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**Social Rationality of Islamic Management:
Reevaluation of Relationship-Oriented Management**

by

Hideko Sakurai

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Social Rationality of Islamic Management: Reevaluation of Relationship-Oriented Management

Hideko Sakurai*

Abstract

This paper examines the characteristics of Islamic management from a cultural point of view, focusing on its style of relationship-oriented management, which is considered in contrast to business-oriented management. Relationship-oriented Islamic management is based on *Shari'a*, i.e., Islamic Law, which demonstrates the means for each person to rationally build relationships with others, who are different from each other in various ways. Thus, the paper presents the importance of partnership for Muslims and then examines partnerships between capitalists and business operators, men and women, Muslims and non-Muslims, the commercial and non-profit sectors, and so on. It further explains the social function of gift economy in Islam and its institutions such as Zakat Fund. The paper concludes that relationship-oriented management, though it tends to have been considered as inefficient, should be reevaluated as a socially rational management for reconstructing every society in the world, which has lost the original dynamism of the market with society-organizing power.

Key words: Islamic Management, *Shari'a*, relationship-oriented management, Transcultural Management, Partnership, gift-economy

1. Introduction: The Background of the Study

In the wake of global management development, attention has been drawn to the dynamism created by its fusion with transcultural management. The fusion thereof does not simply mean eclecticism, but rather something for which an essential turnaround of “management as culture” is indispensable (Kawada: 2001).

The primary meaning of the term culture is “to cultivate soil and nurture products.” Put in that context, it could be said that management is culture in itself, whereas it is about administering/managing “soil” in the name of the economy,

* Professor, Faculty of Policy Study, Chuo University
Visiting Fellow (October 1, 2010– March 31, 2011), Economic Research Center, Graduate School of Economics, Nagoya University

enriching the society, and nurturing people. In the discipline of management, however, as expressed in the term “corporate culture,” the relationship between management and culture has commonly been discussed within the context of either the corporate environment as a management agency, or a national culture to which each worker belongs. The underlying premise here is that it is modern civilization that has given rise to culture. Moreover, during the time of the international state system realignment after the collapse of East-West relations, and during the process of globalization, the world had been showing an ever-unifying move towards modern civilization and culture.

To the contrary, however, in such a tidal wave, another movement has risen; it has aimed to forge nation-state, economy and/or management systems, based upon a civilization and culture that is different from the modern one. It was the 1980s onward, during the process of East-West relations demise that such a sea change became outstanding. While the discourse on the Islamic Movement inspired by Iranian Revolution in 1979 tends to focus upon political interests, in reality, the formulation of the Islamic economic system has steadily progressed. Especially, Islamic banking has come to the front in the new globalized world since 2000, and its boom has continued since. The main backbone of its support has been Islamic management, which is influenced by Islamic culture, and at the same time, preferred by a very broad base of Muslims.

The characteristics of Islamic management, simply put, is relationship-oriented; it is equipped with a structure, which, by strongly correlating with faith, excludes neither human elements nor others in the society. In fact, such management style has been embedded in the society, and sustained people’s economic activities for their daily lives.

2. Management as Culture

The rapid globalization since the 1990s has created a new culture which has never been seen before: That is, digital culture, which levels national/ethnic cultural characteristics, and with the help of information technology development, has quickly spread throughout the world. It is, in short, unambiguous, exchangeable, and rapid in nature. It has reduced personal elements of life such as rituals, customs, and circular connections among people, from inside out.

Ritzer (1993) clearly depicted a fast food system which, through its efficiency, calculability, and predictability, as well as control, which even gets its customers involved in the promotion of efficiency. Furthermore, he maintained that the process of such a system evolved out of the food industry, and eventually became a social system itself. The revolution of the system was established where control was executed by machines and environment, not by craftsmanship-like training to control personal differences and errors. The Toyota system, which was created with the aim of quality management and efficiency, is no exception. It could be said that, in the process of digitization, management culture has shifted from maturing to forcing, and from training-oriented to control-oriented.

Digitized management has created a business environment that cannot be influenced by personal, distinct factors, by controlling people and equalizing cultural differences. It has given companies, investors and consumers convenience, the degree of which has never existed before. It also has made relations among all parties exchangeable. However, all-out digital partitioning, which can reach as far as internal part of humans and its exchangeability, has also brought negative impacts even to organizational management and the deepest layer of society (Baudrillard: 1999, Sennett: 2006).

