

CONFERENCE PROCEEDING

Understanding the Relation of Maqasid al-Shari'ah and Islamic Economic Development to Develop a Better Islamic Entrepreneurial Culture in Schools

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ABSTRACT

Due to an increasingly dynamic business environment in which culture and religion is undoubtedly important, entrepreneurship is in fact a part of Islamic culture. Islam is a faith that enables people to enjoy spiritual, moral and socio-economic well-being in this world and Hereafter. Thus, Islamic development studies have greatly created a huge intellectual resource, including models, theories and policy restrictions that have been implemented in most developing economies. Therefore, this paper intends to understand the relation of Maqasid al-Shariah as a framework for Islamic Economic Development and to briefly discuss an effective entrepreneurial culture in schools, especially in Islamic boarding schools. A systematic approach to literature review was steered through exploring the process of understanding Islamic entrepreneurial culture and will be explained further based on the concept of Maqasid al-Shari'ah. The context of how Islamic business is an important driver in the growth of Islamic development is also highlighted.

Keyword: *maqasid al-shari'ah, islamic, development, economic development, entrepreneurial culture*

INTRODUCTION

Islam, for the good of human beings in this world and the Hereafter has put various rules in their teachings whilst it has been observed it is for the benefit of people and hasn't left any provisions unjustified and pointless. Over the decades, Islamic teachings' ultimate goal has always been to be a blessing to mankind. The perfection of Islam can be seen in every detail of human movement where there are rules of shariah. Entrepreneurship has always been a special place in Islam as a religion. Thus, Islam has its own characteristics and guiding principles to guide entrepreneurship operation (Faizal *et al.*, 2013). The al-Quran and the Hadith of Prophet Muhammad SAW are the main sources of the sources of the principles and the rules of entrepreneurship and business. In fact, entrepreneurship is a remarkable force that has a huge impact on facilitating growth and societal progress of a nation (Nina & Rosemond, 2014). The Quran not only permits but encourages business, trading and entrepreneurship and has been defined by many scholars, researchers, and organizations because of its significant contribution not only to the economy, but also to the society.

On the other hand, Maqasid al-Shari'ah is a combination of two Arabic words which are *maqasid* and *shariah*. Generally, it can be understood as the objectives of shari'ah and is designed to promote benefits and repel harm. According to Ibn Ashur (2006), it is a term that refers to the preservation of order, achievement of benefit and prevention of harm and corruption, establishment of equality among people, causing

the law to be revered, obeyed and effective as well as enabling the ummah to become powerful, respected and confident.

The classification of Maqasid al-Shari'ah that has been accepted by most of Islamic scholars is by dividing them into three levels of necessity:

1. Essentials (daruriyyah)

The essentials are the most important matter in humankind. Without the essentials, humans will face a serious hardship in life. (Ibn Ashur, 2006) describes the essential as: if they are violated, individuals or society will be damaged and will need to obtain the benefits that are mandatory. It is undoubtedly necessary, for the benefits of *deen* and *dunya*, for which the absence will lead to chaos.

2. Complementaries (hajjiyyah)

This is more likely to be less essential for human life. However, the difficulties will occur either to the individual or community if neglected. Basically, these are the interests required for the betterment of society, absence of which though may not create chaos, but may lead to hardship and difficulty. For example, the needs of trade, marriage, house and transportation.

3. Embellishments (tahsiniyyah)

The purpose of embellishments is to have a very comfortable life more than what is needed. It is considered as a beautification that leads to a desirable status. Some may call it 'beautifying purposes' such as using perfumes, stylish clothing and beautiful homes. These are, for example, shaping oneself with the noblest characters and attitudes, and maintaining *ihsaan* at every stage.

The entrepreneurial culture in schools emphasizes the importance of change. As it happens, it is always a challenge for any organization in developing a culture that encourages and supports innovation (Kavitha & Akmaliah, 2016) because conceptualizing a new idea and approach requires entrepreneurial planning (Byrne, 2008). However, it is not impossible to achieve. To develop a better Islamic entrepreneurial culture, it is important for school principals to take action especially in explaining the purpose of change as they play a prominent role to reconsider the policies and law as a government servant to avoid any unnecessary consequences in the future. As being said, school culture plays an important role in the school operation (Fullan, 2001).

METHODOLOGY

A systematic approach to literature review was steered through to integrate the link between using Maqasid al-Shari'ah to develop a better and effective entrepreneurial culture. Google Scholar was used and searched throughout the passage. Articles that did not score or did not convince the subject of Maqasid al-Shari'ah also have been read through to provide better understanding. Appropriate search keys are used to gather better results.

