

## Islamic Business Practices in Bangladesh –a Survey on Some Selected Firms in Chittagong

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### Abstract

In Bangladesh, contemporary business practices are fraught with lot of undesirable and un-Islamic business practices like bribery, corruption, falsehood, underweighing, frauds, adulteration etc. But, Bangladesh being a Muslim majority country this should not be the practices here. The demand of Islam is such a business environment which is immune from such malpractices. These malpractices created a lot of issues in the business world and society in Bangladesh which are in no way desirable by the government and society. So there are lot of issues which need to be studied carefully, as for example; Why the scenarios are as such? Why a Muslim majority country like Bangladesh's business world is not transparent and clean? Therefore, in order to uncover and identify the clue to the crux of these problems an empirical study is conducted on some selected business firms in Chittagong. The major finding of the study is that Islamic business is practiced partially by most of the businessmen because of many reasons such as lack of knowledge about IB, lack of knowledge about the benefits of IB, lack of Islamic environment, and lack of policy support. But most of the business people think that the practices of IB will ensure welfare society by eliminating bribery, corruption, falsehood, under weighing, frauds, and adulteration which will protect the interest of the producers, traders, consumers and all stakeholders.

**Key Words:** Islam, Business, Bangladesh, Chittagong.

### 1.0 Introduction

Islam is a complete code of life (Qur'an;5:3) because Allah (SWT) and His Messenger Prophet Mohammad (SAW) gave us guidelines through Islam regarding every aspect of human life to be dealt with (Qur'an, 16:89). Allah (SWT) said, "This day, I have perfected your religion for you, completed My favor upon you, and have chosen Islam as your religion....."(Qur'an, 5:3). Islam is not only a religion like other religion based on belief but it is an integrated way of life combining all spheres of life such as individual, social, economic, political, cultural, religious, etc. So, a Muslim can not think of any thing without the guidelines of Islam. In Islam there are clear guidelines regarding business. Moreover Islam highly encourages the development of agriculture, industry, trade and commerce (Ubaid, 1975). No piece of cultivable land is allowed to be left unused. Prophet Mohammad (SAW) says nine-tenth of the livelihood lies in business activities and one-tenth in cattle raising (agriculture). Islam has never encouraged people not to work, and just rely on fate or wait for fortune. Rather, the values and spirit of Islam can be of much help in inculcating the qualities of dynamism in its followers (Solaiman and Hillaly, 1997). Islam encourages human beings to attain Allah's provision (rizq) through their best effort (Khamsiah, 2006). Even the development of manufacturing industries that cater for the needs of the people is treated as a religious obligation (Al-Mukhtar, 1898). From pre-Islamic days, the Holy City of Mecca has been the center of commercial activities. It was indeed the annual trading center of Mecca that provided Prophet Mohammad the forum for preaching Islam. The early Muslims were not only engaged in trade but they went to distant lands in connection with business. Islam in fact reached East and West Africa, East Asia through the business people. Islam encourages work in general, and trade and commerce in particular; because, the resource mobilization is done through business ( Ariff, 1991). The 'need fulfillment' of all in a society is of utmost importance in Islamic jurisprudence (Chapra, 2008). Prophet Mohammad was himself engaged in trade and commerce before he became a prophet. He was a successful businessman. Known for integrity, he bore the honorific title Al-Amin i.e the Trustworthy, The Holy Quran states "Allah has made business lawful for you"(2:275). In addition, the Qur'an has laid down detailed rules for commerce and politics, interest and debts,

contracts and wills, and industry and finance. Islam lays out the basic principles of economic behavior as consumers, producers and owners of wealth.

But contemporary business practices are fraught with lot of undesirable and un-Islamic business practices like bribery, corruption, falsehood, underweighing, frauds, adulteration etc. (Abuznaid, 2009). Bangladesh being a Muslim majority country this should not be the practices here. The demand of Islam is such a business environment which is immune from such malpractices. These malpractices created a lot of issues in the business world and society in Bangladesh which are in no way desirable by the government and society. So there are lot of issues which need to be studied carefully, as for example; Why the scenarios are as such? Why a Muslim majority country like Bangladesh's business world is not transparent and clean? Is it a lack of knowledge of Islamic way of doing business? Is it due to practical business environment in Bangladesh? Is it due to lack of knowledge of Islamic 'Shriah' which shapes and controls business? Or, is it because of imperfection of iman (as envisaged in Islam)? Therefore, in order to uncover and identify the clue to the crux of these problems it is a major research issue to study what virtually are the Islamic ways of doing business and what are the contemporary business practices in Bangladesh so that a transparent and corruption free business society can be projected through identification of gaps between the two and blurring them off.

