Islam and Business

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Executive Summary

The underdevelopment of many of the Muslim economies along the Silk Road is often ascribed to the negative effects of Islam. Yet historically, the Muslim cities along the Road were thriving centers of commerce, and since the collapse of the Soviet Union, there appears to be a revival of business as central Asia is opened up to the global economy. Islam has its own distinctive code of business ethics, and the trust this fosters can lower transaction costs and increase management efficiency. There is no inherent conflict between Islam and capitalism; indeed, it is possible to identify the emergence of a distinctive Islamic type where capital accumulation is based on noninterest forms of financing. © 2006 Wiley Periodicals, Inc.

INTRODUCTION

Islam is often perceived to be an impediment to business, with the economies of most Muslim states underdeveloped and only five out of the FT Global 500 leading companies by market capitalization based in the Islamic world. Legal uncertainties arising at the interface of traditional Islamic shariah jurisprudence and Western contract law deter foreign direct investment in predominately Muslim states (Ballantyne, 1997). Islamist political movements are usually viewed negatively by business, as they are perceived to be a threat to security and stability, and add to country risk.

Yet most of the contemporary writings of self-designated “Islamic economists” are far from being antagonistic to business. There is respect for private property rights, which are an essential prerequisite for the shariah law on inheritance to be applied, and most Islamic economists view markets as the normal vehicle for conducting transactions. Indeed, there are many sura in the Koran that depict trading as a virtuous and desirable activity, the main concern being to regulate mar-
In Islam, trade should be by mutual consent, with emphasis on contractual certainty to eliminate *gharar*, or ambiguity, that can potentially be abused. Ironically, despite the praise for trading activity, after controlling for oil exports, Muslim countries appear to trade less than their Christian or Buddhist counterparts (Mehanna, 2003), although it may be misleading to explain this in terms of religion.

The approval of markets does not, however, extend to unqualified support for capitalism, as interest-based finance is seen as central to its process of capital accumulation (Hefner, 1995). In the Koran, *riba* is explicitly forbidden, and most Islamic economists equate *riba* with all types of interest. Over the last 50 years, alternative financial institutions have emerged that try to provide as wide a range of services as conventional banks, but using methods of financing that are sanctioned by shariah scholars as being in compliance with Muslim religious teaching. Islamic finance has consequently become a worldwide industry with assets exceeding $270 billion, with the largest Islamic retail bank, the Riyadh-based Al Rajhi Banking and Investment Company, entering the ranks of the FT Global 500.

This study examines the implications of Muslim beliefs for business organization, corporate governance, and business ethics. Parallels are drawn between the responsibilities of Muslim CEOs in terms of their guardianship of resources and divine responsibility and the Christian concept of stewardship. Unlike Maxime Rodinson (1977), who asserted that Islam was incompatible with capitalism, in this study there is seen to be no conflict; indeed, a distinctive form of Islamic capitalism is starting to emerge. The author asserts, however, that multinational businesses are more likely to be successful in the Islamic world if they pay attention to the beliefs of their Muslim clients, suppliers, and employees rather than ignoring issues of religion and culture.

**ISLAMIC BUSINESS ORGANIZATION AND CORPORATE GOVERNANCE**

Business structures in the Muslim world are determined by both economic conditions and opportunities, as well as by the values and beliefs of those involved in managing enterprises. The slow emergence of joint stock companies compared to the West and the limited development of equity markets partly reflects the strength of family
and kinship bonds, and the reluctance to see control of family businesses moving to external shareholders. It was also a reflection of a preference for partnership structures between fellow believers, the traditional Muslim business enterprise being based on the concepts of *shirkah*, which also implies fellowship beyond the realm of business into common worship (Siddiqi, 1985, pp. 11–18).

Furthermore, profits are to be shared among the partners under an operating structure referred to as *musharakah*, one debate in Islamic jurisprudence being whether the sharing should be equal regardless of the amount invested or if the profit distributions should be made in relation to funds committed. The latter approach has been favored in recent years, largely on the pragmatic grounds that altruism and business dealings should be separated if investors are to be attracted to musharakah undertakings.

