

The Basis of Entrepreneur Principles within an Islamic Ethical Framework

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Abstract:

Islam provides complete road map of an individual for successful and ideal life. Every act of a Muslim shows according to the divine commands of Almighty Allah (SWT) for attaining inner satisfaction. In Islam, business and religion is not separated. Islam has its own culture regarding entrepreneur business which based on Al-Quran, Hadith, Shariah and Sunnah. Entrepreneurship is the social source of gaining through expanding capital, means to successful exchange of basic necessities of life, that maintain equilibrium between materialization and spirituality through social justice, freedom, and benefits. The Underlying principle of the Islamic values is the well beings of human life and the alam (environment).The approach adopts the representation of human being through the physical & spiritual dimensions. It describes a good understanding and correct implementation of principles and rule of Islam offers the various types of businesses possibilities. The aim of this paper is to seek entrepreneur principles according to Islamic ethical framework. A true Muslim entrepreneur is one who identifies Halal from Haram and the whole characteristic based on universal integration of spiritual elements. Moreover, entrepreneurship is the source of creating good employment opportunities which proves helpful for economic development. The conventional interpretation of Islam supports the managerial activities in business but the new and innovative practices change this title in the form of Entrepreneurial activities

Keywords:-Muslim entrepreneur, spiritual elements, entrepreneurship, Islamic Principles, Ethics

Introduction

The philosophical roots of Islamic ethics and entrepreneurial practices are similar in some dimensions. As a religion, Islam provided a comprehensive way of life (Ad-Din) which completely based upon the fundamental principles of Al-Quran, Sunnah, Shariyah and the practices of our beloved Prophet (PBUH). He (PBUH) governed all the business operations and managerial practices according to the golden principles of Islam. Islam as a din always encouraged entrepreneurship development.

Abu S'aid narrates that Prophet (PBUH) said,

“An honest and sincere businessman will be placed with the Prophets, Siddiqin and al-syuhada” (Hadith Hasan al-Tirmidhi, 1987, no.1209, P.515).

The person who followed the true teachings of Islamic framework known as Muslim entrepreneur (**Muslimpreneur**). A true Muslim entrepreneur is basically the integration of spiritual and materialized element but more stress upon spirituality element first. He focused on societal welfare of all human being, fair and transparent dealing, social justice and peace, separating Halal and Haram, inner satisfaction of soul and considered yourself will be answerable in front of Allah (SWT) in worldly and after worldly life. The verses of Holy Quran stresses upon human contemplation at every aspect of life. Al-Quran manifest this encouragement towards Muslim entrepreneurs:

“Seek using all resources available on earth and open up opportunities for the same cause”.

Islamic entrepreneurship is quite different from Western Entrepreneurship principles. According to Islamic thought, Muslim enterprises maintain a balance between materialized and spiritual goals. On the other hand, Western thoughts comprises on progressive form of materialization with ethics (due to some extent).

How to explore the impact of entrepreneur business according to Islamic Code of Conduct and elaborates the Islamic Ethical framework of Business? The Objectives of this study are as follows: To highlighted the historical background of all Muslimpreneeres and economic development model progress through Islamic code of conduct. In the light of Al-Hadith, Al-Quran, Shariyah, Sunnah, Ijmah and Kias rules for a successful enterprise. Islamic way of doing entrepreneurship be free from all unethical or immoral intentions, actions and hence from sins. To obey the divine commands of Allah Almighty and also give short review about the current prevailing practices of entrepreneurship and what in actual Allah (SWT) defines.

“Allah Almighty has allowed trade and forbidden Riba”(Surah al-Baqarah (2): 275)

Al-Quran itself freely substitutes the ultimate objective of human being

“This is best for those who seek Allah’s countenance and such are those who are successful”. (XXIX :38)

Islamic thought on the notion of Tawhid, vicegerency and the principle of justice, a total commitment to the will of Allah (SWT). The differentiating point of Muslim entrepreneur is promoting the avoidance of waste, extravagance and ostentation. They prefer spiritual spirit more than materialization. Thus, Muslim entrepreneur is far differ from other one’s on the basis of their aim and motives. They have firm believe on the divine commands of Allah (SWT) and hereafter life.