To begin with, the terms “digital” and “analog” business management essentially have not necessarily been an either-or choice, but rather expressions to indicate management directions. Furthermore, the cultural root of each term is deeply related to Western and Eastern selves, respectively (Nisbett: 2003). That is, the mutually independent self, a concept nurtured by the Greek/European civilizations on the one hand, and the mutually relational self, cultivated by Asian civilization on the other. In reality, however, independence and relations are not necessarily dichotomized concepts, but rather, mutually complementary. One’s independent self can be viable based on the premise of his/her coordinated relationships with others. In other words, the only difference is the degree of one’s preference and focus. The fact remains that the existence of others is like a mirror image of oneself.

Still, in the midst of current globalization, the concept of independence has intensified its solipsist tendency, and even leaned towards rejection of collaboration with others. The thorough digital divide has caused the breakup of links between independence and relations, which has resulted in a variety of social contradictions,

not only in the society where the “analog” way is preferred, but also in more digitized places.

Yet, there still is a civilization which has been resisting the overrun of such a digital divide: Islamic civilization. It is true that people in Islamic nations, also, have been challenged by serious problems such as breakups and disparity caused by modern civilization. On the other hand, the basic layer of their society is structured in the manner that people’s social relationship cannot be easily fragmented. At the same time, such structure is reflected on their “management as culture.”

3. Islamic Civilization

After the advent of Islam in the 7th century, its civilization developed along the Silk Road both by land and by sea. Rationality, democracy, and equality in Islamic teaching became a strong appeal to people, taking specific forms in commercial transactions. The commonly accepted theory is that Islam expanded its force by the military conquest, and that it forced people to choose between the “Qur’an or Sword,” which has been reversed in recent years. Now it has been pointed out that the formation of a major Islamic market, in response to the expansion of its trading zone, was the underlying base of the expansion of Islamic civilization (Turner: 1997). What made it happen was a rational standard, accepted beyond the cultural differences among various tribal groups and geographical areas. This is derived from *Shari’a*, i.e., Islamic Law, which will be later discussed.

Islamic civilization conveyed rationality, commonly held by modern Europe. In fact, it was Islamic civilization that first drew its intellectual heritage from Greece, learned their rational and logical reasoning, and carried it on to nations of medieval Europe, before modern Europe did (Hunke: 1960). Islam is closely related to Judaism and Christianity, which are referred to as “sister religions” with them. Under the Abbasid Dynasty of Baghdad, as well as Al-Andalus of Cordoba, the Islamic world continued studying Greek civilization and its philosophy, and utilized its knowledge to further develop natural sciences, such as medical science, mathematics, astronomy and chemistry, before passing the torch to Europe. However, due to the hegemony of European modern civilization, such a historical fact of their interposition was abstracted, and now considered as “Lost History” (Morgan: 2007).

It establishes that, in the Islamic world, conflict between religion and science never existed. Rather, to Islam, scientific and logical thinking has been, and still is, an

important means for understanding the world created by God; in other words, to demonstrate the existence of God. Similarly, a question of social science, i.e., how people interact with each other and participate in the formation of society, has also been answered with clear reasoning, just as ones of natural science. Each person, and the way one is related to the others, would never be separated from one's religion, since each existence was given by God.

4. Multilayered Structure of Relationality in Islamic Society

One of the characteristics of Muslims personal relations is its multilayered structure; a mutual relationship consists of one's independent self and relationality. Each individual exists independently and separately, but is connected with each other through the contract of *Shari'a*, the Islamic Law. On the other hand, the foundation formed by the chains of these contracts is an integral part of one's existence, which is shared with the other. Thus, in so far as one inquires into the origin of one's self-existence, he/she could not cancel the contract. Such mutual relationality can be also seen in a variety of situations within the domain of management.

4-1 The Origin of Relationality

According to *Tawhid*, i.e., the Islamic worldview, everything in this Universe is created by Allah, the one and only God. In other words, every individual's origin of existence reaches to Allah. This in turn means that God guarantees the equal status of each existence and the ways in which humans should exist and relate to one another are defined by God.

Furthermore, since Allah is the Almighty Creator, He gives uniquely different attributes to every existence, and does not create anything exactly the same as another (Kuroda: 2004). Among the teaching of Islam from around the early 7th century, all natural life form's DNA-level differences were presented as God's creation. According to Islam, each individual is created distinctly different. Among the differences include his/her gender to begin with; financial and mental power, physical strength, as well as other qualities, such as leadership skills, cultural attributes, and artistic sensibility. It is believed that only the Almighty Creator can provide guidelines for every human being to co-exist and unite in one common existence with others. The very guidelines are what are on *Shari'a*.

