

MANAGING KNOWLEDGE AND INTER-CIVILIZATION DIALOGUE THROUGH
ISLAMIC ECONOMIC POLICY

Managing Knowledge and Inter-Civilization Dialogue through Islamic Economic Policy: A

Review of Literature

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Abstract

Purpose

Purpose of this paper is to show the relevant literature about knowledge management and inter civilization dialogue of Islamic economic policy that can pave the way for economic remedy for the whole world.

Methodology

Starting with the ideas of knowledge management this paper goes on to discuss knowledge management strategies, globalization, inequality among nations, real cause of civilizational clash, collapse of socialism and capitalism and finally suggests a way ahead applying Islamic economic policy in contemporary economy.

Practical implications

This paper has strong and serious implications for management scholars and political leaders and can enhance the overall appeal of the relevant literature package.

Introduction

Undoubtedly, there is plenty of literature on knowledge management, civilizations and different economic systems but there is a dearth of relevant literature on these issues in one place. This paper attempts to reduce this knowledge gap by producing and collecting relevant literature on the said topics in this paper.

Literature Review

What is Knowledge Management?

Seeing through the eyes of Stacey (2000; 2001), knowledge management can't be made explicit and can't be stored. It is always emergent and comes out from the core of the interactions of different organizational members. Hence it can be created and destroyed during those interactions among members of different mindset. Cilliers (2000c) views knowledge in terms of just interpretation of data by some subject. According to him, the discussion of objective and subjective divide is a futile attempt and can't give the in depth understanding of the phenomena because an in-depth understanding always starts through interactions and through relationships. Snowden (2000) is also of the view that rich insights and knowledge always reflect from interactions among members of the organization. Lissack (2000) focuses on the practice of knowledge management when he says the practice of knowledge management will get benefit only when we take and view individuals and organizations as nested, sense making and interpretative systems seeking coherence and harmony at multiple levels. He strongly believes in KM and claims that the role of KM is just creating an organizational context that facilitates interaction by individuals and that respects their identities. According to him this is the area/domain of corporate anthropologist and not simply the area of IT specialist.

Knowledge Management Strategies

Drew is a great champion of making knowledge management as an integral part of business strategy formulation. According to him, there are four categories of the whole business knowledge:

- (1) What we know we know.
- (2) What we know we don't know.

- (3) What we don't know we know.
- (4) What we don't know we don't know.

Table: At organizational level (*A Knowledge Portfolio*)

Knowledge awareness / knowledge content	1. What we know we know	2. What we know we don't know	3. What we don't know we know	4. What we don't know we don't know
Emphasis	Knowledge sharing, access and inventory	Knowledge seeking and creation	Uncovering hidden or tacit knowledge	Discovering key risks, exposures and opportunities
Tools	Benchmarking, communities of practice	R&D market research, competitive intelligence	Knowledge, maps, audits, training and networks	Creative tension, audits, dilemmas, complexity science.

Source: Adapted from Drew (1999)

Donald A. Palmer & Nicole Woolsey Biggart (2002) conclude in these words in Black well companion to organizations ,

“This is an exciting time to be an institutional theorist. Marketization of traditional economies, globalization of exchange, widespread migration, cultural diffusion via mass media, a new informational economy, the growth of regional trading blocs, are all conditions that would appear to challenge provincial institutional organization patterns. Institutional theorists are well positioned to analyze which organizational patters will emerge, which will remain and diffuse, and to what effect?”(p-277).

Globalization

We are living in a new form of global capitalism. In fact globalization is capitalism across nations. There is a continuous capital flow between nations without any serious constraints. There is a rampant increase in wealth and production of resources multiply but it is strange enough to find out that this rapid growth of wealth doesn't satisfy the needs of the people. Consider this report on globalization.

Globalization and Inequality among Nations

According to this “old fashioned - three worlds partition” partition, 76 percent of world population lives in poor countries, 8 lives in middle income countries (defined as countries with per capita income levels between Brazil and Italy), and 16 percent lives in rich countries. Now, if we keep the same income thresholds, and look at “true” distribution of people according to their income (regardless of where they live), we find a very similar result: 78 percent of the world population is poor, 11 percent belongs to the middle class, and 11 percent are rich.