So this study is an attempt to (i) highlight the Islamic way of doing business; (ii) unveil the contemporary business practices in Bangladesh; (iii) earmark the deviations of contemporary practices of business from Islamic way of doing business; and , (iv) suggest recommendations to remove the gap between contemporary business practices and Islamic way of doing business.

## 2.0 Methodology of the Study

The researchers used both primary and secondary data. The primary data regarding the practices of Islamic business have been collected with the help of pre-structured questionnaire interviewing 342 respondents from various business organizations located in Chittagong as per convenience and accessibility and through direct personal interview by the researchers themselves.

The sample as shown below was selected through the stratified random sampling method.

<b>Practicing Managers/Executives</b>	<b>Respondents</b>	<b>% of respondents</b>
Manufacturing companies	86	25.15%
Service organizations	102	29.82%
Merchandising business	154	45.03%
<b>Total</b>	<b>342</b>	<b>100%</b>

A single schedule of statements was prepared. The opinions of the sample respondents were recorded on 7 points [3] Likert-type summated rating scales.

The secondary data and information were obtained through library researches and survey of office documents from text books and related available published articles on Islamic business practices. The data thus collected were tabulated first manually after when they were analyzed by employing statistical techniques like percentage.

## 3.0 Islamic Way of Doing Business: A Literature Review

Islam gives complete freedom to economic enterprise. Each individual in an Islamic society enjoys complete freedom in earning his livelihood. He can start, manage and organize any kind of business enterprise within the limits set by the Islamic *Shari'ah*. However, this freedom does not and must not be operated without a sense of responsibility. An individual is free to pursue his economic activities provided he respects the Islamic code of conduct prescribed for the profession, which broadly means choosing things lawful and shunning matters unlawful. The dictates of the Holy *Qur'an* and the teachings of the Prophet (sws) serve to set a scale in everybody's mind to distinguish between the lawful and the unlawful means of earning, and to prohibit or disapprove of all things that are either morally wrong or socially unacceptable.

Islam, as a matter of principle, prohibits all activities which may cause harm either to the traders or the consumers in the market. It encourages the prevalence of free market where everyone earns his sustenance without government intervention. However, it puts certain restraints in order to eliminate the incidence of injustice and check malpractices and unlawful operations. In all other respects market in Islam is free from any state intervention. However, if the people fail to take guidance from the Holy *Qur'an* in matters relating to business transactions, an Islamic state will strive to organize the market transactions on sound Islamic principles. Freedom of enterprise in an Islamic market will, therefore, be regulated by the (i) dictates of the Holy *Qur'an* and the teachings of the Prophet Muhammad (sws) and (ii) the directives of the temporal authority. During the early centuries of Islam, this function was mainly performed by the institution of *Muhasbah* (headed by a *Muhtasib* or market inspector). The institution of *Muhasbah* was an important institution whose functions were broad-based and multifarious, chief among them being keeping a watch on the harmful practices prevalent in the market and the society and checking the incidence of injustice and malpractices in the market.

#### 4.0 Islamic Doctrines Concerning Business Transactions

Islam demands a certain type of behaviour from the economic agents – the consumers and the producers. The behaviours prescribed for the economic units of the society are so devised as to lead to a happy state of affairs, which is the ultimate goal of Islam. An Islamic market is characterized by certain norms that take care of the interests of both the buyer and the seller. There are a number of rules of ethical discipline in Islamic commercial transactions without which business contract would be regarded as imperfect in terms of code of good manners, decency and ethical excellence. Some of these doctrines are discussed in the following paras:

##### 4.1 Legitimate (*Halal*) Earnings :

Islam places great emphasis on the code of lawful and unlawful business practices. Many *Qur'anic* verses disapprove the wrongful taking of the property. The Holy Qur'an says "Do not devour one another's property wrongfully, nor throw it before the judges in order to devour a portion of other's property sinfully and knowingly. (2:188) .The Holy Qur'an also declares "Do not devour another's property wrongfully – unless it be by trade based on mutual consent"(4:29) The Prophet (sww) endorsed the importance of legitimate ways of earning . He said, 'The best form of gain is a man's work with his hands, and every legitimate sale'. (*Ahmad*, No: 1576)

From the above statements it is clear that a Muslim trader must be determined to earn only through legitimate means. He should not only avoid illegitimate means in earning his provisions and livelihood but also keep (distance) himself aloof from matters dubious and doubtful. The Prophet (sww) is also reported to have said, "Leave what makes you doubt for things that do not make you doubt" (*Tirmidhi*, No: 2442)