Musharakah investment is often equated with private equity placement, or even venture capital, although the structures can be quite flexible. With traditional musharakah, the partnership is set up in perpetuity, but every partner has a right to terminate the contract after giving due notice to the other partners, and if one of the partners dies, his or her heirs can succeed (Usmani, 2002, p. 11). When a partner decides to terminate his or her participation in the musharakah, the other partners may buy his or her share on mutually agreed-upon terms and continue the business. In recent years, musharakah has been established for fixed periods of time, after which one of the partners usually agrees to return the capital that the others initially contributed. Diminishing musharakah contracts are also possible, where one of the partners buys out the other’s share over a period of years and increases his or her ownership stake in the business (Mohsin, 1995, p. 41).

There are three possible types of musharakah arrangement, a finance partnership (*shirkah mal*), a labor partnership (*shirkah a’mal*), and a credit partnership (*shirkah wujuh*), but in the case of Islamic banks, it is always the former that is used. Islamic banks and Muslim investors not unnaturally prefer limited liability arrangements, the ‘*inan* form of partnership being the most usual rather than the *mufawada*, where the partners are both agents and guarantors for their colleagues (Saleh, 1986, pp. 92–93).

There has been much debate among *shariah* scholars about the merits of limited liability, as obligations were viewed as irreducible and indestructible without the agreed-upon release or forgiveness of the
creditor (Vogel & Hayes, 1998, pp. 168–169). Those to whom money is owed are nevertheless expected to show leniency toward debtors, as the teaching in the Koran makes clear:

If the debtor is in difficulty, grant him time till it is easy for him to repay. If ye remit by way of charity, that is best for you if ye only knew. (Sura 2:280)

In practice, a distinction is drawn between the inability to pay because of circumstances beyond the debtor’s control and unwillingness to honor commitments the debtor has the ability to pay, the latter being a deliberate breach of contract. The principle of limited liability has become accepted in recent years, provided all parties from the outset are clear on their exact obligations and rights under such a company structure.

In Islamic law, there is specific provision for a partnership involving a financier (rabb-ul-mal) and an entrepreneur (mudarib), where the former provides the capital and the latter their labor or effort. This more restricted but historically significant form of partnership is referred to as a mudarabah contract (Usmani, 2002, pp. 12–13). In this case, the rabb-ul-mal is a sleeping partner who does not get actively involved in the business, this having the advantage of giving more autonomy to the mudarib. As with musharakah, profits are shared according to previously agreed-upon proportions, the remuneration of the mudarib being a profit share rather than a fixed salary. But in the event of losses, only the rabb-ul-mal is liable.

**ISLAMIC BUSINESS ETHICS**

The Koran provides a realistic view of human motivation, as the man’s love of wealth and propensity for greed and selfishness is recognized:

To whom I granted resources in abundance and sons to be by his side! To whom I made life smooth and comfortable! Yet he is greedy that I should add yet more. (Sura 74:12–15)

As business has to be conducted in a social context, there clearly have to be rules governing behavior, and shariah law provides a divinely inspired code for devout Muslims to follow (Yusoff, 2002, pp. 1–12). As Muslims are accountable to God for all their actions, business success should not simply be viewed in material terms, but rather judged by the degree to which the believer has been able to realize the goals
of Islam, *maqasid al shariah* (Chapra, 1992, pp. 6–9). The key principle governing business philosophy is that of the unity of God, His universe, and His people, *tawhid*. God is the sole creator of the universe, and His people should cooperate in carrying out His will (Rice, 1999). In business, this implies honesty and trust and a relationship between employers and employees that reflects the fact that they are part of the same brotherhood or sisterhood and spiritually equal before God, even if not materially equal on earth (Bassiouni, 1993).

In Islam, faith, or *iman*, is the basic motivating factor for believers, and it is this that determines conscience. Hence, business decisions are guided by *iman*, which in practice means following shariah law, and engaging in what is *halal*, or permitted, and avoiding that which is *haram*, or forbidden (Alawneh, 1998). The business decision maker has free choice, but religious principles provide a framework for the appropriate exercise of that choice (Ali & Gibbs, 1998). Human psychological development for the Moslem has to be seen in terms of gaining experience in carrying out God’s will, and through that gaining a deeper understanding of His intent in the sphere of business (Shehu, 1998). The term *jihad*, or struggle, is all too often equated with Islamic war or even terrorist activities because of a distorted interpretation of Islam by some politically motivated fringe groups, but its application to business life is much more positive. It should be interpreted as a striving with oneself, a struggle for self-improvement by believers, so that they can carry out God’s will more effectively (Ali, Gibbs, & Camp, 2003).

