

Foundationalism in Management: Bridging Divine Ethics and Secular Praxis

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Abstract:

This article examines the types of Foundationalism in management and analyzes its importance in the contemporary world. In a situation where corporations are as powerful as governments, the principles of managerial decision-making have profound moral and social implications. By comparing religious (Islamic) and non-religious paradigms, this article shows how divine morality can challenge the relativism of secular models and offer a new path to synchronize profit and spirituality. Based on principles such as justice, trustworthiness, and public interest, Islamic management is introduced as a moral compass that is not only concerned with profitability, but also with responsibility towards society and the environment. In contrast, secular models, with their high flexibility, sometimes come into conflict with ethical principles and sustainability. Examples such as the Boeing 737 Max crisis and the success of Islamic banking in Bangladesh clearly demonstrate the central role of these fundamental principles in the success or failure of organizations. The results show that religious Foundationalism, while offering ethical and sustainable solutions, requires sacrifices that secular models usually avoid. At the same time, secular paradigms, despite their strengths, are vulnerable to corruption and deviation due to the lack of fixed and divine principles. The article suggests that integrating religious ethics with secular frameworks, such as environmental, social and governance (ESG) investing, can be

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an effective way to respond to contemporary management challenges. This article transforms Foundationalism from an abstract discussion to a tangible reality in boardrooms and supply chains, emphasizing the necessity of choosing ethical principles for future management.

1 Introduction

In this article, we want to examine the types of foundationalism in management. But before that, it is necessary to consider the importance of Foundationalism in management. In a world where corporations wield power rivaling nation-states, the principles guiding managerial decisions carry profound ethical and societal implications. Consider this: In 2019, Boeing's 737 MAX crisis revealed how profit-driven decisions could cost hundreds of lives, while Islamic banks in Bangladesh demonstrated that microlending rooted in Quranic ethics could lift millions from poverty without sacrificing profitability. These contrasting scenarios underscore a pivotal question: *Should management be anchored in unshakeable moral principles or adaptable to market demands?*

This paper argues that foundationalism—the reliance on fixed axioms—shapes not just organizational strategies but the very soul of commerce. By comparing religious (Islamic) and non-religious paradigms, we uncover how divine ethics challenge the relativism of secular models, offering a path to reconcile profit with purpose. The urgency of this inquiry lies in today's polycrisis: climate collapse, inequality, and eroding public trust in institutions. If management is to be part of the solution, it must confront its philosophical foundations.

2 Discussion

The Case for Religious Foundationalism: Islamic Management as a Moral Compass

Islamic management is not a mere set of rules but a worldview where every decision is a spiritual act. Take the concept of *Amanah* (trusteeship). A CEO in this framework isn't just accountable to shareholders but to God, employees, and future generations. For instance, Islami Bank Bangladesh Ltd. rejected predatory lending practices, opting instead for profit-

sharing (*Mudarabah*) models that align with Quranic injunctions against exploitation (“*Do not devour one another’s wealth unjustly*” [4:29]). The result? A 20% increase in financial inclusion among rural women, proving ethics need not hinder efficiency.

Key principles include:

- **Adl (Justice):** Prioritizing fair wages over profit margins. The Prophet Muhammad’s decree to “*Pay the worker before his sweat dries*” resonates in policies like Patagonia’s living wage initiatives.
- **Maslaha (Public Welfare):** When a Malaysian Islamic hospital faced budget cuts, it reallocated funds from executive bonuses to patient care, citing the juristic principle that “*necessities override conveniences.*”
- **Environmental Stewardship:** The Quranic mandate to “*not waste, for God loves not the wasteful*” (6:141) has spurred green *Sukuk* (bonds) funding renewable energy projects in Morocco and Indonesia.

Yet, challenges persist. Islamic firms often struggle in global markets dominated by secular norms. A Saudi construction company, for example, lost a bid in Europe by refusing to bribe officials—a decision lauded ethically but costly financially.