Source: “DECOMPOSING WORLD INCOME DISTRIBUTION: DOES THE WORLD HAVE A MIDDLE CLASS?” Branko Milanovic and Shlomo Yitzhaki 1

In the words of Rana Zamin (2011)

Humanity / human civilizations is divided into four major civilizations at large. Literature on major four civilizations of the world notable scholars and authors reflect insights in the table below for detail see: Francis Fukuyama (summer 1989), Samuel P. Huntington (November / December 1993), Bernard Lewis (September 1990), Huston Smith (April, October 2005), Will Durant (1950), Feliks Koneczny (1960), Oswald Spenglar, Alvin Toffler (1980), Kishore Mahbubani (September / October 1993), Karen Armstrong (2004), and Arnold Toynbee.

At Civilizational Level Civilizational conflicts are the real cause of Global Financial Crises

	Indian civilization	Chinese civilization	Western civilization	Muslim Civilization
Crises of Values	Peace	Equality	Freedom	Justice
Confrontation of Prevailing Disciplines	Culture as discipline	History as Discipline	Science as Discipline	Religion as discipline
Overlapping of Forms of Consciousness	Aesthetics Consciousness	Moral Consciousness	Speculative Consciousness	God Consciousness
Divergence of essential convictions	Belief in Earth	Belief in Past	Belief in Present	Belief in Future

The above table shows that every civilization has its own set of core values, unique disciplines, forms of consciousness and unique values. Unfortunately, disciplines are confronting, consciousness forms are overlapping, convictions are diverging and there is a crises of values of each civilization. All these factors are creating and enhancing global financial crises (Amjad ;2007). Behind all these forces the blind force of greed is also a major factor of the global financial crises (Zamin; 2011). According to Anderson and Cavanagh (2000) Wealth of transnational corporations can better explain the rise of global corporate power in the following report.

- 1) Of the hundred largest economies in the world, 51 are corporations; only 49 are countries. Wal-Mart- the number 12 corporation is bigger than 160 countries including Israel , Poland, and Greece. Mitsubishi is largest than the forth most populous nation on earth: Indonesia. General Motors is bigger than Denmark. Ford is bigger than south Asia. Toyota is bigger than Norway.
- 2) The top 200 corporations combined sales are bigger than the combined economies of all countries minus the biggest nine, that is they surpass the combines economies of 182 countries. At least count, the world has 191 countries. If you subtract the GDP of the big nine economies: the United States, Japan, Germany, France, Italy the United Kingdom, Brazil, Canada and China, the combined GDPs of the other 182 counties is \$ 6.9 trillion. The combined sales of the top 200 corporations is \$ 7.1 trillion.
- 3) The top 200 have almost twice the economic clout of the poorest of the four-fifths of humanity. The world's economic income and wealth remain highly concentrated among the rich. Indeed , according to the United Nations, some 85% of the world's GDP is controlled by the richest 5th of humanity: only 15% is controlled by the poorest four-

fifths. Hence the poorer 4.5 billion people in the world account for only \$ 3.9 trillion dollars of economic activity: this is only a little over half the combines revenues of the top 200's \$7.1 trillion.

Source: From Anderson and Cavanagh (2000) Top 200 The Rise of Global corporate power.

According to T.C Paunchant “the field of Management is in crises. The signs of crises are many: a lack of organizational performance, chronic unemployment, industrial disaster and pollution, over all encountered difficulties in change. This crisis is not economic but also existential. It is rooted in our most basic fears and hopes and goes far beyond considerations of competitiveness or productivity alone” (Zamin ; 2011). Organizations and governments are currently confronting the largest crises on subjective, organizational, societal, civilizatinol and environmental levels. There is an ever widening gap between rich and poor, declining natural resources, threatened eco systems, terrorism and wide spread commercial and political corruption. Trust in big business and leadership is at an all time low. Millions of global employees suffer form over work, hunger, stress and disease with little hope of better future, while millions of employers compete for the same scarce and dwindling resources (Zuboff,2009; Cappelli,2008). All are the signs of the collapse of capitalism and socialism (Zamin;2011) and the events like occupy wall street provide self evident truth and proof of this collapse (Zamin,2011).

