shows mercy to a person who is kindly when he sells, when he buys and when he makes a claim”<sup>(9)</sup>

Islam encourages an honest trader greatly and offers a high rank on the Day of Judgment. A businessman will be honored along with the martyrs but the conditions are sincerity, truthfulness, honesty etc in dealings.

Our Prophet says:

“The Truthful and honest merchant is associated with the prophets, the upright and martyrs”<sup>(10)</sup>

Allah says in Quran:

“Those who spend their wealth in charity in the night and in the day secretly and openly. They have their reward with their Lord.’ On them shall be no fear, nor shall they grieve”<sup>(11)</sup>

These lines narrate the consequence and importance of charity, spending money rather than collecting them. The great & weighty thing is the fortune of reward from Allah on the Day of Judgment which is the only successful part in every Muslim’s destiny.

The deeper meaning and dignity of these verses is enhanced if we link it with the coming verses.

Allah says:

“Those who devour interest shall not stand on the day of judgment but like the standings of one whom the evil spirit has by touching made mad. This is because they said ‘The trade like Interest and “Allah made trade lawful and made interest unlawful”’<sup>(12)</sup>

In these lines Allah specifies the basic Islamic ethics in trade and business. It is very clear and obvious that who obeys Allah’s rules and standards and refrains from interest in affairs heaven is ready & prepared for him but the one who do not follow will burn in hell for ever.

So who obeys Allah and stops eating Riba (Usury) shall not be punished for the past deeds. But whoever returns to Riba will be the dwellers of the fire forever.

Let’s view an Islamic Approach to business ethics.

Allah permits trade and forbids interest. Allah declares in Quran Trade is ‘Halal’ and interest is ‘Haram’. Islam gives special importance and stress on lawful and unlawful codes of business affairs. Many Quranic verses strictly prohibits Haram and do not think suitable to take of property wrongfully and dishonestly.

Allah says:

“And eat up not one another’s properly unjustly (in any illegal way e.g. Stealing, robbing, deceiving etc, nor give bribery to the rulers (judges before presenting your cases) that you may knowingly eat up a part of the property of others sinfully”<sup>(13)</sup>

In these verses of Holy Quran Allah not only emphasis and shows the legitimate and illegitimate dealings but also emphasis not to keep any kind of doubt in trade.

Allah says in Quran:

“O you who believe! Eat not up your property among yourselves unjustly except it be a trade amongst you, by mutual consent And do not kill your selves (nor kill one another). Surely Allah is most merciful to you”<sup>(14)</sup>

Our Prophet (SAW) Says:

“Leave what makes you doubts for things and do not make you doubt”<sup>(15)</sup>

A lot of examples are there in Quran and Hadith which clearly explain us the importance of Islamic ethics in any business.

In another place our prophet (SAW) said:

“The buyers and the sellers have the option to cancel or to confirm the deal as long as they have not parted or till they part and if they spoke the truth and told each other the defects of the things, then blessings would be in their deal and if they hid something and told lies, the blessings of the deal would be lost”<sup>(16)</sup>

Here is an incident which further narrates:

Abdullah bin Umer said “a person came to prophet (SAW) and told him that he was always betrayed in purchasing. Prophet (SAW) told him to say at the time of buying ‘no cheating’.

This event emphasizes on the elevated and lofty position of honesty in business. Among all the religions, Islam is the only religion, which tells us the significant ethics in business and also presents Prophet (saw) as a role model. If once we follow Quran and the Sunnah of our beloved Prophet ‘SAW; the Muslims can emerge as the driving force of the whole world.

Allah relates Sadqat’ and charity with trade and along with it prohibits interest. If we deeply think on these lines these explore the perfect Islamic ethics in any business which leads towards the success not only in this world but in the world here after too.

If a business is done according to above mentioned Islamic ethics it is equal to ‘Fardh’ and secondly a truthful businessman will be considered equal to ‘Shuhaddah’ and ‘Salaheen on the day of judgment. Our beloved Prophet Hazrat Mohammad (SAW) was also famous as a truthful trader. People named him as ‘Sadiq’ and ‘Ameen’. Even amongst his enemies he was famous as

honest and truthful man. Islam covers and encourages trade and business in all aspects.

Similarly in many places 'Trade' is considered in 'Ibadat' if done according to the standards of Islam. Allah strictly prohibits interest and considers it 'Gunah-e-Kabeera.'

Just imagine an interest free business and society following the ethics of Islam and foot steps of our beloved prophet (SAW). A society where people donate their extra money in charity, 'sadqat/zakat instead of collecting them in banks, a society where people refrain from 'Interest' and earn Halal only keeping in mind the rewards from Allah on the day of judgment as Allah promises in Quran. A society where richer will not be the richest and poorer will not be the poorest. Honesty, truthfulness, generosity, integrity, sincerity etc will be the stamps of that society and people will not only involve in getting profit but also in urge to seek pleasure of Allah and the Prophet (S.A.W).

Unfortunately in this era, Muslims are not considered credible in the field of business because we have gone far away from Islamic ethics. Its one example is that we are manufacturing our things but using the stamps of U.K, USA, China etc just because of their credibility and quality. We have lost trust and credibility among business community. We are forgetting the teachings of Islamic ethics which our Prophet (SAW) not only taught us but also presented a lot of examples in front of us. He had developed trust through business ethics than presenting faith not only amongst Muslims but also amongst non Muslims. Religion is the basic source of ethics and Islam presents a proper & systematic ethics in form of Quran and Sunnah.