Things legitimate and illegitimate are clearly defined in Islam and, in between them, are doubtful things, which should be avoided. A true Muslim businessman should be aware of the doubtful things in order to keep himself clear with regard to his faith and his honour because one who falls into doubtful matters is sure to fall into that which is unlawful (*Haram*). The Prophet (sww) states "A time will come upon the people when one will not care as to how he gets his money whether legally or illegally. (*Bukhari*, No: 1941)

Foremost among the unacceptable business practices strongly condemned in Islam is *Riba*. *Riba* (interest), by definition, is the extra sum the moneylender charges from the borrower for deferred payment. Islam has forbidden all forms of *Riba* since it involves both oppression and exploitation. Islam strictly forbids this form of tyrannical dealings and condemns it in severe terms. The Holy *Qur'an* says "Allah has permitted trading and forbidden *Riba* (usury)"(2:275).The Holy Qur'an also says "Devour not *Riba* doubled and re-doubled"(3:130).It further states "O you who believe! fear Allah and give up what remains of your demand for usury if you are indeed believers. If you do it not, take notice of war from Allah and his Apostle: but if you turn back you shall have your capital sums; deal not unjustly and you shall not be dealt with unjustly. (2:278)The *Sunnah* is equally emphatic in denouncing *Riba*. The Prophet (sww) is reported to have said "May Allah send down His curse on the one who devours *Riba* and the one who pays it and on the two witnesses and on the person writing it. (*Ahmad*, No: 624)

These and many other verses of the *Qur'an* and traditions of the Prophet (sww) clearly demonstrate that all those business transactions which involve interest in one form or other, are unlawful in the sight of Islam. According to the *Qur'anic* teachings there is a clear distinction between genuine business profits and interest; while the former is recommended and desirable, the latter is hated and undesirable.

##### 4.2 Trade through Mutual Consent

Mutual consent between the parties is a necessary condition for the validity of a business transaction. It, therefore, follows that a sale under coercion is not acceptable in Islam. A sale transaction is to be regarded as legal only if it is made through the mutual consent of the parties concerned. Taking advantage of someone's plight and charging high price is also a form of pecuniary exploitation and as such forbidden in Islam. The Holy *Qur'an* says "O you who believe! eat not up your property among yourselves in vanities: but let there be amongst you traffic and trade by mutual goodwill: nor kill [or destroy] yourselves: for verily Allah has been to you Most Merciful" (4:29)

Thus two key elements of general theory of contract are endorsed emphatically in these verses: mutual consent and gainful exchange. One can also find importance of mutual consent for legality of a business deal. The Prophet (sww) is reported to have said "A sale is a sale only if it is made through mutual consent" (*Ibn Majah*, No: 2176)

##### 4.3 Truthfulness in Business Transactions

Islam encourages truthfulness in business transactions and raises the status of a truthful merchant so much so that he will be at par with the holy warriors and martyrs, in the Hereafter. The Prophet (sww) is reported to have said "The truthful merchant [is rewarded by being ranked] on the Day of Resurrection with prophets, veracious souls, martyrs and pious people" (*Tirmidhi*, No: 1130).The Prophet (sww) has also exhorted the believers to strictly adhere to truthfulness in business transactions. He says "The seller and the buyer have the right to keep or return the goods as long as they have not parted or till they part; and if both the parties spoke the truth and described the

defects and qualities [of the goods], then they would be blessed in their transaction, and if they told lies or hid something, then the blessings of their transaction would be lost” (*Bukhari*, No: 1937)

The tradition implies that Allah blesses business dealings if both the buyer and the seller are true to each other. Telling lies and hiding facts will result in the loss of divine blessing.

The Holy Prophet said: ‘Traders are wicked people’. The Companions asked: ‘O Messenger, has Allah not permitted business?’ The Messenger replied: ‘Of course He has declared trading lawful. But they (i.e. the traders) will swear by Allah and do evil, they will not speak but tell lies’. (*Ahmad*, No: 14982)

#### **4.4 Trustworthiness in Business Transactions:**

Trustworthiness is one of the most important principles of ethical discipline in commercial transactions. Trust is a moral virtue and duty incumbent on a Muslim in the performance of his affairs. It demands sincerity in work and purity of intention from every believer. A true Muslim trader will not, therefore, barter his *Akhirah* (hereafter) for worldly gains. He will avoid fraud, deception, and other dubious means in selling his merchandise. The sense of mutual trust demands that the pros and cons of commodity be revealed to the buyer so that he purchases the commodity in full satisfaction. The Holy *Qur’an* says “O you believers! Do not betray Allah and the Messenger, nor knowingly, betray your trusts”(8:27).