There are six solutions suggested by political leaders and organizational scholars:

- 1) Khatami dialogue among civilizations at the United nations General Assembly in New York.
- 2) The Spanish Prime Minister Jose Luis Rodriguez Zapatero proposed an “Alliance of Civilization between the Western and the Arab and Muslim worlds”

- 3) Kofi Annan in a speech on February 5, 2001 to Seton Hall University's School of Diplomacy and International Relations in South Orange New Jersey, declared the Dialogue among Civilizations as appropriate and necessary solution, during the Fifty ninth Session of the United Nations General Assembly on 21st September 2004.
- 4) The idea of League of Civilizations is based on the recognition of the world's cultural diversity and the equal dignity of each civilization by affirming a paradigm of co-existence of all contemporary civilizations. League of Civilizations will be the only carrier that will ever hold this multi-cultural and multi civilizational world together. It seems apparent that all contemporary civilizations would benefit from "League of Civilizations", and to generate ideas on how to overcome the global financial crises (Amjad; 2007).
- 5) In his article "application of Islamic economic system in a contemporary economy: an illustration with poverty and inequality in the USA" Mohammed sharif not only examines the Islamic economic system in full depth but also finds it feasible for the modern economy. the foundations of economic system and its principles are absolutely nothing but straightforward and simple. He raises the question in his article : How can such a straightforward and simple system handle the complicated problems of a modern economy? He addressed this question using the problems of poverty and inequity in the USA for the way of illustration. He choosed USA delebrately to show its economy based on affluence and technological development, on one side and on the other side showed the failure of USA to reduce poverty chronic poverty in spite of the backing of enormous resources. He craftly highlighted the problems in terms of poverty, hunger, homelessness, lack of medical care, and inequity in the distribution of income and wealth,

which is the stark contrast to the affluence of the country. Then he suggests a way ahead : how the application of the Islamic principles can, within a very short time, solve these problems without at all stifling the prosperity of the society. According to his conclusion , however, it should not be misconstrued as if Islam cannot deal with the problems in the context of developing economics — Islamic principles have proven its validity, reliability and authenticity. They have always been working like miracles in solving these problems with very few resources during the early days of Islam.

- 6) For better understanding of the Islamic economic policy lets see the administration of Halal income and expenditure in the perspective of Islamic law based on authentic Hadiths and Quranic Verses.

Administration Of Halal Income And Expenditure:Perspective In Islam

Your earning must not be Haram (or forbidden by Shari’ah or Islamic law) and your spending too must not be Haram.

1. Hadith: (According to Ibne Mas’oud) : “On the Day of Judgement, a person may not move one step without first answering to five questions, two of them being about his wealth: (1) From where was it earned, Halal or Haram? (2) Where was it spent?” (Tirmizi). Your income must be legitimate and clean. Do not take usury or interest or bribe. Do not occupy or acquire anything illegally: land, loan, inheritance etc. Earn money but do not ignore Salah or Namaz or Zakah or Haj or Death and Life after death or essential religious education or the good company of a shaikh or waliullah or saint. Do not spend money extravagantly or in sin or in death and marriage un-Islamic ceremonies or for name and fame or for pomp and show. Do spend in all essential and necessary

things in life and in your religion: such as for family and children, food, house, education (both worldly and religious), for mosque. Madresshas or Muslim schools, orphanage, Da'wah, Tableegh and propagation of Islam, self-defense and Jihad, etc. Earning money for these is really a worship in Islam by the mercy of Allah.

2. Hadith: (According to Abdullah) "Earning ' Halal income is an obligation (or Farz) after the obligations (in worship)" baihiqi
3. Hadith: "The world is for four (types of) people. One of them being the servant whom Allah has given money and religious knowledge. He fears his Lord in the wealth, spends on his relations, and fulfils the (Islamic) rights and duties for Allah. This person ranks the highest" (Tirmizi)
4. Hadith : "Good money for a good man is a good thing" (Ahmed)
5. "Hadith : (According to Abu Sa'eed Khudri) : "Wealth looks good and tastes good, and is a good helper for one who earns it right according to the Islamic law and also spends it right accordingly." (Bukhari and Muslim)
6. Hadith: " The time is coming when only money can be of any help" Help yourself by earning legal money.
7. Hadith : (According to Sufyan Thori) : The holy Companions did not fancy wealth due to the strength of their faith. They rather avoided it in view of the associated vices. But now we need wealth for protection and strength. This is because our hearts are weak. Lack of money means worries, and worries can destroy our health and faith. Now a days money means protection of our honour and religion. Do not lose money by wasting it. Save it and increase it legally. If one gets poor, his religion is the first to be hit. Spend in need with moderation and control to avoid worries and embarrasments. (Sharhi Sunnah)