Shari'a is often associated with an imposing and oppressive image. However, as the original meaning of the word *Shari'a* is “a path leading to where water is” , it is a signpost one would follow when one needs to cool a parched throat. It also prohibits a particular person or group from exclusively quenching their physical and/or mental thirst. This enables all persons to share resources and wealth in the right equilibrium, and to satisfy their basic human needs. Thus, the purpose of *Shari'a* is by no means to force abstinence, or for punishment.

The first source of *Shari'a* is Qur'an, in which demonstrates the revelation of God, and the second one is *Sunna*, i.e., words and deeds of the Prophet Muhammad who practiced God's words. As *Shari'a* covers every life field of each individual and the society as a whole, having knowledge of it is also vital in conducting business. *Shari'a* divides people's every conduct into five categories they can refer to, so they can willingly build an impartial society. The categories include conducts that are: 1) obligatory; 2) recommended; 3) neither reprehensible nor desirable; 4) not considered as crimes, though should be avoided; and 5) forbidden. Obligatory and recommended conducts are strongly tied with social responsibilities, which then influence on people's corporate management and investment.

In the Muslim faith, “absolute obedience to God” does not really mean one's free will is suppressed. Rather, it means “obey nobody but God,” and to build social relationships without “ever being ruled by others, nor ruling others” in the real world, by means of the Islamic Law. That is, in Islam, equality before the law is guaranteed for all and establishing democratic relations is part of people's faith.

As has been discussed, the existence of each human being in Islam is individually given by God, thus his “independence as an individual” is guaranteed. As a result, the relationship between self and others is understood as mutually independent. At the same time, each individual's existence is commonly shared among one another, in which sense he/she is considered inter-connected with others (Kuroda: 2004).

4-2 Relationship-Oriented Islamic Management

In the discipline of transcultural management, relationship-oriented management is the term used to describe the management style in which relationships strongly influenced by personal elements define a variety of management relations, such as buying and selling, investment, and employment. This style of management

regards business relations as part of a society in which multiple human relationships are intertwined with one another. As a result, the personal elements of relationships become essential among the parties in business, among which, the most important are relationships of mutual trust, directly fostered by the parties in the business connection. In other words, business relations can reflect personal relationships of mutual trust between two people.

In contrast to this, in business-oriented management, one's business relationship is cut off from a variety of personal relationships and subjected to control, while elements unrelated to business are excluded wherever possible for increased efficiency. Therefore, business transactions are digitally divided by place and time, and business rationality is valued foremost. Personal elements of relationships, such as chemistry between the parties, relationships of trust that are built mutually, or cooperative relationships that are deeply interdependent, are regarded as factors that cause disturbance in business (Sakurai: 2003).

These management styles can differ, depending upon whether such personal elements would have an affect on business activities. For instance, in business-oriented management, as the occasion where the parties in transactional relationship interact with one another is limited to a single purpose, that is, to conduct business, bringing up non-business subjects would be considered as verbose and inefficient. Much less behaviors such as "briefly stopping by just because one is in town," without any particular business negotiation planned, would be only a waste of time, let alone meaningless. On the contrary, in the relationship-oriented management style, such seemingly wasteful interactions would strengthen the bond between the two, and would become a premise to promote business deals through strong mutual trust. Going straight to the business subject, before establishing a certain distance between one and his/her business partner could even be considered impolite.

Disadvantages in the relationship-oriented management style need to be pointed out, too. In some cultures, the process of business transactions, or organizational relations, could become authoritarian, exclusive, or too cozy. As a result, fairness in business could get hindered. For Muslims, however, *Shari'a* compliance is important criteria of judgment in business, where relationship-oriented business is controlled by *Shari'a*, fairness should not be lost because of convenient reasons.

5. Importance of Partnership for Muslims

As discussed earlier, the Islamic ontology teaches that each individual is equally valued and is in an equal relationship with one another, because each existence has been given by God. Furthermore, it is another major premise guided by the ontology that each has been given different qualities. It means that *Shari'a* specifically demonstrates the means for each person to rationally build relationships with others, who are different from him/herself in various ways. Here, the key factor is partnership relations. *Shari'a* shows how to build relationships with dissimilar partners, including capitalists and businessmen, men and women, Muslims and non-Muslims, the commercial and non-profit sectors, and so on.

