

Ḥalāl and Ḥarām Business Areas

By virtue of rules 4 and 6 above, what is *ḥarām* may be presumed to correlate with business areas that are themselves *ḥarām* and hence unethical. Similarly, what is *ḥalāl* may be presumed to correlate with business areas that are themselves *ḥalāl* and ethical.

Ḥalāl Earnings

Islam, through the example of the Prophet (saaw) and the rightly-guided Caliphs, demonstrates the importance of trade or business. Abū Bakr (raa) ran a cloth business, 'Umar (raa) had a corn trading business, and 'Uthmān (raa) also had a cloth business. The Anṣār among the Companions of the Prophet (may Allah be pleased with them) engaged in farming. In fact, except for the trades that have been prohibited (see below and other sources such as al Qaraḍāwī), Islam actively encourages Muslims to get involved in business and commerce:

*Allah's Messenger (peace be upon him) was asked what type of earning was best and replied, "A man's work with his hand and every business transaction which is approved."*⁹³

Table 3
Islamic Principles Pertaining *Ḥalāl* and *Ḥarām*

1. The basic principle is the permissibility of things.
2. To make lawful and to prohibit is the right of Allah alone.
3. Prohibiting the *ḥalāl* and permitting the *ḥarām* is similar to committing *shirk*.
4. The prohibition of things is due to their impurity and harmfulness.
5. What is *ḥalāl* is sufficient, while what is *ḥarām* is superfluous.
6. Whatever is conducive to the *ḥarām* is itself *ḥarām*.
7. Falsely representing the *ḥarām* as *ḥalāl* is prohibited.
8. Good intentions do not make the *ḥarām* acceptable.
9. Doubtful things are to be avoided.
10. The *ḥarām* is prohibited to everyone alike.
11. Necessity dictates exceptions.

⁹³ Rāfi' ibn Khadij, *Mishkāt al Maṣābīḥ*, hadith no. 2783.

⁹⁴ Al Qaraḍāwī, p. 11.

Earning money through a *ḥalāl* trade is vastly preferred over begging. This principle is emphasized in the following hadith:

A man of the Anṣār came to the Prophet (peace be upon him) and begged from him. He (the Prophet) asked, "Have you nothing in your house?" He replied, "Yes, a piece of cloth, a part of which we wear and a part of which we spread (on the ground), and a wooden bowl from which we drink water."

He said, "Bring them to me." He then brought these articles to him and he (the Prophet) took them in his hands and asked, "Who will buy these?" A man said, "I shall buy them for one dirham." He said twice or thrice, "Who will offer more than one dirham?" A man said, "I shall buy them for two dirhams."

He gave these to him and took the two dirhams and, giving them to the Anṣārī, he said, "Buy food with one of them and hand it to your family, and buy an ax and bring it to me." He then brought it to him. The Apostle of Allah (peace be upon him) fixed a handle on it with his own hands and said, "Go, gather firewood and sell it, and do not let me see you for a fortnight." The man went away and gathered firewood and sold it. When he had earned ten dirhams, he came to him and bought a garment with some of them and food with the others.

The Apostle of Allah (peace be upon him) then said, "This is better for you than that begging should come as a spot on your face on the Day of Judgment. Begging is right only for three people: one who is in grinding poverty, one who is seriously in debt, or one who is responsible for compensation and finds it difficult to pay."⁹⁵

Work in Agriculture

Allah describes in the Qur'an the processes underlying agriculture and farming: how rain is sent down and flows throughout the earth, making it fertile and ready for cultivating; how the winds play a role in scattering seeds, and how crops grow.

⁹⁵ Anas ibn Mālik, Abū Dāwūd, hadith no. 1637.

*It is He Who has spread out the earth for (His) creatures: Therein is fruit and date palms, producing spathes (enclosing dates): Also corn, with (its) leaves and stalk for fodder and sweet-smelling plants. Then which of the favors of your Lord will you deny?*⁹⁶

This Qur'anic verse and many others⁹⁷ provide motivation for agricultural work. Al Qaraḍāwī also mentions the following hadith in support of agricultural work:

*Allah's Messenger (peace be upon him) said, "There is none amongst the Muslims who plants a tree or sows seeds, and then a bird, or a person or an animal eats from it, but is regarded as a charitable gift for him."*⁹⁸

Work in Industry and Professional Areas

Besides agriculture, Muslims are encouraged to develop proficiency in industries, crafts and professions that are instrumental to the survival and betterment of the community. In fact, development of these skills represent a *farḍ kifāyah*. Imām al Ghazzālī stresses this point:

*Sciences whose knowledge is deemed farḍ kifāyah comprise every area which is indispensable for the welfare of this world.*⁹⁹

Many professions that are ordinarily looked down upon have been given dignity by Islam. For example, Moses (saw) worked as a hired hand for eight years to gain the hand of his future wife. The Prophet (saaw) also worked as a shepherd for several years:

*The Messenger of Allah, may Allah bless him and grant him peace, said, "There is no prophet who has not herded sheep," and someone asked, "You as well, Messenger of Allah?" He said, "Myself as well."*¹⁰⁰

⁹⁶ Qur'an 55:10-13.