Central to God’s will is the concept of *adalah*, or justice, that has obvious application in business activity. Injustice involves exploitation of employees by the management of a company, abusing market power to shortchange suppliers or using a monopoly to overcharge consumers. Although it might be premature to speak of an Islamic human resource management model, it is clear that religious principles have applicability in this field (Koys, 2001). One premise is that employees are responsible for their own actions and cannot simply blame the management for their shortcomings. In the Koran, it is stressed:

> No bearer of burdens can bear the burden of another; that man can have nothing but what he strives for. (*Sura* 53:38–39)

It is widely recognized that national cultures have important implications for employee-management relations, and Islam certainly has an effect, even though it is difficult to isolate its influence empirically from that of other factors (Tayeb, 1997, p. 352).
Modern systems for consumer protection are in their infancy in most of the Muslim world, although Islam does provide a comprehensive framework for protecting the rights of purchasers (Khan & Aftab, 2000). Traditionally, markets were regulated through the institution of the *hisba* that provided for fair weights and measures and functioned as a type of trading standards authority to which consumers could take their complaints if they felt they were being exploited (Ibn Taymiya, 1985, pp. 29–33). The Koran is explicit on the penalties for market abuse:

> Woe to those that deal in fraud, those who, when they have to receive by measure from men exact full measure, but when they have to give by measure or weight to men give less than due. Do they not think that they will be called to account? (Sura 83:1–4)

The market regulator is known as the *muhtasib*, the traditional view being that this should be a state appointment, but that the criteria for the person appointed should be that they are conversant with both shariah law and the practicalities of market operations and are viewed by all as impartial and just. Although a servant of the state, the muhtasib does not represent state interests, but rather has to be seen as an independent arbitrator.

Islamic ethics imply that accurate product information should be provided not only when a good is sold but also in marketing literature and in advertising. Although there has been relatively little work on marketing from an Islamic perspective, it has been suggested that a value maximization approach should be adopted, stressing the value of the products offered from a social perspective and not merely in terms of value for money for the purchaser (Saeed, Ahmed, & Mukhtar, 2001). Advertisements should not offend Islamic values, and the use of scantily clad women for product promotion would certainly be regarded as unacceptable. Television commercials in Muslim countries often depict consumers in a respectable family environment.

In Islam, as in the other monotheistic religions, there are ethical concerns over income and wealth distribution, and a recognition that material wealth can be corrupting and distract believers from the achievement of *falah*, which implies a state of spiritual as well as material well-being (Beekun, 1996, p. 1). Islam is not against family wealth accumulation and, indeed, sees socioeconomic inequalities as inevitable, but those who are entrusted with abundant resources have a duty to God to manage them well for the benefit of society as a
whole. The Prophet himself is reported to have said in a frequently quoted hadith:

There is no harm in opulence for the one who fears God. And for the God-fearing health is better than wealth and happiness is also wealth. (Hasanuzzaman, 2003, p. 12)

The guardianship of resources is described as *khilafah*, or vicegerency, invested with or characterized by delegated authority from God. The CEO of a business enterprise can be regarded as the *khalifah* who is accountable to the Almighty for his actions, there being parallels with the Christian concept of stewardship (Wilson, 1997, pp. 74–76, 208–209). Ultimately, all wealth is owned by God, but that does not undermine the control of resources through private property rights, as it is through the exercise of these rights that a just economy can be created for the benefit of society as a whole. It is only if responsibilities to God are ignored that corruption and wrongdoing will ensue, to the detriment of society. In other words, the CEO has a moral and spiritual as well as a social responsibility. In the Islamic business enterprise, employees are often treated as family members, with the CEO as the father figure who has responsibility for all those under his control. The CEO who is perceived to be pious will have the greatest employee respect, even from the less devout.

The plight of the poor should not be ignored, and the Koran stresses the virtue of altruism:

And those in whose wealth is a recognized right for the needy who asks and him who is prevented for some reason from asking. (*Sura* 70:24–25)

It is narrated that Ali, a follower of the Prophet, cited Him as saying:

Allah has levied upon the rich among Muslims, in their wealth, an amount that would suffice for the poor amongst them. If the poor starve or go unclad it is because of what the rich are doing. (Siddiqi, 1988, p. 255)

Provision for the poor and needy comes through *zakat*, a self-assessed tax on wealth whose proceeds are earmarked for social expenditures. This can be regarded as a form of almsgiving, with the liability calculated annually as one-fortieth of the value of financial assets such as money in bank accounts. It does not apply to immovable property such as an owner-occupied house, and there has been much debate by Islamic scholars over the assets that should be subject to zakat, as the Koran provides general guidance rather than pre-
cise advice (al-Qardawi, 1999, pp. 65–100). It is recognized that the proceeds from zakat may be insufficient to alleviate poverty, and that it is a complement rather than a substitute for social commitment (Sirageldin, 2002, pp. 43–44). Certainly, zakat should not be used as an excuse for Muslim governments not to introduce other redistributive taxes, as has been the case in Saudi Arabia and the Gulf (Naqvi, 2003, p. 212).