#### **4.5 Generosity and Leniency in Business Transactions:**

One should be lenient and generous in bargaining. Therefore, whoever demands his debt back from the debtor should do so in a decent manner. The Prophet (sws) invokes Allah’s mercy thus:

May Allah’s mercy be on him who is lenient in his buying, selling, and in demanding back his money [or debts]. (*Bukhari*, No: 1934)

The Prophet’s exhortation to Muslims means that a creditor should be easy and generous in demanding back his money. The debtor, in turn, should also give back the debt to the creditor on time with due thanks and politeness. The Prophet (sws) was the best of all people in repaying the debts. *Abu Rafi’* reports that the Prophet (sws) took a young camel on loan. When camels came to him in charity, he asked *Abu Rafi’* to give the creditor a young she camel. *Abu Rafi’* pointed out that there was no young camel except for a four-year old camel of a very good quality. The Prophet (sws) said: ‘Give him the best one, for the best amongst you is he who repays the rights of others handsomely’. (*Muslim*, No: 3002)

#### **4.6 Honouring and fulfilling Business Obligations**

Islam attaches great importance to the fulfilment of contract and promises. Islamic teachings require a Muslim trader to keep up his trusts, promises and contracts. The basic principles of truth, honesty, integrity and trust are involved in all business dealings. The Holy *Qur’an* emphasizes the moral obligation to fulfil one’s contracts and undertakings. The Holy *Qur’an* declares “O you who believe! Fulfil [your] obligations” (5:1). The Prophet (sws) states “The Muslims are bound by their stipulations. (*Abu Da’ud*, No: 3120). The prophet (saw) condemns promise-breaking as the hallmark or trait of a hypocrite. If he makes a promise, he breaks it, and if he makes a compact, he acts treacherously. (*Bukhari*, No: 32)

In order to safeguard the interest of both the buyer and the seller it is desirable, according to the Islamic teachings, to clearly define all the necessary details concerning the business deal. Each business contract should clearly specify the quality, the quantity and the price of the commodity in question. Thus, in a business contract the offer and acceptance should be made between the parties concerned on a commodity which is with the buyer and, which he is able to deliver. Any commodity which is non-existent or not deliverable is not allowed to be transacted. A contract must be explicit with regard to the rights and obligations of the parties concerned so that it does not lead to disputes and disagreements between them.

#### **4.7 Fair Treatment of Workers**

Islam puts certain conditions and restrictions to obviate the chances of bitterness between the employer and employees. Islam encourages and promotes the spirit of love and brotherhood between them. According to the Islamic teachings it is the religious and moral responsibility of the employer to take care of the overall welfare and betterment of his employees. Fair wages, good working conditions, suitable work and excellent brotherly treatment should be provided to the workers. The Prophet of Allah (sws) has said " around you, Allah has placed those who are your brothers [workers under you] who are around you, Allah has placed them under you. So, if anyone of you has someone under him, he should feed him out of what he himself eats, clothe him like what he himself puts on, and let him not put so much burden on him that he is not able to bear, [and if that be the case], then lend your help to him) .(*Bukhari*). The Prophet (sws) also said “ I will be foe to three persons on the last day one of them being the one who, when he employs a person that has accomplished his duty does not give him his due”(Bukhari:2109). The Prophet (sws) is also reported to have said “The wages of the labourers must be paid to him before the sweat dries upon his body” (*Ibn Majah*, No: 2434)

#### **5.0 Prohibited Matters in Business Transactions**

So far we have focused on one aspect of the business ethics – guidelines prescribed by Islam for conducting

business transactions. Another aspect of business ethics is the various forms of unethical business practices a Muslim businessman must avoid in his business dealings. Some of these prohibited and undesirable business practices are as follows:

### **5.1 Dealing in Prohibited (*Haram*) Items**

Dealing in unlawful items such as carrion (dead meat), pigs and idols is strongly prohibited in Islam. Dead meat would mean the flesh of any bird or animal dead from natural causes, without being properly slaughtered in an Islamic way. A Muslim, therefore, will not eat the flesh of such an animal or bird. Flesh of an electrocuted animal, or of an animal killed by the blow of a blunt weapon, and of the strangled one is also proscribed in Islam. Also proscribed is the flesh of the animal that has been killed or slaughtered in ways other than Islamic. It is, therefore, not permissible for a Muslim to trade in dead meat. Likewise, trading in pork or intoxicants and sale of idols and statues is not permitted in Islam. A verse of the Holy *Qur'an* says "Forbidden to you [for food] are: dead meat, the blood, the flesh of swine and that on which name of other than Allah has been mentioned" (5:1) The Holy *Qur'an* also says "O you who believe! intoxicants and gambling [dedication of] stones and [divination by] arrows are an abomination of Satan's handiwork: so avoid it in order that you may prosper" (5:90) The Prophet (sws) is also reported to have said "Allah and His Messenger made illegal the trade of alcoholic liquors, dead animals, pigs and idols" (*Bukhari*, No: 2082) The Prophet (sws) also said "If Allah makes something unlawful, he makes its price also unlawful" (*Ahmad*, No: 2546)

### **5.2 Sale of *Al-Gharar* (Uncertainty, Risks, Speculation)**

In Islamic terminology, this refers to the sale of a commodity or good which is not present at hand; or the sale of an article or good, the consequences or outcome of which is not yet known; or a sale involving risks or hazards where one does not know whether at all the commodity will later come into existence. Such a sale is strictly prohibited in Islam because the quality, whether good or bad, is not known to the buyer at the time of the deal and there is every possibility that the contract may give rise to disputes and disagreements between the concerned parties. The Prophet (sws), therefore, prohibited the sale of what is still in the loins of the male; or sale of whatever is in the womb of a she-camel; or sale of birds in the air; or the sale of fish in the water, and any transaction which involves *Gharar*. (i.e. anything that involves deception). He also forbade the sale of fruits before they look healthy and also the sale of crops until the grain hardens. Nevertheless, such advance sales would be acceptable if the element of *Gharar* does not exist and the quality and the quantity of the goods are pretty well known and predictable.

### **5.3 Arbitrarily Fixing the Prices**

Islam allows absolute freedom to traders provided they adhere to the rules of Islamic principles. It does not, therefore, encourage the practice of artificial price control and leaves the traders to earn the reasonable profits from each other with understanding. As a matter of principle public authorities are not allowed to fix the prices of commodities by force. This is because rise and fall in the prices are linked to various factors other than the greediness of the traders and fixing the prices may endanger both public and private interests. It is reported that once the prices of some products shot up during the period of the Prophet (sws). The people said "O Messenger of Allah! Prices have shot up, so fix them for us. Thereupon the Messenger of Allah said: 'Allah is the One Who fixes prices, withholds, gives lavishly, and provides, and I hope that when I meet Allah, none of you will have any claim on me for an injustice regarding blood or property'" (*Tirmidhi*, No: 1235).

However, the role of public authorities comes into play if it becomes absolutely essential to do so, especially in order to prevent exploitation and other unjust practices in the market. Thus, if a trader adopts unfair means, charges unjust prices and indulges in undercutting of prices with a view to doing harm to the smaller traders, public authorities have the right to intervene in the market. They can and should take steps to fix or control the prices so as to eliminate injustice from the market and allow the trader to earn reasonable profit and the buyer to pay a just and equitable price.

### **5.4 Hoarding of Foodstuff**

The Arabic word for hoarding is *Ihtikar*. It means storing foodstuffs or withholding them in expectation of rise in their prices. Sometimes, a handful of traders operating in the market buy the entire quantity of an item, rice for example, and store it up with the object of selling it later at the time of scarcity to draw maximum profit out of it and to dictate the prices. The consumers are left with no choice but to purchase the article concerned from the one who hoards, as he is the only one in the market who holds it. Sometimes, a trader hobbles with the suppliers who will only sell their merchandise to him. As a result, he holds the entire stock of the essential items that other traders do not possess. He is, therefore, in a position to dictate his terms in the market and sell them at an exorbitantly high price to the needy people. This is an unjust practice and a clear case of exploitation and deservedly condemned by Islam. The Prophet (sws) is reported to have condemned the hoarders when he said "No one hoards but the traitors" (i.e. the sinners). (*Abu Da'ud*, No. 2990)

He (sws) also said "The importer [of an essential commodity] into the town will be fed [by Allah], and the hoarder will have [Allah's] curse upon him" (*Ibn Majah*, No: 2144)