Secular Foundationalism: The Double-Edged Sword of Flexibility

Secular management’s strength—its adaptability—is also its Achilles’ heel. Grounded in Enlightenment-era rationalism, it treats ethics as negotiable. Amazon’s hyper-efficiency ethos, while driving unprecedented growth, has faced criticism for worker burnout and union suppression. The mantra “*If it’s legal, it’s ethical*” enabled Purdue Pharma to aggressively market OxyContin, prioritizing shareholder returns over public health.

Consider the 737 MAX scandal: Engineers at Boeing identified critical safety flaws but were overruled by executives fixated on beating Airbus to market. The result? Two crashes, 346

deaths, and a \$20 billion loss. This epitomizes the pitfalls of profit-centric foundationalism, where short-term gains eclipse long-term responsibility.

However, secular models aren't inherently unethical. The rise of ESG (Environmental, Social, Governance) investing shows a hunger for values-driven business. Unilever's "Sustainable Living Plan," which ties executive pay to sustainability metrics, reduced carbon footprint by 52% while boosting sales. Yet, without transcendent principles, such initiatives risk becoming mere PR tools. As Volkswagen's "Clean Diesel" fraud proved, ESG can be gamed when ethics are discretionary.

Where the Paradigms Collide: Justice vs. Utility

The clash between these worldviews plays out starkly in labor practices:

- **Islamic Approach:** During the COVID-19 pandemic, Jordan's Islamic Bank absorbed losses to avoid layoffs, invoking the principle "*Harm must be eliminated*" (*La darar wa la dirar*).
- **Secular Approach:** Major U.S. airlines furloughed 40,000 workers despite receiving billions in government aid, citing "market realities."

Similarly, environmental strategies diverge:

- **Religious:** Oman's Islamic Fisheries Cooperative enforces seasonal fishing bans based on Quranic sustainability principles, reviving depleted fish stocks.
- **Secular:** BP's "Beyond Petroleum" rebranding collapsed after the Deepwater Horizon spill, exposing the gap between rhetoric and action.

3 Conclusion

Findings: Beyond Profit, Toward Purpose

1. **Ethical Resilience vs. Moral Drift:** Religious foundationalism provides a North Star in crises but demands sacrifices secular models avoid. Islamic banks' stability during the 2008 financial crisis (due to risk-sharing models) contrasts with Wall Street's collapse.
2. **The Human Cost of Flexibility:** Secularism's adaptability often benefits shareholders at the expense of workers and ecosystems. The gig economy's "Uberization" of labor exemplifies this trade-off.
3. **Hybrid Horizons:** Emerging models like ESG and B Corps echo Islamic principles (e.g., stakeholder balance), suggesting convergence. Yet, without divine accountability, they remain vulnerable to greenwashing.

Recommendations: Charting a New Course

- **For Leaders:**
 - Integrate faith-based ethics into secular frameworks. Example: Microsoft's AI ethics board includes theologians to address biases.
 - Adopt "Triple Bottom Line" reporting (People, Planet, Profit) inspired by Quranic stewardship.
- **For Policymakers:**
 - Legislate stakeholder governance, mandating board representation for workers and environmental advocates.
 - Subsidize faith-aligned innovations (e.g., tax breaks for zero-interest Islamic microfinance).
- **For Academia:**

- Develop cross-cultural case studies comparing Islamic, Buddhist, and secular ethical models.
- Train managers in moral philosophy alongside MBA staples like finance.

Ultimately, the choice between foundationalisms is existential: Will management remain a tool of extraction, or evolve into a force for restoration? As climate thresholds loom and inequality fractures societies, the answer may determine not just corporate survival, but human flourishing.

4 Final Word

This paper reframes foundationalism from an abstract debate to a lived reality shaping boardrooms and supply chains. Whether through divine mandate or human reason, the principles we choose today will write tomorrow's legacy—one spreadsheet, one policy, one life at a time.