Timeline of Muslim Entrepreneurship Islamic History (Chronology)

591 6 th CE	The Holy Prophet becomes an active member of “Hilful fudul”, a league for the relief of the distressed.
594 6 th CE	The Holy Prophet becomes the Manager of the business of lady Khadija, and leads her trade caravan to Syria and back.
742CE	The Muslim rule restored in Qiarowan.
7 th CE	Hazrat Umar Poverty, Threshold, Bait-ul-Maal, Welfare State for Charity and giving allowance to non-Muslims or Dhimmi or pension.
635	Rashidin Caliphate expanded gradually and works on Military expansion. (Hazrat Umar).
640	Uthman ibn Affan notable achievements were the economic reforms in society. A shrewd businessmen and a successful trader from his youth. Construction of building for public welfare.
875	Abbas ibn firna invented Parachute. The first watch was made by Kutbi, a renowned Muslim watch maker of his time.
10 TH CE	Ibn-Al-Haitham invented pin whole camera.
15 TH CE	Khalid invented coffee. He boiled the berries to make the first coffee.

Literature Review

Islam does not negate the entrepreneurship type of business but it emphasizes upon the social justice, societal welfare by implanting the basic and true principles of Islamic law (M. Said Oukil, 2012). As socio-economic perspective Muslim countries have not recorded at continuous growth level. The reason is not specifically operated Islamic laws but the uncertain and hostile conditions of environment in the past (Smallbone and Welter, 2001), many other reasons also involved behind this decline due to not proper support of Government Agencies and policy shortcomings (Oukil, 2007) by adopting traditional cultural values, not admitting change less flexible laws and strategies, unethical conducts, fraud and corruptions etc. (Bashiti, 2011; Dana, 2011; Abuznaid, 2009).

The start of Islamic era based on business (Trade) or some form of entrepreneurial activities. Islam always play major and a positive role for enhancing entrepreneurial business activities at all level and even in Indian population (Audretsch et al. 2007; Osella & Osella, 2009). According to Vargas Hernandez et al, 2010. It has to become a fact entrepreneurship is the part of Islamic culture one important concept and thought which separates two different paradigm of people, the concept of Halal (which satisfy at short term need fully) and Haram (purely materialistic gain focused by hook and crook). Finally, Islam enlightened a way toward the every aspect of life either its business morality and ethics or simple human and society rights (Syed, 2003).

According to Islamic worldview, morality, ethics, trustworthiness, transparency, justice, fair treatment and accountability are the main values which an entrepreneurs stick to follow it (Karim, cited by Choudhury, 1997). Islam removes all sort of discrimination among rich and poor, male and female, national and expatriates in all aspects of life and business world too by them (Graafland, 2006). Money is not a final commodity in Islamic context but the satisfaction of hereafter and contentment of inner soul is everything (Ismail, 2006). According to Kayed and Hassan (2011c), Islamic entrepreneur does not concentrate upon materialistic benefit more but they focused on spirituality and materialistic views both equally.

Every Muslim entrepreneur must change their old and traditional paradigm into the new and modern perspectives for the sake of social growth, (M.A. Abdullah et al., (2011). There is a need of social entrepreneurship through mutual interdependence so the SMEs which work on Islamic principles can perform well and creating social equilibrium by them (A.Hoetoro, 2011). Islam encourages the investment on the basis of social capital according to Quran and Shariyah principles. Many verses of Quran encourage Muslims to support investment in proper Islamic way "*Allah will bless the transaction in which the buyer and seller are unambiguous and frank and have goodwill for each other*". Every Muslim entrepreneur should change their views into old to new ways so that progress ensures by them (M.A. Abdullah, 2011).

According to Ahmad Rafiki et al., (2013), they measured the inner level of satisfaction of Muslim presences in Islamic context. Two theories are used to measure the satisfaction i.e. theory of entrepreneurial success and religiosity. The achievement of higher level needs with the pleasure of Almighty Allah, attaining eternal life success, experiencing spiritual solace and peace in this world and hereafter by them (Yousef 2001). The satisfaction of Muslimpreneuers based upon the progress of economic performance of their ventures (Kalsom Abdul Wahab, 2013). Islamic work ethics decides about that what is right and what is wrong (Beekun, 1997). Islamic religiosity also leads toward the satisfaction of an individual firm belief (Pargament ; 1997).