Wealth gets broken down through the Islamic inheritance system that ensures all the children receive an immediate entitlement on the death of a parent, rather than all the estate passing to the spouse, as is the case with most inheritance provisions in the West, where children can suffer if there is remarriage. The Koran is explicit on how an estate should be redistributed, with a wife receiving a sixth of the estate on the death of her husband, the understanding being that the children will also take care of their mother, but if the widow is childless, then she will receive one-third of the estate, the remainder going to the husband’s relatives (Sura 4:11–12). In any case, the widow is entitled to reside in the family home for at least a year and to have a year’s maintenance allowance (Sura 2:240). Of course, inheritance primarily brings about redistribution of wealth within families rather than more widely, but bequests to the poor in wills are praised, and beneficiaries of wills may wish to help those less fortunate than themselves (Sura 4:8–9).

TOWARD AN ISLAMIC MODE OF CAPITALISM

The collapse of communism and the lack of success of socialist movements in many Muslim countries resulted in self-designated Islamic economists proposing a shariah-compliant system as the only suitable alternative to Western capitalism. It was clear in any case that Western forms of capitalism had not found fertile ground in the Muslim world, although the extent to which development failures could be ascribed to the suggested incompatibility of Islam with capitalist values must be open to question. Western authors such as Maxime Rodinson, who made a careful study of the historical evidence, have not found Islam to be a handicap to the development of capitalism, the endurance of feudalism in many parts of the Muslim world reflecting economic structures rather than religious values (Rodinson, 1977, pp. 137–157, 185–194). Rodinson did not see the prohibition of *riba*, or interest, as a barrier to capitalist development, as he demonstrates how it was circumvented in the Ottoman Empire. He denied that there was or could be a distinctive Islamic mode of capitalism.
Modern Islamic economic writers have taken a different approach, however, notably Mohammad Baqir Al-Sadr, Umer Chapra, and Syed Naqvi, who question the excesses of Western capitalism and see these as needing to be curbed in Muslim societies. Al-Sadr is critical of those who see capitalism as a natural economic system, as economic laws are always, he believes, related to human choices, and humans can be motivated and inspired by divine guidance (Al-Sadr, 2000, pp. 182–183). This is not to deny, however, that resources are limited and that there are laws of increasing and decreasing returns to scale in production that are determined by the technology available (Wilson, 1998a, p. 48). Al-Sadr supports the concept of private property, but if land is not utilized effectively, then he believes the state has the right to confiscate it and redistribute the property to those with the capability of using it for the public good (Haneef, 1995, p. 124). Similarly, what Al-Sadr describes as capitalistic freedom can be abused, unless those who exercise the freedom are subject to moral restraint and seek spiritual help. In a free market where the participants are amoral, inequalities will inevitably increase, and some will abuse their market power to drive their competitors out of business and create monopolies that they can exploit. Such behavior is not likely to meet with God’s approval and will certainly not create a just society.