8. Hadith: (According to Abu Sa'eed) : “ A truthful, honest and trustworthy businessman will be along with the prophets, saints and martyrs on the Day of Judgement” (Tirmizi and Darami) Look at the virtues of business in Islam !
9. Hadith: “ No one ate anything better than (one earned) by his own hand's work as also did the messenger of Allah, David manually” (Bukhari). He used to make armour. Look at the virtues of Halal hand work in Islam!
10. Hadith: (According to Abu Hurairah) : “ All the prophets of Allah were also shepherds (herding goats) “ The holy Companions enquired, “ Sir, did you do that as well?” He replied. “ Yes, with the goats of the people of Mecca for a little money (or Qeerat)” (Bukhari) Look at the dignity of labour in Islam!
11. Hadith: “Moses took a job as a shepherd for Shu'aib to herd his goat for 8 to 10 years” (Ahmad and Ibne Majah) . This story is also in the Qur'an and tells the virtue of the job for one boss.
12. Hadith: The holy Prophet has allowed (us) to rent (the land) saying that it is alright (Muslim). You can use the rent money.
13. Hadith: (According to Anas) : “ For every Muslim who planted a tree or did some farming and then a man or bird or animal ate something from there, this sure becomes a “Khairat” or charity for him” (Bukhari and Muslim). Gardening and farming are all a good and virtuous source of income.
14. Hadith: (According to Anas): One of the Ansars of Medina came begging to the holy Prophet. The Prophet asked for his carpet and water cup (or bowl) which was sold . From this money, he gave him some food and a tool of cutting wood and told him. “ Go! Make money by cutting and selling wood. This is much better for you than begging as the latter

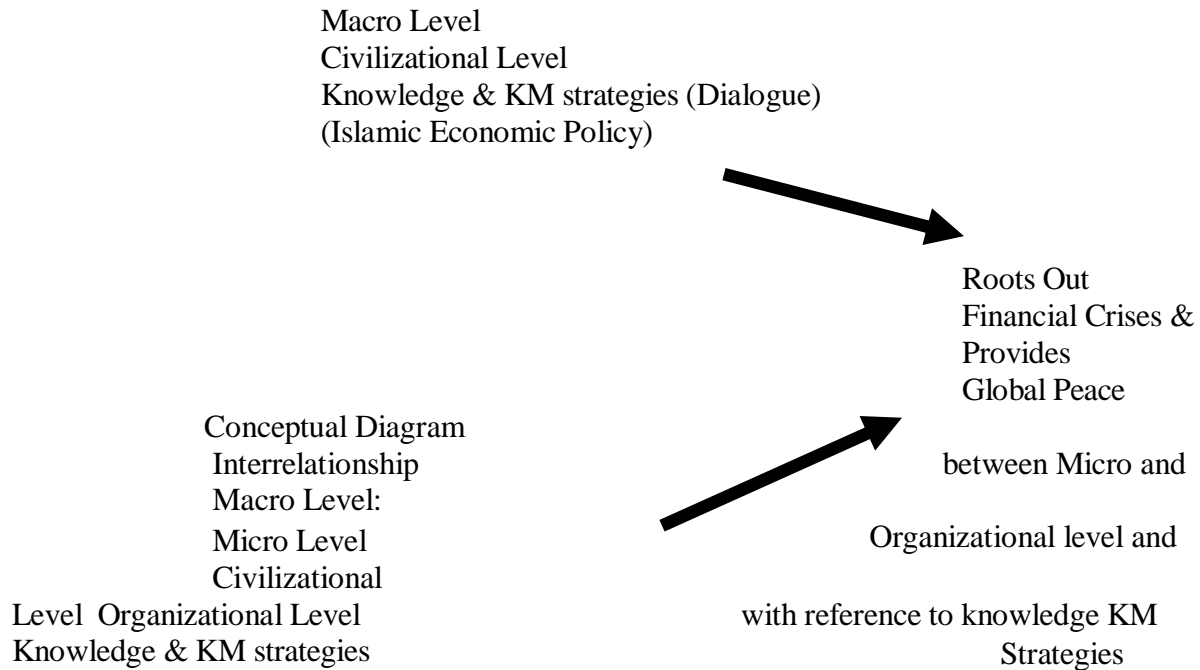
will put you in an embarrassing spot on the Day of Judgement”. (Abu Dawood and Ibne Majah). Even a very ordinary Halal job is better than begging in Islam. For any religious work (but not personal) may raise funds by contributions provided that the need for it is expressed by public (but not personal) approach and announcement.