### **5.5 Exploitation of one's Ignorance of Market Conditions**

One of the most common unethical practices in modern business is to exploit one's ignorance of market conditions. Sometimes it may happen that a seller arrives in a town with some objects of prime and general necessity for selling them in the market. A local trader may persuade the new-comer to transfer all of the goods to him so that he will sell them on his behalf in the market. He obtains the commodities on a price that is lower than market price and then sells them at a high or exorbitant price. Islam condemns this act of intermediary intervention which involves exploitation of one's ignorance of market conditions. The practice was prevalent in pre-Islamic society. The Prophet (sws) has prohibited this practice through a number of instructions. A tradition is there "A town dweller should not sell the goods of a desert dweller" (*Bukhari*, No: 2006)

### **5.6 *Al-Najsh* (Trickery)**

The term *Al-Najsh* means an action in which a person offers a high price for something, without intending to buy it, but just to cheat or defraud another person who really intends to buy it. The person practising it may collaborate with the seller to offer high prices in front of the buyers merely as a means to cheat them. This type of fraudulent transaction is totally prohibited in Islam. The Prophet (sws) is reported to have said:

Do not harbour envy against one another; do not outbid one another [with a view to raising the price]; do not bear aversion against one another; do not bear enmity against one another; one of you should not enter into a transaction when the other has already entered into it; and be fellow brothers and true servants of Allah. (*Muslim*, No: 4650)

As is clear from the above, Islam also forbids the practice of sale over sale and purchase over purchase. This means that it forbids someone to offer a higher price for a commodity after the deal has been accomplished between the parties. Obviously he is offering a higher price in order to spoil the agreement reached earlier between the parties. As a result of this offer the seller may feel tempted to cancel his contract to sell it at a higher price. It may give rise to disputes and disagreements between brothers. Hence it is strictly prohibited in Islam.

### **5.7 Cheating and Fraud in Business Transactions**

The traders and businessmen generally have a tendency to motivate the customers by adopting fraudulent business practices. Islam strongly condemns all such practices in business transactions (*Al-Ghashsh*). The Messenger of Allah has commanded the believers not to indulge in cheating and fraudulent practices in business transactions. Sale of dead animal, dubious and vague transactions, manipulating the prices, selling the items belonging to a desert dweller by a townsman *Al-Najsh* (trickery), false eulogy and concealment of defects are all examples of cheating and fraud i.e. *Al-Gashsh*. The Prophet (sws) has strongly condemned all such practices in a number of traditions and the believers are to abstain from them.

The Prophet (sws) is reported to have said "The seller and the buyer have the right to keep the goods or return them as long as they have not parted. He also said that if both the parties have spoken the truth and described the defects as well as the merits thereof (the goods), they would be blessed in their deal. If they have told lies or concealed something, then blessings of their transaction would be lost" (*Bukhari*, No: 1937)

### **5.8 Swearing**

The traders often take recourse to swearing to emphasize that their items are of good quality. They claim qualities in the merchandise, which don't exist in it. They try to persuade the buyers to purchase their commodity by invoking Allah's name. Swearing in business for such purposes is strictly forbidden in Islam, be it false or true. False swearing is an act of sin punishable by hellfire. Swearing by Almighty Allah is too great a thing to be used as a means to sell a commodity. The desirable thing in business transaction is that both the buyer and the seller remain straightforward and truthful in their dealings, so that no one will feel the need to swear by Allah in order to create conviction in the mind of the other party. The Prophet (sws) is reported to have said "Swearing [by the seller] may persuade the customer to purchase the goods but the deal will be deprived of Allah's blessing" (*Bukhari*, No: 1945)

### **5.9 Giving Short Measures**

Another form of deceit is to manipulate weights and measures. It refers to the act of taking full measures from others and giving them short measures in your turn. Giving short measures was a common malaise plaguing the pre-Islamic days. The community of the Prophet *Shu'ayb* (sws) was known for practising it with impunity. Consequently, they were destroyed for their persistence in deceit and disbelief in Allah and His Messenger. Allah the Almighty has repeatedly commanded exactitude in weights and measures. One of the verses says "And give full measure when you measure, and weigh with a just balance. That is good and better in the end" (17:35)

### **5.10 Dealing in Stolen Goods**

Almighty Allah has declared thievery unlawful and warned of severe punishment such as cutting the hand of the thief from the wrist joint if the necessary legal conditions for the award of punishment are met. Even if the thief escapes worldly punishment and gets away with stolen goods, it is not permissible for a Muslim to knowingly purchase or sell stolen items. The stolen items are neither to be bought nor sold by those who know the reality. The Prophet (sws) made the person knowingly buying a stolen commodity a partner to the crime. He said "The one who

knowingly purchases a stolen good, is a partner to the act of sin and the shame”(Kanz Al- ‘Ammal, No: 9258)

## 6.0 Analysis and Interpretations of Opinion Survey

To know real picture of Islamic way of doing business and traditional business practices a survey has been conducted. The analysis and interpretations of the opinion survey has been appended below:

As regards the statement, “We should practice Islamic guidelines in doing business”, 38(11.11%), 132(38.59%) and 58 (16.95%) respondents respectively showed ‘strong agreement’, ‘just agreement’ and ‘somewhat agreement’ while 29(8.47%), 31(9.06%), and 12(3.50%) respectively indicated ‘some what disagreement’, ‘just disagreement’ and ‘strong disagreement’ and the rest 42 (12.28%) passed no comments .