⁹⁷ Qur'an 71:19-20; 80:24-28; 15:19-22.

⁹⁸ Anas ibn Mālik, *Ṣaḥīḥ al Bukhārī*, 3.513.

⁹⁹ Al Ghazzālī. *The Book of Knowledge*. Lahore, Pakistan: Sh. Muhammad Ashraf. Translated by Nabih Amin Faris, p. 37. The above quote was cited in al Qaraḍāwī, pp. 131-132.

¹⁰⁰ Mālik ibn Anas, *al Muwaṭṭa'*, 54.6.18.

In general, then, Islam looks on work which fills a *ḥalāl* need in society as good provided that the person performs it in an Islamic manner.

Harām Earnings

A partial list of businesses that Muslims should stay away from is included below.

Trading in Alcohol. Alcohol consumption and trade is prohibited:

*Truly, Allah has cursed khamr and has cursed the one who produces it, the one for whom it is produced, the one who drinks it, the one who serves it, the one who carries it, the one for whom it is carried, the one who sells it, the one who earns from the sale of it, the one who buys it, and the one for whom it is bought.*¹⁰¹

Hence, a Muslim businessman cannot run any trade which imports or exports alcoholic beverages; he cannot own any business where alcohol is sold, nor can he work in any such business.

Drug Dealing and Trading. Yūsuf al Qaradāwī classifies drugs such as marijuana, cocaine, opium and the like under the prohibited category of *khamr*.¹⁰² The criterion for defining what is *khamr* comes from 'Umar ibn al Khaṭṭāb:

Khamr is what befogs the mind.

Muslim jurists, including Ibn Taymīyah, have unanimously prohibited such drugs because of their intoxicating and hallucinogenic effects. Their use may result in evil behavior and have harmful effects upon the person using the substance. Al Qaradāwī cites a verse from the Qur'an:

*And do not kill yourselves; indeed, Allah is ever merciful to you.*¹⁰³

¹⁰¹ Reported by al Tirmidhī and Ibn Mājah, on reliable authority in al Qaradāwī, p. 74.

¹⁰² Ibid., p. 76.

¹⁰³ Qur'an 4:29.

Based upon the general ruling about trading in *khamr*, such businesses that involve drugs in any aspect of its trade are not permissible to Muslims.

Sculptors and Artists. Following the rule that something that leads to a forbidden thing is also forbidden,¹⁰⁴ businesses involving the manufacture of pictures, statues, etc., as objects of worship or as objects to be likened to Allah's creations are clearly forbidden in Islam. In a hadith narrated by 'Ā'ishah (raa),

*Allah's Apostle (peace be upon him) returned from a journey when I had placed a curtain of mine having pictures over (the door of) one of my rooms. When Allah's Apostle (peace be upon him) saw it, he tore it and said, "The people who will receive the severest punishment on the Day of Resurrection will be those who try to make the likeness of Allah's creations." So we turned it (i.e., the curtain) into one or two cushions.*¹⁰⁵

Production and Sale of *Ḥarām* Goods. As can be seen from the prohibitions regarding *khamr*, trading in goods used for committing sins is *ḥarām*, e.g., pornography, hashish and the like, idol manufacturing, etc. Such trade tends to promote and propagate what is *ḥarām* and may encourage *ḥarām* behavior. The Prophet (peace be on him) said,

*Allah and His Apostle made illegal the trade of alcohol, dead animals, pigs and idols.*¹⁰⁶

Prostitution. Although legal in many countries, Islam prohibits this trade. In fact, when Islam came, it put an end to the exploitation of women used in this fashion. The following hadith and Qur'anic citation strongly condemn prostitution:

'Abd Allāh ibn Ubayy ibn Salūl used to say to his slave girl: "Go and fetch something for us by committing prostitution." It was in this connection that Allah, the Exalted and Glorious, revealed this verse: "And compel not your slave-girls to prostitution when they desire to keep chaste in order to seek the frail

¹⁰⁴ Principle number 5, in al Qaradāwī, *Al Ḥalāl wa al Ḥarām fī al Islām*, p. 11.

¹⁰⁵ 'Ā'ishah (raa), in *Ṣaḥīḥ al Bukhārī*, hadith no. 7.838.