Islam shows the righteous path for every human being and always stress upon those activities who gives societal welfare for everyone. Weber (1982) posited that Islam always encouraged to the social and economic development of whole society which makes many protestant countries becomes successful and prosper countries Yousef (2001) rejected Weber thoughts, he says Islam always gives faith of righteous way in human life and work place too as a major root. Samaneh Sarkhosh et al., (2012) discussed "the relationship among organizational culture and Islamic entrepreneurship". The cultural factors (uncertainty) influences upon the entrepreneurial works.

The understanding of technology entrepreneurship according to Islamic (Shariah) Principles is indeed become vital in the advanced globalized world. Shane and Venkataraman (2003) defines technological entrepreneurship according to Islamic Shariayah principles. The value system has become important factor of an entrepreneur's behavior Weber (1930). An entrepreneur's is to perform better if motivational factor (individual need of achievement) is high (McClelland (1961,1971). The study of (Filion, (1997), Newman (1981), Julien & Marchensnay (1996) related entrepreneurs with environment.

Many authors relate entrepreneurship with innovation too. Say (1803), Cantillon (1755) & Schumpeter (1928) associates entrepreneurship with risk taking and moving toward growth through innovation. Another perspective of a good entrepreneur is as a good Manager. Islamic managerial ethics provide the foundations and roots of Muslim entrepreneurs to handle all uncertain conditions with courage and strong determination (Rana Abbas, 2012).

Business ethics elaborates that ethics and morality cannot go together with a successful venture because specificity of these two values creates many obstacles to attain growth in business, (George & Richard, 1986). It does not mean that those businessmen against the ethical practices of Islam but they do not want that to judge their business activities on the basis of their own cultural practices, (Alois A. Nugroho, 1997). Basically ethics cover and controlled those behaviors who far away from Government and other societal perspectives of things (Berle, 1932). An entrepreneur is a person that has some superior qualities and respective responsibilities.

Al-Quran clarify this standing as

"We raise some of them above in ranks, so that some may command work from others (Al-Zakahraf: 32) (Ali, 1934)".

An entrepreneur should be a good manager who manage resources efficiently and generating profit as well. A manager must be a role model and when Islamic ethics involved so a good manager is a person who fulfilled all managerial ethics according to Islamic principles. (Rana Zamin Abbas, 2012). According to Habib Allah Salarzahi self-sacrifice, dedication, cooperation, voluntary participation of any welfare activity and allocation of their own proper for the material and spiritual welfare of humans called Wagf.

Charity has to become an old concept in which someone gives some regular amount or percentage for charitable institutions etc on the other side, Wagf is to devote their all property for the well being of society it's a voluntary action that the owners permanently transfer their owners right of property to any institute, hospital, mosque, library education and some other type of society welfare institutions. (Ahsan Ghods Razavi, 2008). There is the need of social entrepreneurs who utilized these resources of Wagf and generating profit at maximum level but following the principles of Islam (Alvord, George Brown, 2004). Wagf Charity and social entrepreneurs are pure Islamic terms by performing these inner satisfaction level will increased by them.

Dr. Bellin say "Al-Quran invites people for charity and Ehsan and we cannot find a chapter in Quran that does not say about budding life or property in the way of God, (Bandarchi, 1998:11) social entrepreneur plays an important role for promoting Wagf in Islam, because the goal of both concept are common due to some extent that is public/societal welfare. Islamic civilization had great support of Wagf even some non-Muslim countries also support it and adopted by them (Anjavinejad and Eami 2005:15th). In Muslim societies, treat Wagf as a device for consent of God and if someone follow the rule of Islam for doing business so that it called as social entrepreneurship. Giving loans, investing in charity works, orphan house building, mosque constructed is the form of Wagf. (Cizakew, 1995:324).

The growth and development of entrepreneurial activities based upon the firm religious belief, the concept of an ideal men, life and society in the context of Islam. (Steve Shuklian). The barrier which assess in the way of entrepreneurial growth and development, decision making structure, property rights and plan for incentives

seeking solutions of these barrier in pure Islamic context. (Dallas Brozik). An economic system provides a structure that how to address these problems like what is to be produced, how much produced and who is involved in production process but in Islamic economic system above these steps come in the territories of Islamic golden principles follow the Islamic pattern of production and its processes by them. An Islamic economic system allows four dimensions of handling this whole structure i.e. an organization of decision making arrangements in the form of decentralization because centralizing command remains only in the hand of Allah (SWT) (Carland et al., 1984). Islam prohibits price fixing it allows moderating price which negotiate between buyer and seller with mutual consent. A good mechanism for information and coordination and prohibits smuggling. Equally giving property rights to all human beings and proper incentive system focusing on today's as well as hereafter reward on it.