The theory of Maqasid al-Shari'ah developed gradually over centuries from mere scattered statements in the books of *usul al-fiqh* to an organized, well formulated theory of Islamic Law (Abdullahi, 2016). Therefore, to achieve development, investment has to be made in not only preserving human lives but also establishing what ensures the dignity of humans.

As for entrepreneurship, it is the creation of wealth and added value through ideas, integrating resources, and to actualise those ideas into reality (Irham, Z. *et al*, 2020).

According to Hupalo (2007), Entrepreneurial is an adjective describing how entrepreneurs run what they do.

There are seven characteristics of entrepreneurs: (1) Commitment and determination: tenacious, firm and diligent in solving problems; (2) Courage: moral strength, no fear of experimenting, no fear of conflict and failure, paying close attention to risk; (3) Leadership: self-initiator, team builder, and focus on honesty in their business relationship; (4) Obsession with opportunities: sensitive to market and customer needs; (5) Tolerance to risk, ambiguity and uncertainty: risk takers, experts to minimise risk and familiar with uncertainty; (6) Creativity, reliability and adaptability: open-minded, flexible, uncomfortable with the status quo and responsive learner; (7) Motivation for excellence: goal oriented and sensitive to personal strength and weaknesses (Timmons & Spinelli, 2009).

Islam is one of the religions that encourage people to be an entrepreneur. Allah says, which means:
 “O you who have believed! Do not devour one another's property by unlawful ways; but do business with mutual consent. "[An- Nisaa (4): 29]”

Entrepreneurial Culture: Integrating the Link with Maqasid al-Shari’ah

Two important questions need to be addressed regarding the implications of the maqasid in economic discourse and especially what role does it play to economic development: how maqasid can help understanding economic issues and how it can help to build a better entrepreneurial culture in schools?

The five objectives of Maqasid al-Shari’ah may be described and can be discussed as follows:

- i. Faith: From the perspective of maqasid, proper understanding of religion can prevent interfaith tension and conflicts. Even though the change of school culture is often described as uncommon but with a clean and proper understanding, this can help the students to have a deeper understanding of the importance of entrepreneurship and how it is highly encouraged in Islam.
- ii. Human life: In order to ensure the preservation and enhancement of human life, Islam prescribes through permits eating and drinking all that is *halal* and also allows in conditions of necessity the consumption of even what is originally prohibited. In this context, all people are equal in rights because of a person's obligatory aspect of being human. Abu Zahra (1989) states that the protection of the human self (life) to guarantee people's honorable life is the preservation of life.
- iii. Human intellect: The intellect is what distinguishes humans from other beings and makes humans to act and think properly.
- iv. Offspring: The purpose of the protection of the posterity is the reproduction of the human species. Islam is concerned about the future generations and how they are raised.
- v. Wealth: Islam has put many rules for the property and wealth preservation and development. Redistributive methods like zakat are crucial goals to assure the protection of wealth. Moreover, without effective property rights, accumulated capital of the Muslims would be hidden under the mattress, a condition frequently and strongly condemned by the Holy Qur'an.

So, to develop a better entrepreneurial culture especially in Malaysian schools, school principals play a prominent role in delivering instructional content using effective teaching methods such as problem solving, discussions, role-playing, group

work, thinking skill and self-directed methods. This will help to produce more Muslim entrepreneurs that align with the Maqasid al-Shari'ah.

CONCLUSION

Islam bases its community on principles that distinguish it from other systems. The entire objectives of the Shari'ah can be summed up in the statement "the achievements of benefits (interests) and the prevention of harm" (Ibn Abdussalam, 2003). Entrepreneurship is undoubtedly seen as an important driver to economic growth. To develop an effective entrepreneurial culture in schools, especially is Islamic boarding schools to create more successful Muslim entrepreneurs. Future Muslim entrepreneurs has a huge responsibility with the aim of upholding the Muslim community and it's started from an excellent entrepreneurial culture in schools. From this article, it's asserted that a good entrepreneurial culture in schools helped in capturing the success of the school as it'll also help to build more entrepreneurs for a better economic development in the future. It is advisable for school principals to take action, by understanding the entrepreneurial culture before implementing it to the school itself. Moreover, with the right approaches, it will slowly develop a better entrepreneurial culture as it is one of the mechanisms to enhance school effectiveness.

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