15. Hadith (According to Ibne Umar) . “ Allah loves the faithful who has a Halal job” (Tibrani and Baihiqi) Do not hate any Halal job as all of them are good in Islam.
16. Hadith : (According to Umar). The land of Bani Nadeer (Jews) conquered in the holy war of self- defense (or Jihad) was reserved for the holy Prophet. He used to give a year’s expenses to his wives from this and the rest was used in defense (or Jihad) for weapons and horses etc. It is quite alright to store food and other essentials, If you wish.
17. Hadith. (According to K’ab bin Malik) : I repent and vow to always speak the truth and to present all to present all I have for Allah and His Prophet. The holy Prophet told him. “ Keep some for yourself then said, “I shall keep the property from Khaibar” (Tirmizi) The Prophet has kept stores of essentials for his families and has also given this advice to others. How can this be against Islam and piety?
18. Hadith : (According to Ibn Mas’oud) : “ I hate a person who is totally useless: neither doing anything of worldly good nor of the Hereafter” (Ahmad, Ibn Mubarak, Baihaqi. etc) Do not waste your time and your life . If you are not a religious authority or worker for Islam, then do not be idle and try to find a suitable job and keep trying as this is the right (and Islamic) thing for you to do. However the holy deputies of the holy Prophet (the ulama and Mushaikh or scholars and saints) or those who are dedicated for the service of the Islam and Muslims need not bother and need not look for paid jobs , since

Allah Himself is their guarantor. Let them do their duty and job with contentment and trust in Allah. Allah will help them from the Unseen, if they are sincere.

19. Hadith: (According to Mugheerah) : “ Allah does not like you to waste money and property”
20. Hadith : (According to Anas, Abu Imamah, Ibe’ Abbas and Ali) Be moderate (neither a miser nor extravagant. Be reasonable, think and plan according to your needs and circumstances) – and this is half of what you earn. One who spends extravagantly can be a loser (Askari etc.) Administration of Halal income and expenditure is an important duty in Islam.
21. Hadith: (According to Mohammad bin ‘ Abdullah bin Hajash) “ I swear by One who owns me if someone is made a martyr (or “ Shaheed “) in Jihad, then comes to life and martyred again, and then comes to life and martyred again but he is in debt and owns money to someone he shall not enter paradise unless the loan is repayed “ (Nisai, Tibrani, Hakim, etc) However, that debt which is due to a need recognized by the Islamic law (or Shari’ah) and which one really tried to repay but could not is exempted and forgiven.

The upshot is that money and wealth (their income and expenditure both) if in accordance with the Shari’ah is really a blessing from Allah- there being nothing wrong with them. Only when the income and expenditure is against the Shari’ah, is the money (and property) truly bad. It is like having wife and children : they are emphasized in Hadith. But they are called “ enemies” in Qur’an (64 : 14) when they stop you from the good in the Hereafter(as in the commentary: Jalalain). The same rule applies to both. Make use of Allah’s blessings as His obedient servant and not as a rebel.



Conclusions

Knowledge is the back bone of organizational life, economy life, culture life, and civilizational life. Managing knowledge at organizational life bore fruit by knowledge organizations / learning organizations as it has been highlighted in the research work by Peter Senge, Nonaka, Karl E. Seweby, Touckhi, Chris. Argyris, and other thinkers of knowledge Management. Managing knowledge effectively in the intra and inter civilizational dialogue is the key to competitive survival among the comity of Nations.

Every civilization has its own specific / particular core values, prevailing disciplines, convictions and values for example Indian civilization wrapped in core value of peace, prevailing

discipline of culture, aesthetic consciousness and belief in earth. On the other hand Chinese civilization wrapped in core value of equality, prevailing discipline of history, moral consciousness and belief in past. Western civilization wrapped in core value of freedom, prevailing discipline of science, speculative consciousness and belief in present. Muslims civilization wrapped in core value of justice, prevailing discipline of religion God consciousness and belief in future (Akshara). So here is the need of KM strategy which is “dialogue” is imperative because all civilizations are different and through strategic dialogues, they can come close to each other and understand each other values, disciplines, beliefs, forms of consciousness and convictions because of strength of relationship depends upon the understanding of other point of views and perspectives but at present it seems that there is a knowing doing gap among major civilizations.

There is an Urgent Need of Managing Knowledge Around Religion Islam

Islam as a religion and ideology needs to be revisited by both Muslims and non-Muslims alike. It is a religion that should be looked at as a continuation of previous religions and inheritor of them as well. As an ideology, Islam should be viewed as one that provides economic, political, and social systems that do not belong to the ideologies of materialism (both capitalism and socialism). After the fall and collapse of socialism, the people of the world resorted to capitalism as their only alternative. The collapse of capitalism is eminent. It is the responsibility and the duty of the people of the world to examine Islam with serious and sincere scrutiny, in order to consider it as the only viable alternative to capitalism.

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