

Capitalist and Labor Relations under Islamic Jurisprudence

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ABSTRACT

In the modern world, the issues and challenges between the capitalist and labor relation have been worth importance from last many years. Practically speaking, ensuring the rights and obligations of both parties can eradicate the distances between the two potential economic players. Explicit clauses of contract can build the confidence level of labor and capital as well which will further stimulate the level of productivity in the country rather it will serve as catalyst for the sustainable development. The Golden means for the capitalist and labor has been highlighted which stem from the foundation laid down in Quran and Hadiths. The maximum clarity in the job contract and assurance of the rights and obligations of the Capitalist and Labor under the umbrella of Islamic Jurisprudence can only enhance the healthy and growth oriented environment for all the economic activities. The main stance of the Islam Golden means is interest of one party must not be escalated on the cost of other party.

Key Words: *Capitalist, Labor, Rights, Obligation, Islamic Jurisprudence.*

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Introduction

Having been industrialized, this world was exposed to new field named as services. This field received a worldwide encouragement and importance and became more formal than ever. In today world, there is no concept of life without services. In many developed and developing countries, this field contributes substantial part in economic growth of the countries. As the time passes, the relation between Capitalist (Employer) and Labor (Labor) became questionable when some of the entrepreneur started to exploit labors in services in term of providing the appropriate working environment and reasonable wages based on market rate. The main objective of the paper is highlighting the rights and obligations of the labor as well as employer under the Shariah. Ensuring rights and knowledge of obligation do not only increases the labor productivity but also has substantial impact on level of production. Islam only provides the golden means of life and complete code of life. Islam has also guides us about the rights and obligation of both parties as well. It will further become guiding and directive principle at work place. Principal of brotherhood is one of the golden principles of Islam which bring all men on same human level and remove simulated dissimilarity between them. Islam teach all human beings brotherhood, human fairness and alliance and ends the difference of have over and have not's. The main inspiration to consider this area was the study of Rehman (1996) which is further specified to the service and industrial sector where a large number of capitalists and labor are enact.

1. Objective of Study

The core objective of this study is to elaborate the comprehensive guidelines and directions regarding the Capitalist-Labor relation in term of their rights as well as obligations at workplace under the Islamic Jurisprudence. In addition to this, study also attempt to make recommendations to disseminate the Islamic ideology regarding labor and employer relation in society to make the workplace for sustainable development.

2. Literature Review

In reality, the Holy Quran and Hadith is the fundamental base for the Principles of Shariah (Islamic Law) and values of compassion. Predominantly, the Shariah wraps every aspect of life, which is indispensable part of revelation is a guideline and directive for human action. From the religious viewpoint, each and every Islamic institution must abide by the Islamic laws (Shariah principles) complemented with

Islamic knowledge and understanding for their every stage of working atmosphere (Seidu, 2006)¹.

Namazie & Frame (2007)² indicate the connectivity between religion and ethical behavior of labor and employer, which is an important stimulus for business performance. As the challenging business environment creates undue competition can be created by challenging environment among man, machine and labor sustainability in the organization and ethical issues get more importance at work place (Pfeffer, 2005)³.

Undeniably, Islamic Golden means of labor-employer relationship are significant to institute the Islamic way of taking care of labors' in addition to the crucial functions they execute and make easy. Islam provides the most effectual and well-organized use of labors' to realize organizational objectives (Tayeb, 1997)⁴.

Management (Capitalist) should be answerable towards their labors and quality of environment at workplace. Rees and Johari (2010)⁵, on the other hand, they further stated that Islamic work ethics have been inspired in the services practices in Malaysian banks which enhanced the performance of the organization.

These studies imply that there is need to throw substantial light on the relationship of capitalist and labor in all fields of life. Therefore, this study attempts to underscore the rights as well as obligations of the capitalist and labor in line with Islamic Jurisprudence to accelerate sustainable development.