A person who fulfilled all legal matters and following the rich principles of Islam and prohibits dishonesty, fraud, deception, coercive practices gambling and generating profit from their business called as successful entrepreneur in Islam .The main distinguishing factor between Islamic strategy for economic development is that social justices and growth together. (Gnyawali and fogle, 1994).

Islamic finance has become one of the best source of financing to an entrepreneur business. Mostly small enterprises show the manifestation of entrepreneur business (Faheem Muhammad). Normally, entrepreneurs faced the shortage of finance during business but this obstacle is removed at some extent by the introduction of Islamic finance system, (Dreuker, 1993). At initial level, newly made enterprises face some major challenges, shortage of finance is one of the big and major one but this problem is overcome through the Islamic microfinance services in countries (Juan Somavia, 2008).

Micro entrepreneurship is basically an income generated activity which circulates among poor to poorer and low to moderate income level of people. Micro entrepreneur is also defining as "Progress out of poverty" (Clark and Amy Kays; 1999) Microfinance is not established in many countries due to lack of awareness among people, Atef el Shabrawy; (2008). If Islamic firms implements the fundamental principles of Islamic contracts as designed and approved by Shariah so many problems are minimized (Md. Abdul Awwal).

Entrepreneurship in Islamic Ethical Framework.

In the Islamic ethical context, entrepreneurship presents the holistic view of social welfare of all human beings. Building blocks of Islamic entrepreneurship based upon fair dealing, transparent handling of operational and functional activities, true Islamic code of conduct, Shariyah, Guidance from the Holy Quran, Sunnah, Ijmah and Kias. Their ultimate purpose of attaining long term societal welfare which based on social justice. The aim of Muslim entrepreneur is not only to profit maximization but ensures success in worldly life and also afterworld. Allah (SWT) himself is known as the best organizer:

"For us Allah sufficient and he is the best disposer (organizer) of affairs".

(Al-Quran, Surah Al Imran, 3: 173)

Allah (SWT) said:-

"After your prayer is over, spread over the earth and seek the bounty of Allah"

(Al-Quran 62:10)

Entrepreneurship in Different Authors Perspectives

Hazrat Yusuf Al-Quran Surah Yusuf (12:55)	Knowledge and organizing ability.
R.Cantilton	Risk taking and action oriented
McClelland (1961)	Responsible of decision making.
Peter Kilby (1971)	Adapter of ideas
J.J Kao	Adventurism
Koa (1989)	Value creation activity
Weber (1930)	Innovation and initiative capabilities
Ahmed (1981)	Focal point risk taking
Rahman (1979)	Force of change
Hoselitz (1952)	Capital arrangement capacity
Akhore (1977)	Stimulatory, Supporting, Sustaining activities.
Knight (1921)	Bearing uncertainty
Leibenstein (1968)	Satisfying needs
Say (1816)	Adding value

Characteristic of Islamic Entrepreneurship

Following are some major characteristic which indulged in true Islamic enterprises:-

“The Holy Quran exhorts hard work and promises Allah’s assistance and guidance for those who strive and act righteously” (29:6, 69)

- a. Performing lawful business.
- b. Contributing national economic development.
- c. Based upon tenets of Islamic knowledge.

- (1) Al-Quran
 - (2) Al-Hadith
 - (3) Reputed Islamic Scholars.
 - (4) Shariyah
 - (5) Ijmah and Kias
 - (6) Sunnah
- d. Education and specialized Islamic training programme.
 - e. Harmonious relationship with stakeholders.
 - f. Focused on quality of products and services.
 - g. Democratic and friendly environment for decision making.
 - h. Accountable for all activities in front of Allah (SWT).
 - i. Profit maximization with social welfare and justice.
 - j. Imparting moral, ethical, managerial behavioral skills in employees.
 - k. Strong incentive plans.
 - l. Concern of social peace and justice.

Muslim Women Entrepreneur

Hazran Khadija (R.A)	Trading of Goods
Umm-al-Momineen Zainab Bint-I-Jahash	Leather processing and export it.
Al-Ansar	Agriculture field
Sahl Ibn Sad	Cultivating beets and barley
Asma (daughter of Abu Bakr (R.A))	Produce and transport seeds
Al-Shifa Binti Muawiz	Trader of medinah market
Khawla, Lakhmia, Thaqafia and Bint Makhramah	Oil based perfumes trader
Saudah (The prophet's wife)	Expert in leather tinning skin
The wife of Abdullah ibn Masud	Manufacturing and selling handicrafts.