5-1 Partnership between Capitalists and Business Operators

It is well-known that Islam has bans on the charging of interest. To comply with this, capital owners make a partnership agreement with business operators, instead of lending money. Among the primary forms of such partnership agreements, they can be roughly classified as follows: 1) *Mudharaba*; and 2) *Musharaka*. The difference between the two is that in the former, capitalists do not engage in management activities, while they do in the latter. (Sakurai: 2008).

Profit-Loss Sharing, or PLS, is the standard for such partnership agreements, in which profits are distributed by the ratio specified by the bipartite agreement reached before the business is commenced. So are the cases for loss; capitalists and business operators mutually share the deficit; in other words, both parties bear the risk of loss. For example, if a business fails under the *Mudharaba* agreement, in which its capitalist does not participate in the business operation, the capitalist must take full responsibility for the lost money, while the business operator is considered to have made up the loss by taking no reward for his/her labor. Of course, this comes into effect only when the business operator made no breach of contract, which can be very challenging to judge. What is most important here is, however, that the capital-labor partnership agreements show no superiority of capital over labor (Sakurai: 2008).

Under the Islamic management setting, capitalists and business operators have a relationship of equal partnership. This relationship is not that of lenders and borrowers of funds, nor that of those who buy and sell labor through the labor market. Additionally, by sharing the loss risk among the two parties, this management system discourages a winner-take-all mentality, that is, unilateral profit distribution. In the

Islamic world, as just described, it is considered as a fair situation that the equal partnership relationship is realized through PLS.

5-2 Partnership with non-Muslims

Muslims tend to be misunderstood as being hostile towards non-Muslims, and trying to banish them. The Islamic teaching, however, never commands them to challenge those of different cultures and religions to a fight. Some may not accept that everyone is created differently by the only God, but instead, trample a person's dignity, judge the order of merit among people using man-made standards, and dominate individuals or groups who are considered inferior. But Islam denounces such behaviors as those of unbelievers, as they deny the Creation by the Almighty God.

The early Islamic "nation" called *Umma* has been given the status of an exemplary social model of Muslims. The Prophet Muhammad enacted the Madina Charter, which conformed to the spirit of *Shari'a* for this community. In the Charter, co-existence with the Jews in Madina was clearly stipulated: Religious liberty was guaranteed for Jews who were not hostile toward Muslims; and social, legal and economic equality for them as members of *Umma* was declared (Kuroda: 2004). In addition, non-Muslims' residence tax, called *jizya*, was collected from Jews, as well as Christians, while they were exempted from the obligation of military service for Islamic national defense. Lastly, it was historically Islamic regions where Jewish people persecuted in the Christian world fled to for safety.

5-3 Partnership between Men and Women

In Muslim states, there are many women who are highly educated and compete equally with men. For starters, the Governor of the Central Bank of Malaysia (as of December 2011), and Benazir Bhutto, former Prime Minister in Pakistan, were both female leaders; among business people, a number of women executives joined the list of "The World's 50 Most Influential Arabs" that appeared in the *Middle East* May 2009 issue.

However, the preconceived opinion that women in Islamic countries have been discriminated against and isolated and Islamic teaching is the cause of such discrimination against women has remained deep-seated. Perhaps one of the items that gives such a negative image to the religion is the veil called *Hijab*. The word

Hijab means “to hide,” specifically physical characteristics that are sexually attractive. Camouflaging one’s sexual appeal is not an obligation imposed only upon women, however. The purpose of traditional clothing for men of Muslim society as well, commonly long-sleeved and long-trained to make his physique rather look undefined, is for modesty. Men also wear turbans and hats for the same reason.

Most importantly, the true purpose of wearing *Hijab* is a symbolic effect that, in the public space, people will recognize each other not as either men or women, but as individuals. They help diminish differences between genders, have and have-nots and age gaps, and enable people to overcome such preconceptions, and to build human partnerships (Sakurai: 2005). As *Hijab* has remained as an outfit for women, it has played a part as prevention of sexual harassment, guaranteed freedom for women to freely travel without being exposed in public as sex objects, and preserved their dignity.

Then, Islamic society has kept its social structure different from the modern one. Women, who do not take paid jobs, play a central role in generating the strength of gift economy. It solidly supports the foundation of families and neighborhoods, which in modern society are reduced only to be implicit existence, as opposed to the market. Thus, women are highly respected (Sakurai: 2005).