Umer Chapra sees capitalism as bringing about joyless affluence for the few but insecurity and poverty for many (Chapra, 1992, pp. 17–69). Social Darwinism is condemned, and he believes capitalism is unable to resolve the conflict between private and public interests. Priorities become distorted by material imperatives, and spiritual needs are neglected as society becomes increasingly driven by a narrow, short-term utilitarian ethic that ultimately brings no meaningful satisfaction. However, Chapra is under no illusions that the Muslim countries are any better than their Western capitalist counterparts. He sees formerly socialism and now Islam as being abused by many governments in the Muslim world, as the principle of shura, or consultation, has been ignored or manipulated by autocratic and frequently corrupt state administrations (Chapra, 2000, pp. 74–76). The religious leadership, the ulama, have too often failed their followers and have become preoccupied with trivial legal matters, rather than trying to apply Islamic principles to contemporary economies (Chapra, 1993, p. 122). The stagnation of fiqh, Islamic jurisprudence, is identified as a prime cause of Muslim decline, but Chapra sees hope in the revival of ijtihad, the reinterpretation of Islamic law so that it can provide a moral filter for determining the appropriate path to follow for believers in a changing world.
Syed Naqvi is just as critical of capitalism as Umer Chapra, but he believes Islamic economies have to be rebuilt from the bottom up rather than the top down. His focus is at the micro rather than the macro level, and he is more concerned with the decision-taking behavior of individual Muslims than seeking, perhaps in vain, to bring about a better Islamic society through political means. Muslim men can exercise free will (ikhtiyar) in making business decisions, but it is a moral imperative for the faithful to exercise responsibility (fardh), both to those they deal with and, ultimately, to God by being His representative on earth (Naqvi, 1994, pp. 29–34). By becoming closer to God, believers do not lose their individuality, but they become less selfish and more motivated to serve the wider public good. Syed Naqvi acknowledges that Western capitalist society also fosters a sense of social responsibility, as capitalists are often altruistic rather than being the brutal exploiters depicted by Marx, but in Islam, social obligations are a central focus.

In the Gulf countries, where Islamic banking and finance play a significant role, a distinctive type of Islamic capitalism is starting to emerge. In these countries, development and economic diversification have been much more successful than in North Africa, notably in Egypt, Libya, and Algeria, where government policy has been both anticapitalist and against the implementation of shariah Islamic law in banking and finance.

**ISLAM AND THE MULTINATIONAL CORPORATION**

Traditional Islamic business partnerships are arguably more applicable to small businesses than multinational corporations, where the companies are usually listed and their stock traded. The main objective of most multinational corporations is the enhancement of shareholder value, and although they may also have social responsibility policies, these are more a matter of corporate image and public relations rather than being what the business is primarily about. Multinational corporations are not usually associated with any particular religious faith; indeed, any discrimination on the grounds of religion with regard to employment policy, suppliers used, or the award of contracts would be regarded as inappropriate, if not totally wrong, and in many jurisdictions may actually be illegal. While few multinational corporations would designate themselves as specifically secular, and many of their employees may be regular worshipers, religious faith is kept strictly separate from business considerations.
The largest businesses in the Islamic world are mainly utility and telecommunications companies focused on their domestic markets rather than being multinational companies. Saudi Telecom, for example, which ranks 122nd globally in terms of market capitalization, is the largest business in the Islamic world, and Saudi Electric, which ranks 213th globally, is the third largest (FT Global 500, 2004). Only the Saudi Basic Industries Corporation (SABIC), a world leader in petrochemical production and the second-largest company in the Islamic world, can be considered a multinational enterprise, as it has a wholly owned subsidiary in the Netherlands and is actively further considering international diversification. Etisalat, the UAE telephone company and the fourth-largest company in the Islamic world, won the second mobile phone license in Saudi Arabia and can now be regarded as a multinational.

Although the majority of employees of these large businesses are Muslim, they do not designate themselves as Islamic, their major adaptation being to provide prayer facilities for their employees that are well used. The only specifically Islamic-designated business is the Al Rajhi Banking and Investment Corporation, the largest Islamic bank in the world, which is ranked 428th in the FT Global 500 companies. It has the most extensive retail banking network in Saudi Arabia and offices in several European cities, including Istanbul, Zurich, and London. Al Rajhi stresses that all its operations are in compliance with shariah law (Al Rajhi Banking and Investment Corporation, 2005), as it avoids interest-based transactions, its depositors either holding current accounts or mudarabah profit-sharing accounts, while much of its financing is through leasing (ijara) and mark-up trade finance (murabahah). The Islamic designation is clearly important for Al Rajhi, as it is aims to appeal to Muslim clients who wish to manage their financial affairs in a manner that is shariah-compliant, and this is its principal distinguishing feature from other banks in Saudi Arabia, which mainly offer conventional financing, although most offer some Islamic financial products.

Apart from banking, the other field in which Islamic values have an influence on multinational business is satellite television, especially in the Middle East, where the major channels are Saudi Arabian–owned, but mostly based in Lebanon or other Gulf states (Sakr, 2001, pp. 27–65). Although there is no effective state censorship, the entertainment programs of channels such as the Lebanese Broadcasting Corporation (LBC), the Middle East Broadcasting Centre (MBC), Arab Radio and Television (ART), and Orbit are designed for Muslim family viewers and do not include the type of content that West-
ern channels provide that would cause great offense. Nevertheless, LBC and MBC, despite having very pious owners, have often carried risqué material, including an Arabic version of *Big Brother*, until it was withdrawn following objections from viewers in Riyadh.