Methodology

This research is based on subjectivism /constructionism. In constructionism we follow the social order of studies in different perspectives of Authors, and Philosophers. When meaning is given by subject to object called constructionist. Basically information gathered from this paper from Al-Quran, Hadith, Shariyah, Sunnah, Journals, Websites and various Islamic articles, etc. Some famous Islamic personalities influences in entrepreneurship field are also discussed and also supporting other people views with her own thoughts

(interpretivism). Hermeneutics' perspective is used in which study of different articles and books conducted and support these ideas by translating/converting according to your own ways. In methodology heuristic inquiry is used as an action plan based on history of complete Islamic ethics on entrepreneurial principles. Discourse analysis is used for finding the periodically changes and theme of research. In methods, comparative analysis is used but not properly comparing with other religion in depth just clarify it what Islam says about this entrepreneurial model.

Discussion and Concluding Remarks

The philosophy and holistic concept of Islam always emphasized upon a civilized society where social justice, freedom, peace, harmony, spirituality, religious duties and worldly life requirements balanced in the magnificent way. Being a Muslim entrepreneur these duties will create differentiation between the Muslim and Western entrepreneur. A true Muslim entrepreneur should not only concentrate upon universal characteristic but also focused upon the integration of all spiritual elements. Because the teaching of Islam possesses upon the holistic welfare of all civilization regardless of considering demographical, racial, cultural and geographical factors. Islam always encouraged upon entrepreneurial activities. He chooses the best businessmen as doing a Jihad against negativity (al-Qarodawi, 2001, P.43).

Al-Quran encourages Muslim entrepreneurs in these words.

“Seek using all resources available on earth and open up opportunities for the same cause”. Allah Almighty encourages entrepreneurship not as a commercial activity but also named as Tijarah which also allowed during and after Haj (Yusuf Kamal et al., (2001, P.130).

This business activity becomes the source of employment; fulfilling necessities of livelihood for many ones and the extra earning which comes into the form of profit will be distributed as Zakat, alms, donations and gift for poor and needy welfare as per Islamic rules and regulations. (Al-Nawawi, n.d., 6P.194). Entrepreneurial business leads toward profit and loss and risk factor involved equally. Through Islamic system uncertainty and loss can also be managed if loss is equally distributed among all entrepreneurs as per gain distribution policy. (Al-Misri, 2007, P.17). Islam gives a true model of doing entrepreneurship business is in the form of Shariah in which all divine orders are cleared about the prohibits of Haram and taken Halal thing and activities performed by them. (Ismail Rajial-faruqi, 1992, P.178).

Basically Halal and Haram creates the differentiate between Muslim and Western entrepreneurs aim and motives. The success of an enterprise oftenly based upon the personality characteristic of his/her owner. If we look back in Islamic history of successful businessman so it's clear that personalities influenced at high rank for successful business like Prophet Muhammad (PBUH), Hazrat Abu Bakr (R.A) and Hazrat Ali (R.A) etc. In fact our Islamic history is too rich and full of successful and legendary influencing personalities of entrepreneurs and their achievements (Abdul Ghani Azmi, 2012). Another major attribute which differentiate a true Muslim entrepreneur from non-Muslim entrepreneur is the personality. Muslim leader personality based upon high level of Taqwa (God consciousness) Islamic values and way of thinking, behaving and emotions in religious way, (Muhammad Zakaria, 2008). Al-Quran point out the importance of gaining wealth through entrepreneurship in these words.

“And we have certainly established you upon the earth and made for you there in ways of livelihood; Little are you grateful”.

(Surah Al-A'ref:10)

Another major personality characteristic of Muslim entrepreneur as a leader. Because in Islam leader is a person that handles the risky situation and proved yourself as a role model in front of their subordinates and also guides toward the righteous path of honesty, and transparency of handling all situations. Thus, the study of personality determinate provides the dynamic foundation of Islamic entrepreneur business in front of Almighty Allah and their employees and customers by them.