Viewed in this light, *Hijab* can be regarded not only as something to keep womanhood from sight, but also as a symbol, or a cultural code, of a woman living her life according to *Shari’a*. This, in turn, makes it a subject of criticism from nations that favor separation between religion and state. In reality, however, most of women in Islamic society themselves hardly have any sense of being oppressed, but rather, they think they are freed, in the Islamic sense, and have become positive participants of the society beyond gender differences, by wearing *Hijab*. Many even reject being called “female” so-and-so, such as “female entrepreneurs” (*Middle East*: 2008).

5-4 Partnership among Commercial and Non-Profit Sectors

In the Islamic world, pursuing profits becomes legal only by redistributing them to the non-profit sector. The act of profit making itself will never be denied, as long as profits were earned while a person was correctly practicing *Shari’a*, and as a way to bring one’s potential to the fullest. On the contrary, if one puts the profits in dead storage instead of reinvesting them, and does not share them with the needy, but rather holds onto them in the name of one’s avarices, then the profits become illegal.

In societies where the principles of separation of religion and state, as well as positive laws (vs. natural law) are implemented, such concepts may be treated as moral issues, whereas in Islamic society, these acts are clearly considered illegal. In the meantime, those who have committed illegal acts are expected to be punished by God, in the afterworld. Believing in the life hereafter is one of the pillars of Islam, and it brings about an effect of looking relatively at one's present life, as time to prepare for the next.

As for transferring profits to the non-profit sector, there are different types of charitable deeds, which will be discussed in the next subsections.

(1) Charity

As was introduced earlier, in Islam, every human behavior is categorized into five groups under *Shari'a*. Among the five categories, the acts of charity are considered as either: 1) obligatory; or 2) recommended. A type of charity called *Zakat* is ranked as the former: Those who obtained a certain amount of income or more are obligated to donate 2.5 % annually. Meanwhile, another type of charity called *Sadaqat* is representing the latter category. *Sadaqat* is a kind of charitable practice based on one's free will, regardless of the amount of income.

The social mechanism in which each individual will overcome one's selfish desire to keep all of the profits to oneself, without looking down upon those who will receive the donation or forming any dominant relationship, comes into existence by God's intervention into the collection and distribution of charity. Muslims are encouraged by God to make anticipatory investments of current-life profits in order to gain them in the hereafter.

Charity functions to resolve the skewed distribution of wealth which may be found not only in a particular country, but also throughout the entire Islamic world. It may also work to adjust social problems, including extreme poverty, injustice, or corruption, which was developed due to malfunctioning *Shari'a*. Although Muslims are prohibited from receiving interests generated from unearned income, in this environment of globalization, it is almost impossible for them to completely eliminate profits gained from interest. This problem can be solved by donating a portion of such profits, which will be considered "purified"— as the original meaning of the term *Zakat* contains "purification".

Recently, there have been new developments of commercializing charity, in order to make the religious custom sustainable, instead of being only temporary and

limited to the personal level. This progress includes: The creation of *Zakat* funds, development of *Zakat* corporate accounting standards, as well as Islamic social entrepreneurship developing in each country.

(2) The Global *Zakat* Fund

The International Zakat Organization (IZO) was established by the Organization of Islamic Countries (OIC) for the purpose of funding charitable causes across the world, helping the needy and alleviating poverty. The Fund's major investment outlets are regional development projects aimed at each area's sustainable development. Specifically, the purposes of the Fund's establishment range as follows(*New Horizon*): 1) generation of income by private *Shari'a*-compliant SME financing; 2) assisting the establishment of the social infrastructure of deprived communities, including the building of hospitals, schools and housing; 3) developing agriculture to ensure stable supplies of food; 4) disaster relief and emergency funding.

As a measure of collecting more *Zakat*, the Internet is expanding the base of individual donors. There are a growing number of cases of donations collected for the Global *Zakat* Fund through *e-zakat*, as there are more and more web sites from a variety of Islamic organizations, from the Gulf throughout Southeast Asian nations. The globally-developing Islamic financial market is getting the eye for its business investment opportunities, while the scale and turnover of the *Zakat* Fund has been expanding in order to invest the very profits for social purposes. It should be well recognized that this is an important sector to bond the profit and non-profit sectors in the Islamic finance.