There is substantial overseas investment by Muslims resident in the Gulf, estimated to amount to almost $1.2 trillion in 2001 (Borland, 2001), although there has undoubtedly been some reduction in asset holdings in the West since then, partly reflecting the strains in relations between Saudi Arabia and the United States following the events of September 11, 2001. Although most of the individuals of high net worth who are placing this investment are practicing Muslims, their agenda has been primarily financial, and they have made little attempt to influence the recipient businesses through exercising their power as shareholders. Prince Waleed, the richest member of the House of Saud, has not tried, for example, to change the policies of Citicorp or the French hotel chain Accor in which he owns substantial stakes (Sabri, 2001, pp. 120–123).

There are, nevertheless, many investors in the Gulf and Malaysia who wish to invest in a manner that is specifically shariah-compliant, with companies vetted according to both sector and financial screening. For example, companies whose main business is the production and distribution of alcohol or pork products or gambling are excluded, as are companies that are heavily reliant on debt financing (Elgari, 2002). There is even a service provided by the Dow Jones Islamic Indices that provides outsourced screening for Islamic investors placing funds in stock markets around the world (Wilson, 2004). Furthermore, for Muslims wanting fixed income investments, for whom interest-yielding bonds are unacceptable, Islamic sovereign and corporate *sukuk* securities have been developed that provide a noninterest return that is related to the returns on the real underlying assets (Adam & Thomas, 2004, pp. 81–146).

In the past, much of the opposition to foreign direct investment by multinational corporations in the Muslim world was because of local nationalisms rather than due to religious objections to Western business penetration (Ajami, 1982). The opposition was largely a product of the postcolonial world. There was a preference for smaller enterprises that arguably could contribute more to employment, an important consideration given the high unemployment in many Muslim countries (Mohsin, 1995, pp. 17–20). Some writers also preferred cooperative businesses organized locally rather than multinational corporations where decision making and power was often...
remote from Muslim countries, but the limitations of such cooperative ventures were recognized, although this was a matter of regret (Nuti, 1995, pp. 59–64).

Some Muslim countries have been much more successful in adapting to globalization than others—notably Malaysia, which has welcomed multinational companies and been transformed from an economy largely dependent on palm oil and rubber to a modern industrial nation exporting high-technology goods (Wilson, 1998b). In the Middle East, it is the traditional monarchies that have adapted most successfully to globalization, while the so-called reformist governments of the Arab republics have adopted a bunker mentality and failed to attract significant foreign direct investment and the technology that accompanies it (Henry & Springborg, 2001, pp. 99–133, 168–193). More radically, there are a number of Muslim writers who see the supposedly painful choice between modernization and Islam as no longer relevant. Masoud Kavoossi asserts that to be a Muslim is to be modern, and there is therefore no need to contemplate post-Islamic secularist societies in Muslim lands (Kavoossi, 2000, pp. ix–x). Multinational corporations, even those based in the West, should, he believes, be welcomed in the Muslim world provided that they can adapt their operations so that their Muslim clients, employees, and suppliers are comfortable with their business practices. In other words, multinational corporations should embrace multiculturalism and not simply transmit and impose the dominant culture of the country in which they are based (Pomeranz, 2004).

CONCLUSIONS

The conditions for multinational corporations and Islamic finance to flourish in the Muslim world are similar. First and foremost, the governments of Muslim countries should give business and pious businessmen and -women space to pursue their plans and ambitions rather than thwarting them by mistakenly equating so-called Islamic terrorism with Muslim business (Henry & Wilson, 2004, pp. 286–295). It is preferable to have a dialogue with those who wish to see shariah law applied to commerce and finance rather than trying to oppress Muslim businesses and Islamic finance. Political pluralism is likely to be helpful to Islamic commerce, while autocracy hinders its development. The power of religion can be put to constructive use, rather than viewing it as destructive. Development in the Muslim world is likely to be aided by the emergence of a specifically Islamic form of capitalism, the challenge for international business being to...
accommodate Muslim values and thereby harness more effectively the skills and enthusiasms of their Muslim employees.

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