¹⁰⁶ Jābir ibn 'Abd Allāh, in *Ṣaḥīḥ al Bukhārī*, hadith no. 3.438.

goods of this world's life, and whoever compels them, then surely after their compulsion Allah is Forgiving, Merciful." (24:33).¹⁰⁷

Al Gharar. The Prophet (saaw) forbade any kind of trade involving uncertainty, regarding an unspecified quantity to be exchanged or delivered. Futures trading is therefore prohibited in Islam. It involves the selling of commodities not yet in the possession of the seller, the selling of animals still unborn, the selling of agricultural produce not yet harvested, etc.¹⁰⁸

*The Messenger of Allah, may Allah bless him and grant him peace, forbade selling fruit until it had started to ripen. He forbade the transaction to both buyer and seller.*¹⁰⁹

Not every sale involving uncertainty is prohibited.¹¹⁰ For example, a person may purchase a house without knowing what is inside its walls. What is prohibited are sales where there is an obvious element of uncertainty that may lead to dispute, conflict or the unfair impoundment of one's money. Sales where the element of uncertainty is minimal are permissible.

Prohibited Form of Sharecropping. Sharecropping is allowed under certain circumstances and disallowed under others. Let us assume a situation where a landowner lends his land to another person to cultivate. The cultivator can use his own equipment, seeds and animals provided he gets a specified percentage of the produce from the land. The owner may also furnish the cultivator with seeds, equipment and animals. This type of sharecropping is allowed. The Prophet (saaw) provided the people of Khaybar with land to cultivate in return for half of the produce.¹¹¹ A second type of sharecropping called *mukhābarah* is disallowed. In this case, the owner asks for a specified weight or measure of the grain produced and the cultivator is supposed to receive the remainder of the harvest. Should the land be partly productive, the cultivator may receive nothing. This is why the Prophet (saaw) required that both parties share the total produce however much or little it may be, and forbade this type of practice. The following hadith narrated by Rāfi' ibn Khadīj supports this point.

¹⁰⁷ Jābir ibn 'Abd Allāh, in *Ṣaḥīḥ Muslim*, hadith no. 7180.

¹⁰⁸ Gani, pp. 6-7, and al Qaradāwī, pp. 253-254.

¹⁰⁹ 'Abd Allāh ibn 'Umar, *al Muwaṭṭa'*, hadith no. 31.8.10.

¹¹⁰ Al Qaradāwī, p. 254.

¹¹¹ 'Abd Allāh ibn 'Umar, *Ṣaḥīḥ al Bukhārī*, hadith no. 3.485.

We worked on farms more than anybody else in Madinah. We used to rent the land at the yield of specific delimited portion of it to be given to the landlord. Sometimes the vegetation of that portion was affected by blights etc., while the rest remained safe and vice versa. So the Prophet (peace be upon him) forbade this practice. At that time gold or silver were not used (for renting the land).¹¹²

The prohibition of the second type of sharecropping illustrates Islam's preoccupation with the axioms of balance and benevolence. Both the land owner and the cultivator must behave equitably: the landowner must not exact too high a portion of the produce, and the cultivator must look after the land judiciously. Both parties share in the gain and loss. This is clearly more fair than leasing where the landlord collects his rent no matter what, and the tenant may or may not harvest any produce.¹¹³

For businesses not mentioned above, it is imperative that the reader consults with Muslims that are qualified jurists.

Developing an Ethical Organizational Climate

Ethical or unethical conduct does not take place in a void. They usually take place within an organizational context that facilitates their occurrence. The actions of other organizational participants as well as the norms and values embodied within the firm's culture may add to the ethical climate within the organization. The English proverb "birds of a feather flock together" is applicable here. The Serpco scandal took place when New York City policemen decided that taking bribes was an easy way to make extra money. Before long, the whole department was almost totally corrupt. The Milken, Levine and Boesky scandals are all incidents where organizational participants flouted ethics because supervision was either too lax or they believed that the law would never catch them. For his misdeeds, Michael Milken had to pay a fine of over \$500 million and spend time in jail.

In examining the ethical climate in an organization, one needs to start with the individual's own ethical stance. Some are committed to ethical behavior, and will not engage in doubtful practices. Others are influenced by the unethical standards of their peers or boss or by external environmental pressures. For example, employees in hypercompetitive industries may feel

¹¹² Rāfi' ibn Khadīj, *Ṣaḥīḥ al-Bukhārī*, hadith no. 3.520.

¹¹³ Ibn Taymīyah. 1992. *Public Duties in Islam: The Institution of the Hisbah*. Leicester, UK: The Islamic Foundation, p. 41.