Thus out of 342 respondents 228(66.66%) showed their agreement at different degrees and out of them 166(72.80%) showed their agreement because of religious bindings, 16 (7.01%) for the superiority of Islamic guidelines, 5 (2.19%) because of the need of customers, and 41(17.98%) for all the above reasons.

Regarding the statement, “We practice Islamic guidelines in doing business” 253(73.97 %) replied that they followed at different degrees such as 39(15.41%) followed fully, 109(43.08%) followed somewhat fully; and 105(41.50%) followed somewhat .on the contrary 89(26.02 %) replied that they don’t follow Islamic guidelines out of which 29( 32.58%) don’t follow because of lack of knowledge about Islamic guidelines, 43(48.31%) don’t follow lack of policy support, 12(13.48%) don’t follow lack of necessity,5 (5.61%) don’t follow because of difficulty of Islamic guidelines.

On the point, “We do not ‘short weigh our product at the time of selling” 158 (46.19%); 68 (19.88%); and 24 (7.01%) respondents were respectively strongly agreed, just agreed, and somewhat agreed. On the other hand 4 (1.16%) and 10 (2.92%) respondents were respectively some what disagreed and just disagreed .But 71 (20.76%) respondents showed strong disagreement. Rest of the respondents i.e. 7 (2.04%) passed no comment.

Relating to the statement, “We express the defects of our products when we sell them”, 55 (16.08%), 112 (32.74%), and 48 (14.03%) respectively strongly agreed, just agreed and some what agreed while 31(9.06%) , 20(5.84%) and 10 (2.92%) respectively indicated their some what disagreement, just disagreement and strong disagreement. The rest 66 (19.29%) remained silent.

On the statement that “We do not praise too much about the quality of our products to the customers”, 11 (3.21%); 136 (39.76%); and 41 (11.98%) respondents were respectively strongly agreed, just agreed, and somewhat agreed while 28(8.18%) , 62 (18.12%) , and 55 (16.08%) respectively indicated their some what disagreement, just disagreement and strong disagreement. Only 9 respondents (2.63%) remained silent.

As to the statement, “We do not charge excessive price of our products”, 99 (28.94%); 116(33.91%); and 68 (19.88%) respondents were respectively strongly agreed, just agreed, and somewhat agreed. On the other hand 16 (4.67%) respondents indicated some what disagreement . Rest of the respondents i.e. 43 (12.57%) remained silent.

Regarding the statement, “We do not adulterate our product”, 129 (37.71%); 68 (19.88%); and 17 (4.97%) respondents were respectively strongly agreed, just agreed, and somewhat agreed while 10(2.92) respondents were some what disagreed and 5 (1.46%) just disagreed. The rest of the respondents i.e. 113 (33.04%) remained silent.

Relating to the statement, “We can not avoid ‘bribes’ while doing business”, 33 (9.64%); 65 (19%); and 69 (20.17%) respondents were respectively strongly agreed, just agreed, and somewhat agreed while 49 (14.32%), 38(11.11%), and 25(7.30%) respondents indicated either some what disagreement, disagreement and strongly disagreement.. Remaining 63 (18.42%) did not give any opinion.

As regards the statement, “We can not avoid ‘interest’ (riba) while doing business”, 46 (13.45%); 74 (21.63%); and 35 (10.23%) respondents were respectively strongly agreed, just agreed, and somewhat agreed while 32 (9.35%), 47 (13.74%), and 85 (24.85%) respondents are some what disagreed, just disagreed, and strongly disagreed and the rest 23 (6.72%) respondents remained silent.

On the statement, “We gladly accept any product returned intact and unused by our customer within a reasonable time”, 22 (6.43%); 50 (14.61%); and 58 (16.95%) respondents respectively were strongly agreed, just agreed, and somewhat agreed. On the other hand 37 (10.81%), 61 (17.83%), and 89(26.02%) respondents respectively were some what disagreed, just disagreed, and strongly disagreed while 25 (7.30%) gave no comment.