An Islamic principle of living (Shariah laws) provides a path way of moving toward business growth and development in Islamic countries. An extra amount which gathered in the form of investments shall be spend to Islamic charities known as portfolio purification. Islam also gives an equal opportunity of Muslim women entrepreneurs like Hazrat Khadija (R.A) sets a great and successful lady as pious business women. Muslim wants to use Shariah to reverse feminism and control women (Feldman ; 2008). Islam does not prevent women from business it always give an equal right of decision making and conducting all business activities by them.

The clear message of Al-Quran shows that

“Men shall have a benefit from what they earn, and women shall have a benefit what they earn”.

(Surah An-Nisa : Ayat 32)

Islamic finance and entrepreneurial development having similar dimensions due to some extent. Small and medium enterprises normally faced a big obstacle of expanding capital and managing their current business activities at the given amount of capital by them. On the other hand, Islamic finance provides numerous ways of expanding capital of these SMEs Enterprises. Many entrepreneurs utilize the less valuable resources of society by taking high risk factors and raised their production to attain their goals. (Say, 1816; Kirzner, 1973). In Islamic entrepreneurial firm based on joint venture type of business in which both parties equally participated with their capital and responsible of all profit and loss equally and extra profit will be divided in the form of charity for giving deserving people, constructing libraries, mosques, marriage of poor families daughter and philanthropy purposes.

Islam always encouraged the positive changes in any field which ultimate give the societal welfare. Technological entrepreneurship is a term which referred positive technological changes for improving growth and development in all fields according to Shariah principles by them. Technology refers the innovation discipline and entrepreneurship show business discipline so when both of these combine it give meaning as innovation in business discipline field.

One of the major characteristic of entrepreneur is to bring innovation in their business activities it's possible only when technology used. (Shane and Venkataraman 2003). Innovation is the way of revolutionizing the method of production, processes, manufacturing, and utilization of new market resources, and exploitation of new introducing of new products in market to capture it. (Schumpeter, 1950). The transformation of raw material into finished goods form is possible only by the help of advanced technology (Metcalf, 1995). Technology has to become the backbone of success of any business entity it gives competitive edge, value-added state in every process of production. An entrepreneur utilizes technology in better way of enhancing productivity through innovation, (Rosenberg, 1976). Technological capabilities understand only by a good entrepreneur that how to utilize it to gain competitive edge and minimize cost of production (Ernst et al., 1998). The Islamic technology entrepreneurship framework refers the eight major dimensions and abilities of a muslimpreneurs that is awareness, search, strategy, core competency, technology paradigm, linkages, learning and leadership and these all are performed according to Islamic ethical framework. Honesty and integrity of Muslim entrepreneur's lead towards the high level of good characteristic as a human. Sunnah emphasis on this concept as Prophet (PBUH) say's "Be honest because honesty leads toward goodness and goodness leads toward paradise. Beware of falsehood because it leads to immorality, and immorality leads Hell"

A true (Hadith) Muslim entrepreneur proves these good characteristic capabilities through performing their acts and to deliver and share the value known as Tabligh which is the part of ethics of any Muslim entrepreneur. Changes are good if they remove the problems of societies and worked upon the welfare of all human being, it can only possible if Muslim entrepreneur's follow the Shariah principles by them. (Schumpeter, 1928).

Small and medium enterprises are playing major role for the economic development of any country. In Islamic context proper plan of accessing SMEs are discussed but in some countries it's not implemented fully which becomes the cause of SMEs growth and development. To empower SMEs Islam interlocked the basic principles according to Shariah in form of social entrepreneurship. Productivity enhancing is the final goal of all enterprises it can be possible if Muslim entrepreneurs and related supporting agent must change their old thoughts into the new one's technology used for innovation in products. (A.Hoetoro (2011). New strategies and objectives are designed according to Islamic law and ensure its implementation on processes by using advanced technologies and innovation to empower SMEs and Muslim entrepreneurs so that the Islamic vision of fair production is fulfilled. (M.A Abdullah, 2011). The two major factors which create bad impacts upon SMEs growth i.e. the level of economic development and Government promotional programmes (Tambunan, (2008).