3. Foundation of Relation between Capitalist and Labor

The relationship between capitalist and labor stem from the foundation laid down in the Quran and Hadiths. Islam gives the self-respect to the

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- (1) Seidu Abdullah Mohammed. "Islamic Concept of Employer-Employee Relationships." *Islamic Economics Research Centre* (2006): 7
 - (2) Namazie Pari, and Philip Frame. "Developments in Human Resource Management in Iran." *The International Journal of Human Resource Management* (2007): 159
 - (3) Pfeffer Jeffrey. "Producing Sustainable Competitive Advantage through the Effective Management of People." *Academy of Management Perspectives* 19.4 (2005): 95
 - (4) Tayeb Monir. "Islamic revival in Asia and Human Resource Management." *Employee relations* 19.4 (1997): 352
 - (5) Rees Christopher J., and Hasanah Johari. "Senior Managers' Perceptions of the HRM Function during Times of Strategic Organizational Change: Case Study Evidence from a Public Sector Banking Institution in Malaysia." *Journal of Organizational Change Management* 23.5 (2010): 517

slaves and it teaches that the masters and slaves are same there is no difference among them in term of humanity.

In Sura An –Nisa’

“ O people, lord has created you from a single being and created its mate of the same (kind), and spread from these two many men and women , carry on your duty towards Lord”(4;1)

In Sura ‘Al-hujrat’

“O mankind, definitely we have made you tribes and families and created you from a male and the female that you may know each other. Of course the noblest of you with God is the most submissive of you”. (49 ; 13)

The verses of holy Quran told that superiority of the brotherhood is because of their devoutness performance of duty not due to their belief, possessions and color. Thus Islam eradicates all kind of discrimination among human beings based on the rank, wealth and nationality and teaches the human equality. The holy prophet (SAW) by his teaching bring the capitalist and labor on the same page eliminating all kind of superiority between labor and the employer by saying this they were all sons of Adam who has been created from soil. He also emphasized the brotherhood of slaves and master and treating labor by fairness, kindness and sympathetically by the employers. Holy prophet in his last pilgrimage laid stress on “there was no superiority for Arab over non-Arab, no for the black man over the red man, nor for a red over black man except for piousness”. Hazrat Ali (RAA) accounts that before death Holy Prophet (SAW) said last thing “take care of your prayers and fear Allah regarding your slaves (and servants)” In sense of giving the respect Holy Prophet (SAW) emphasis for not calling the slaves and servants by their disgusting nicknames, Abu Hurairah (RAA) reports that Holy prophet said “None of you should say to your slaves this is my slave or my slave girl: rather you should say this is my man and this is my maiden.”

Abu Dhar Ghaffari (RAA) reports that Holy Prophet (SAW) said” your slaves are your brothers whom Allah has given into your protection, so he who has brother (working) under him, should feed and clothe him as he himself feeds and dresses; and do not ask them to do things (services) which are beyond their strength and endurance and if you ask them to such things (services) then help them”.

It is the teaching of Islam is to serve the community in the best way and by investing the capital for the service of the creatures and good of society and regard it as the “reward of God”. On the same hand Muslim capitalist should not behave like the capitalist in modern countries, and he would not remain the believer of Islam if exploitation is his ambition and

object of life. The focus of the capitalist should not be the profit they will earn but he must utilize the resources for the useful activity to the society and remain thankful and satisfied on whatever profit they get from the venture. So they must take care of the society and welfare and happiness of the worker irrespective of the expected profit. Before taking any new step for the new business and venture the capitalist should take care of the labor and their problems, national interest, creation of unemployment due to the new project and other issues and cooperate with the government for the solution of any kind of financial and social problems.

Allah has given different positions to different people like some are capitalists, some are laborers, some are labor and some are employer just to distinguish how they behave in their respective positions.

In Sura Al Inam, Allah says:

“He hath glorified some of you in rank above others, that He may try you by the best of that which He hath given you”
(6: 165)

It is the moral education and training of Islam that Muslim capitalists know that how they will be answered on the Day of Judgment for his unfair and unjust behavior with the laborers.

In Sura Al Takasur:

“Then shall you be inquired on that day about the joy (you indulged in and excesses against the weak and the humble worker)” (102:8).

Islam also teaches that the life of a human being should be like working for the welfare of humanity, it must not be like the animals whose purpose is to maintain his life and material sustenance like food and economic need.

In Sura Al Imran:

*“You have been raised for mankind and best community.
. You command right behavior and prohibit coarseness
(and what is wrong)”* (3:110).

The marvelous assessment of Islamic teachings makes man more responsible and noble towards the other human beings. To produce individuals like whose true success is the service of humanity, and it is implausible for the employers to earn profit by exploiting their fellow beings.