It is the dilemma of the Muslim world that it had lost faith & trust in business. They need proper education to ensure the ethics.

There are different factors involved to evoke the awareness amongst Muslims about Islamic ethics. Education is the prior factor to uplift the connection with human spirit, to evoke the understanding and intelligence, to make a person superior and enlightened his approach and ability to apprehend the ethics and develop a sense of responsibility to follow the required Islamic ethics.

Knowledge is the only path which leads a Muslim near to his Creator, Quran and the Sunnah of our beloved Prophet (SAW) is the source to acquire that knowledge that makes the vision of a true Muslim as clear as water. After getting the knowledge a Muslim feel it easy to follow the steps, rules or ethics designed by the creator for the welfare of His creation. These Islamic ethics help a Muslim to be a responsible social being. The knowledge of Islamic values helps Muslims to inculcate in them the sense of responsibility and it also encourages the implementation of certain rules and regulations developed and arranged for the safety and happiness of mankind.

Islamic ethics present in front of us a vivid and fair picture of dealings in every field of life. We can guess the importance of education with the first word revealed in Quran “Iqra” mean “Read” and seek knowledge.

READ !In the name of your Lord Who has created(all that exists)<sup>(17)</sup>.

These verses declare it a sacred duty to seek knowledge and be educated. We can never be able to comprehend the Islamic ethics without acquiring the knowledge of Islam.

Allah has taught the prophet (SAW) the supplication.

“O my Lord: Increase me in knowledge”<sup>(18)</sup>

We should be thankful to Allah for gifting us Islam in form of Quran and our Prophet “SAW” as a teacher. The prophet (SAW) said,

“I am sent as a teacher”<sup>(19)</sup>

The ethics in Islam are that form of knowledge which dignifies and enhances its importance and power.

These lines depict the importance of knowledge under the shade of our Deen. It should be beneficial not harmful. There are two kinds of knowledge in Islam, one is beneficial and the other is not beneficial. Prophet (Peace be upon Him) had been reported that he prayed to Almighty<sup>(20)</sup>.

So it is the Muslims duty to get the beneficial knowledge and refrain from the non beneficial knowledge. Ignorance will not be accepted by Allah on the Day of Judgment. Allah gives knowledge as the standard of worship and criteria to differentiate between right and wrong, black and white, light and dark. It can be understood well with the example of three paths, one path or way is straight and the other paths are stony, wavy and dangerous. At dark or night a person won’t be able to choose the right straight path he can select any way either it might be dangerous but at day time and in light he won’t be deceived by the wrong path. He will definitely select the straight path. Likely with beneficial knowledge in Islam Muslim will always select the right path. In Islam the right and straight path is Quran and the sunnah of our beloved prophet (SAW) and the wrong path is shirk, kufr and the footsteps of ‘satan’.

To meet the challenges in future in all fields of life, like in business, in social interactions etc the development of today’s youth is very important because today’s youth are the parents and leaders of tomorrow. Islamic ethics should be interrelated in them so deeply that they can be a true and good Muslim and can present Islam well amongst the national community.

At first it’s the parent’s duty to develop the awareness of Islamic ethics amongst their children. It’s the saying of Prophet (Peace be upon Him) Child is born . . . . .<sup>(21)</sup>

It’s the parent’s duty and parents will be asked about the training of their child on the Day of Judgment. Islam gives us the complete picture of livings both how to deal in a community and how to deal with ‘Deen’ .By

following Quran and the teachings of our beloved Prophet (SAW), the parents can easily turn their child to be a good Muslim Businessman. By teaching & inheriting in them the seeds of honesty, truthfulness, sincerity, chastity, generosity, integrity, hospitality etc. They can emerge as a nation which is honored by all.

If we see today, Muslims have lost their identity amongst the trade & business community. Different cases of corruptions have totally spoiled the image of Muslims among business community. It's just because we have changed our path and not following the Islamic ethics taught by our beloved Prophet (SAW).

Another important factor which can also bring a revolution in the field of spreading Islamic business ethics and can evoke the Muslim world is the role of media.

No doubt international media is already playing a big role among the business community but not emphasizing the Islamic ethics. On contrary the history tells us that international media always created a bad image of Muslims in business field and spoiled the real message of Islam presented by ALLAH in Quran and in the teachings of our beloved Prophet (SAW). It is not surprising as Allah had already warned and mentioned in Quran:

“O you who believe! Take not as (your) Bitanah (advisors, consultants, protectors, helpers, friends) those outside your religion (pagans, jews, Christians, and hypocrites) since they will not fail to do their best to corrupt you. They desire to harm you severely. hatred has already appeared from their mouths, but what their breasts conceal is far worse. Indeed We have made plain to you the Ayat (proofs, evidence, verses) if you understand <sup>(22)</sup>.

These verses depict very clearly the bad intentions of non Muslims. A non Muslim either a Jew, Christian or Hindu can never be a friend of Muslims no matter he is a businessman, journalist, any person in power or a lay man.

It is obvious that international media is covetously playing a role to present and prove Muslims a corrupt and ill disposed nation. This is because the Muslims are not considered reliable in business internationally. In these circumstances the duty of Muslim media increases in bringing back that honour and reliability that was the patrimony of Muslims. All Muslim media should get together sensibly and intelligently and present the true picture of Islamic business ethics to all world. It will also eliminate the wicked intentions of non Muslims, as it's the electronic media which can easily spread the Islam and its teachings. The media can easily prove that it's the Quran and the teachings of our beloved Prophet (SAW) about Islamic business ethics that had been the sources of a successful business.

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