For economic development social capital has to take significant importance. Social capital means an individual contribution of resources for getting their own benefits and in Islamic context societal welfare. Many institutes are established for the support of SMEs entrepreneurial development like Islamic banks, Islamic microfinance institutions or business development services. Many Asian countries encouraged the role of SMEs and it plays major role in domestic industry promotion. According to Tambunan the significant of SMEs are too high in the Asian countries as compare to West. 70% - 95% respectively employment opportunities created through SMEs in China and South Korea. An Islamic perspective, it's essential to empower SMEs according to Shariah (Islamic laws) because Islam always focused upon the individual and social equilibrium. Islamic vision purely guides the Muslim entrepreneur's accordance to Islamic law to attain their enterprises goals and enhances contribution in the economic development of country (Mohtsham (2007)).

Muslim Entrepreneurs

An entrepreneur is a person "One who undertakes" a true Muslim should be one who follow the true teachings of Islam, who undertakes their all business activities according to Shariah, Sunnah and the authentic and suggested road map of Al-Quran and Prophet (SAWW) methods. Islam always encouraged those business activities which lead toward fair production and maintain social equilibrium between an individual and society. In Islamic perspective, Muslim entrepreneur should consider yourself answerable in this worldly life and hereafter life. Islam declares high status on the Day of Judgment which performs all business activities fairly. Islam does not negate the money earning activity of business but separating Halal from Haram. It prohibits from taking Haram in the form of interest. In a nutshell, Islam refers the domination of spirituality upon materialization.

In religious paradigm, charity and portfolio purification terms are used in which extra amount will be distributed among the poor, needy and deserving people. On the other hand, libraries, mosques, orphan houses are constructed from this charity amount or fund. Some Islamic banks are established for supporting SMEs and small entrepreneurs for enhancing their contribution in economic development of industry, as per Islamic laws. Islam always enforced win-win situation.

Modern Entrepreneur

According to Sutcliffe, the dilemma of a modern men resulted from the misunderstanding of Quranic verses and Shariah principles. Modern men leave these things at behind and moving toward attaining growth, prestige, money, maximizing profitability (without considering Halal and Haram differences) and raising their goodwill

in market by adopting all hook and crook actions. Today's materialization dominates upon spiritualism. Everyone is busy in the race of moving ahead from their rivals at all means. Immorality, disobedience of Islamic (Shariah) laws, unethical conducts, preferred quantity rather than quality of goods and breaking of Governments laws at all unfair means are at peak now-a-days.

No difference remains between Halal and Haram. Many organization declared them self as an Islamic source of financing institutions but its just becomes a good title and (window dressing) to attract Muslim entrepreneurs for investment due to some extent. Profit motive accelerated upon the achievement motive, so that risk factors also at peak. It shows the lack of clarity of direction. The role of SMEs is also remaining not encouraging that becomes the reason of declining the domestic product markets. In Pakistan, the investment ratio of small enterprises reduced at 60% from the last five years. There is need of adopting new strategies, innovation, advanced technology and most important. One's Shariah principles for conducting fair production plan by them.

Islam as a religion guides human being in all the dimensions of life. Every act of a Muslim is according to the divine commands of Allah (SWT) in the religious and most authenticated book Al-Quran. In Islam there is no separation between business and religion. Religion completely guides businessmen at every stage of business in Al-Quran, Hadith, Sunnah, Ijmah and Kias and Shariah (Islamic laws of business). According to many holy verses of Al-Quran Islam is not against any business activity but also encourages business as a healthy source of earning and creating opportunities of employment in society. The welfare of society is possible only if new ventures commenced, which brings positive change in the economic development. All human beings should endeavour to become successful.

“Allah will not change what is any nation (the fate of the nation) until they all collectively make a change occur in what is in themselves” (Surah Ar-Ra’ad; Ayat 11).

The start of Islamic business concepts from performing managerial activities but entrepreneurship becomes a rising trend in today's economies. There are many great Muslim entrepreneurs passed away in history. Islam also considered entrepreneurship the most important source of earning and living. Islam relates entrepreneurial practices with the honest and pious obligations. The Prophet (SAWW) said

“An honest and sincere businessman will be placed with the Prophets, siddiqin and al-syuhada”. (Hadith Hasan, al-Tirmidhi)

An Islamic ethical framework guides all Muslim entrepreneurs to recognize the boundaries of Islamic set of rules and economic conducts which is not properly prescribed in any other system, so that they should adopt entrepreneurship especially in the light of Islamic education and the divine commands of Almighty Allah (SWT). If Muslim entrepreneurs strictly follow the actual guidelines of Al-Quran so INSHALLAH Muslims regain the past glory of success of the Ummah.

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