On the other side for the workers it is desirable to be patient and tolerant and must be honest towards their work keeping in mind that they will be questioned about that position and will be punished in case of any failure in their duty towards the community at the Day of Judgment. So the

Muslim worker will work hard and best of his ability and strength for the position in which he is placed.

In Sura 'Zukhruf' :

“It is we have divided between them their livelihood in the life of this world: and we lift some of them above others in rank so that some may control work from others”. (43: 32)

In SuraTaha :

“strain not your eyes towards that which we have given for the gratification to parties among you, the magnificence of the life of this world; that may test them thereby” (20:131)
“and covet not those things in which God has made some of you excel others” (4;32)

Sura Al Andm'

“He it is who has placed you as viceroys of the earth and has dignified some of you in rank above others, that he may try you in the gifts you received” (6:165)

Holy Prophet (SAW) instructed the Muslims to be patient in difficulty and kind in abundance and never be sorry for what they did not possess. He reported to have said “if any one of you happens to see a man with greater means than him, he should then look at people with less means than him” He also said “ It is enough for you of this world that satisfies your hunger and cover your nakedness and, if along with them, you get a house (for shelter) well and good, and if you get something to ride upon”.

4. Golden Means For the Rights and Obligation of Capitalist and Labor

Islam makes the people more responsible citizen of the Islamic state: in a way that industrialist while making the profits should not damage the interest of worker under their administration. The worker must best utilize the resources to enhance the productivity without damaging capital by willful and deliberate casualness. Islam coordinates the diversified interest of both labor and employer for the common benefit of both.

For the improvement of the relationship between labor and employer with moral guidance and mental culture some legal measures like checking mal practices of both worker and capitalist is necessary. Islam recommends golden measures to secure the rights of labor and employer as well; mentioned below;

- 1) It is necessary for the capitalist to fix wage of the labor converging to market rate before employing it because it is unlawful to hire labor before fixing its wage. It is reported by *Abu Saeed Khudri*

that the “Holy Prophet had forbidden to employ any worker without fixing his wage”.

- 2) It is unlawful to charge any fine or deduction from his wage because of any breakage in machinery or any other asset during production until and unless it is proved that worker has done it willingly or intentionally. In case there is no witness for the damage then the workers opinion will be considered reliable.
- 3) It is illegitimate to put excessive burden on the labor beyond his physical strength. The Holy Prophet (SAW) emphasis “it is the commandment of God that He would quarrel with three kinds of people on the day of judgment and that with whom he quarreled, He would oppress them to heels. One of these was the man who took full work from the laborers but not pay him accordingly and well in time”.
- 4) The wages should be paid to the worker by the employers without any delay. *Abu Hurairah (RAA)* reports that Holy Prophet (SAW) said: “ that it was wrong for a rich man to delay the payment of another’s right in spite of his riches”. He also emphasis that wages should be paid to the worker before his sweat dried up.
- 5) Islam also forbids the worker to do anything wrong and unlawful to the capitalist and damaging his property. The Holy Prophet declared that the best earning with earning of a worker provided he had done his employer’s work with goodness and fairness”
- 6) Islam treats the worker and employer with the equality and justice and maintain balance in their relationship.“ No one can be the true believer from amongst you unless he wishes for his brother Muslim what he wishes for himself”. It is the tradition of Islam that all people (labor as well as capitalist) should settle their matters with kindness, mercy and mutual fairness” So they must not think about their personal benefits rather take into account the welfare of people.

6. Conclusion

This research focuses on the rights and obligations of the labor as well as employer under an Islamic framework. Islam provides the base of relationship among the Muslims regardless their color, creed and profession that are brotherhood. Islam never secures the interest of labor on the cost of labors and vice versa. Ensuring the rights and obligations of both parties, Islam provide the guidelines for strengthening the human and professional relation stems from Quran and Way life of Muhammad (SAW). To strengthen the relations in current time period in the service and industrial sector, labor and employer needs to be sensitized thorough

professional trainings and this knowledge should be made a part of curriculum particular at higher studies where after the students are supposed to be potential labor and employer which will not only augment the labor productivity and but level of production as well. The major element of exploitation can also be eradicated form the theses two potential sector of economy.