(3) *Zakat* Corporate Accounting

Originally, *Zakat* was given to specific groups of people in need of aid, such as the poor, orphans and travelers. *Zakat* currently collected by the national governments of Islamic countries functions as special taxes for specific purposes, and is often spent in the field of social welfare. There is *Zakat* exemption applied to some cases in the collection of corporation taxes.

The Saudi Arabian Government charges their companies *Zakat*, for which there are corporate accounting entries. The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) worked on an international standard for *Zakat* corporate accounting, whereas the Malaysian Government, which claims the AAOIFI

standard does not match its domestic situation, has been trying to come up with an Islamic accounting standard of its own (Abu Bakar).

(4) Islamic Social Entrepreneurship

To the Islamic world, there is nothing new about the concept of social entrepreneurs. It is no exaggeration to say that doing business that is conducive for both the private and public benefit is central to the Islamic corporate management, which is desired to become a root for the equitable distribution of wealth. While *Zakat* funds promote aggressive investment in the fields of medical, educational and welfare services, there is another type of contribution called *Waqf*. *Waqf* is an endowment in the form of land, mosques, hospitals, schools and bazaars, among others and helps to connect commercial businesses to nonprofit ones.

Traditionally, a bazaar, or marketplace, was built together with mosques, hospitals, and/or schools utilizing the same *Waqf*. In other words, the space of a traditional bazaar itself enabled both commercial and nonprofit businesses to form partnerships. Recently, more interesting cases of this concept can be seen in newly developed residential and other areas, such as; a mosque on the second floor of a supermarket; or a medical clinic on the basement floor of a mosque. Generally, medical and welfare institutions and/or business facilities, are often put together by a mosque, which shows how deeply Islamic businesses are intertwined with their faith. On the other hand, users of such facilities and services not only are motivated by their convenience, but also by the fact that their usage of these facilities generates charity that will help maintain mosques and support the poor.

6. Importance of Reevaluating Relationship-Oriented Management

This article has discussed several types of partnerships that support relationship-oriented Islamic management. The current problem that Islamic society has been facing, however, is that these business models have not fully turned into reality. For example, one of the causes of this problem is that Islamic societies tend to lack the social stability indispensable for stable corporate management. Furthermore, while oil producing countries get richer, extreme poverty spreads rampantly among the rest of the Islamic nations. It must be noted that this social situation goes against *Shari'a*, which directs that wealth should be fairly distributed within the entire Islamic world.

Meanwhile, there have been some attempts of management with the use of Islamic finance and *Zakat* funds. During this approach, it is partnerships among people, and the re-interpretation and renaissance of relationship-oriented management that are going through restructuring. Islamic faith and its basic tenets cannot be directly applied to non-Muslim regions. Harmonization of the mutually independent self and mutually relational self, however, is necessary in either relationship-oriented or business-oriented societies; an image of one's own culture can be reflected in the mirror of another.

Japan is no exception. Culturally speaking, Japan is categorized as a relationship-oriented society. Even so, the society has been more and more digitized, as the current management approach has shortened the time for developing human resources just for the ease of optimization, and has limited personal elements, as much as possible. Human labor has become replaceable. Employees are targeted for adjustment just the way inventory can be adjusted. There is no longer any consideration for securing a certain amount of income for each employee which is enough to support one's family.

Moreover, because of digitized management, consumers' attention and interests focus only upon the market, while thoroughly eliminating personal relationships. So called "cocooned consumers" presently only gaze at TV or computer screens, and won't have any interaction with people outside of the market, or through the market itself. It is possible for people to purchase products, view sporting events, travel, or appreciate music, without even stepping out of their house or interacting with others.

It is not an overstatement to say that this tendency has grown as corporate management has confined itself to the commercial market, kept fragmenting it, and ended up forming a market that shuts off individuals. In other words, the original dynamism of the market with society-organizing power has been lost. Needless to say, this reality has negatively influenced businesses. In the situation where the tie between society and market has been severed, it is getting harder for many to actually believe in the possibility of an economic recovery or business turnaround, no matter how loud they have cried for it.

Since the Great East Japan Earthquake on March 11, 2011, the word "kizuna," or bond, has become the most heavily spoken keyword among Japanese people. One of the reasons behind the frequent use of this word is the fact that the exclusively-for-

profits market has ceased functioning properly, thus greater power of the gift economy is desired. The gift economy should not be achieved only ideologically, however; the building of a concrete partnership between profit-oriented and non-profit markets has to be realized. It is a pressing issue in Japan, too, to seek the recovery of the mutually relational self, as well as the restructuring of relationship-oriented management.

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