As to the statement, “We do not take any extra charge from the customers for the products returned intact”, 34(9.94%); 57(16.16%); and 88 (25.73%) respondents respectively were strongly agreed, just agreed, and somewhat agreed while 72 (21.05%), 69 (20.17%) and 18(5.26%) respondents respectively indicated some what disagreement ,just disagreement and strong disagreement. The numbers of respondents indicating no comment were 4 (1.16%).

As regards the opinions on the statement, “Lying, dishonesty, adulteration, bribery, and other types of corruptions are a great problems to practice business in Islamic ways in Bangladesh”, 181(52.92%); 99

(28.94%); and 30 (8.77%) respondents were respectively strongly agreed, just agreed, and somewhat agreed while 15 (4.38%), and 17(4.97%)

respectively showed some what disagreement and disagreement.

Relating to the statement, "If Islamic business is implemented and practiced in Bangladesh the manufactures, the customers, the society, and the Government will be greatly benefited", 192 (56.14%), 95 (27.77%), and 18 (5.26%) respectively strongly agreed, just agreed and some what agreed while 19 (5.55%) and 13 (3.80%), respectively indicated their some what disagreement, and just disagreement . The rest 5 (1.46%) remained silent.

Relating to the statement, "If encouragement and incentives are given by the government for practicing Islamic business then it will be practiced in Bangladesh", 75 (21.92%), 153 (44.73%), and 56 (16.37%) respectively strongly agreed, just agreed and some what agreed, while 15 (4.38%) , 29(8.47%) , and 9(2.63%) respondents respectively indicated their some what disagreement, just disagreement and strong disagreement. The rest 5 (1.46%) remained silent.

Relating to the statement, "If no punishment is given for doing un-Islamic business Islamic business will not be practiced in Bangladesh", 87 (25.43%), 153 (44.73%), and 51 (14.91%) respectively strongly agreed, just agreed and some what agreed while 13 (3.80%) , 17(4.97%) , and 13(3.80%) respectively indicated their some what disagreement, just disagreement and strong disagreement. The rest 8 (2.33%) remained silent.

At last the 173 (50.58%) opined that educating benefits of Islamic business in schools, colleges, madrassa and universities of Bangladesh both public and private the practices of Islamic business can be ensured while 94 (27.48%) opined that focusing on the benefits of Islamic business by the learned Muslims in the available medias in Bangladesh the awareness about Islamic business can be developed where as 67(19.59%) respondents opined that favorable attitudes of the government is essential for ensuring the practices of Islamic business in Bangladesh and the rest 8(2.33%) respondents opined about others.

## 7.0 Conclusion and Policy Implications

In Bangladesh the practices of Islamic business is limited because of many reasons such as lack of sufficient or no knowledge about Islamic guidelines of business, lack of Islamic environment, lack of policy support etc. But, if Islamic business would have practiced at large all the stakeholders such as consumers, sellers, producers, and society, as a hole would greatly be benefited; because, Islam strictly prohibits bribery, corruption, falsehood, under weighing, frauds, and adulteration while doing business. Therefore, this paper suggests that the benefits of Islamic Business (IB) along with the Islamic principles of business should be taught at all schools, colleges, madrasahs, and universities (educational institutions) of public and private; because, religiosity has a significant influence on the ethical awareness of people in general and Muslims in particular (Sadler,1970;Sood and Nasu,1995) . Moreover, the learned Muslims should play the due and just roles in developing awareness about IB through seminars, symposiums, workshops, talk-shows in electronic medias, writing columns in the printing Medias, and discussing in the Mosques etc. At the same time, the policy makers should provide policy supports to the business people for ensuring the right practices of IB in Bangladesh. In this case, the experiences and lessons from many Muslim countries like Malaysia, Iran, and Indonesia can be taken. According to Alhabsyi (1994), the majority of Malaysian Muslims abide by Islamic rules and regulations while practicing business transactions; because, Malaysia has integrated worldly and Islamic values in education system.

Thus, this study has shed light on the real pictures of practices of Islamic business in a portion of Bangladesh (Chittagong) showing the major loopholes so that future researchers can take initiatives to conduct study in more comprehensive and meaningful way taking more sample from whole country of Bangladesh with a view to identifying shortcomings in the practices of IB for designing necessary suggestive measures to remove bottlenecks to the way of practicing Islamic business and thereby helping in eliminating all sorts of malpractices like adulteration, underweight, fraud, and falsehood which will ultimately lead to Bangladesh for making it as a prosperous, happy and peaceful country.

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