

Reflections on a Class of Yemeni Entrepreneurs: A Case Study of Leadership and Ethics

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Purpose of Seminar



- **To stimulate (and revisit) debate on what makes “good entrepreneurial leaders” and explore the Islamic perspective on this subject.**
- **To explore Yemen’s experience with entrepreneurial leaders (with particular reference to a group of successful Yemeni entrepreneurs (known as the Hadhramis)).**

Yemen: A bit of History



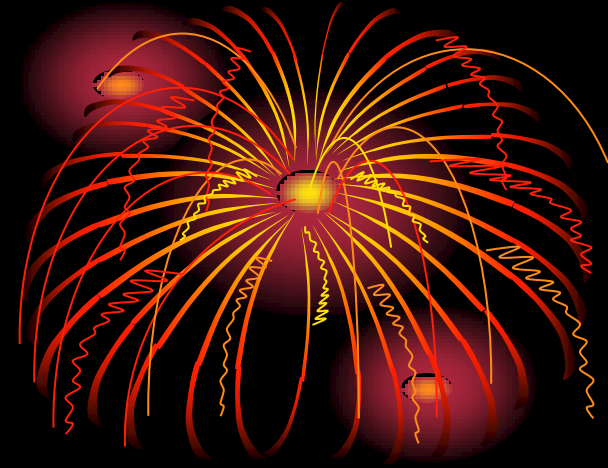
- **Traditionally divided into north and south.**
- **North was ruled by a parochial Imamic regime (until 1962).**
- **South was ruled by the British from 1839 to 1967. Britain was only interested in Aden as a refuelling port for its ships.**
- **Finally south and north came into a union known as the Republic of Yemen on 22 May 1990.**

Hadhramis...Hadhramaut!!



- **Not many people (especially in the West) heard about this group of people!**
- **The name began to attract attention in the aftermath of the 9/11 event due to the connection of Ben Laden with this atrocity.**
- **Ben Laden is the son of a Hadhrami migrant who made a fortune in Saudi Arabia.**

Hadhramaut



- Map of Hadhramaut.
- **A religiously conservative society.**
- **Historically a centre of excellence for Islamic teaching.**
- **Its people are known for their entrepreneurial dexterity, frugality and perseverance of its people!**

Migration

- **Motivation for migration:**
 - **Poverty (Hadramaut is largely an arid land)**
 - **Political Strife (tribal in-fighting)**
- **Target of Hadhrami migration (1750s - 1960s)**
 - **South East Asia (India, Indonesia, Malaysia, Singapore)**
 - **Aden (which boomed due to the opening of the Suez canal in 1869).**
 - **East Africa**
 - **Saudi Arabia and the Arab Gulf (since 1930s)**



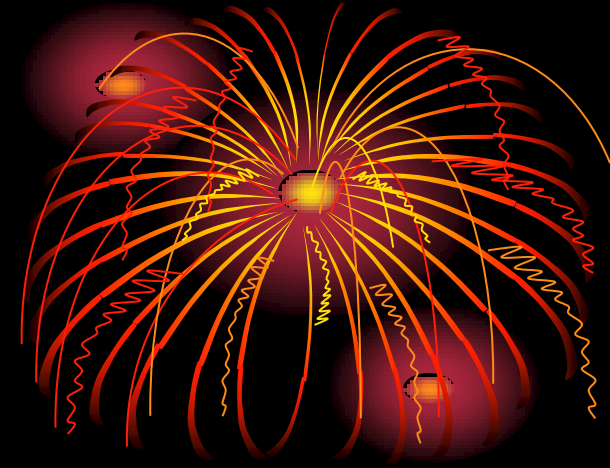
Migration

- **Sir Richard Burton, a 19th century British orientalist, once remarked:**

“it is generally said that the sun does not rise upon a land that does not contain a man from Hadhramaut” (Burton, 1966).



Success



- **Built fortunes in:**
 - **South East Asia**
 - **Aden (during the British rule)**
 - **Saudi Arabia (top billionaires are of Hadhrami origin)**
 - **Less successful (as entrepreneurs) in East Africa where they worked largely in the retail trade and to a lesser extent in the wholesale trade. But there were some amazing “political” success stories involving Hadhramis in this region and South East Asia!**

Success (cont.)

- In the **Comoro Islands**, Sharif Abu Baker ben Sayyid Sharif Husayn (a Hadhrami) became the king of the Moheli island during the 17th century.
- In **Vanga and Wasini** (southern Kenya) Sayyid Abu Baker ben Sheikh al Masila Ba-Alawi (a Hadhrami) was enthroned in the early 18th century.
- In **Malaysia** (South East Asia), **Sayyid Jamal al-Layl** (a Hadhrami) became ruler of the border state of Perlis in 1843 (for assisting the Sultan of Kedah in expelling the Thai occupiers).

Hadhrami Common Traits



- **Honesty - Trustworthiness!**
 - **The first 7th century (AC) Umayyad and most powerful Caliph (Muaweyah ibn Abi Sufyan) once instructed his ruler of Egypt (Amr ibn Al-Aas): “Employ no one but Hadhramis as they are people of trust”.**
 - **They commanded great respect in the countries they migrated to. In Singapore gangsters had a code that forbade bothering the “Arabs” (i.e., Hadhramis).**
- **Altruism!**
 - **They built schools, mosques and provided for poor families in the countries they settled in. They were “transformational and servant leaders” in that sense.**

Hadhrami Common Traits (cont.)



- **Respect for Authority and Hard work**
 - They would often use a respected Hadhrami (a kind of Sheikh) to resolve their differences than go to the authorities.
 - Popular sayings by Hadhramis:
“Be an ant and eat sugar!”

The Story of Sayyid Abubakr Al-Kaf



Sayyid Abubakr Al-Kaf (a successful entrepreneur and philanthropist who returned from Singapore to Hadhramut), and, with support from **Harold Ingrams**, the first political officer in Hadhramaut, established peace among the two most powerful (and warring) tribal factions (**Al-Katheri** and **Al-Kaeti**) of Hadhramaut which lasted for generations.

- According to Pike (1940), this event was “**the greatest humanitarian achievement in the modernisation program of Hadhramaut**”.
- Awarded a **CBE** (Companion of the British Empire) and was later knighted (**KBE**) by HM Queen Elizabeth in 1954.

The Story of Sayyid Abubakr Al-Kaf

- **In their book “Servant-leadership across cultures”, Trompenaars and Voerman (2009) state:**
- **“An Eastern perspective ...tells you that a (servant) leader needs to...work as part of the community instead of putting focus only on individuals. ...the most important quality of a servant leader is that he or she can reunite opposites”.**

Leadership Theory



- **Joseph Rost (1991) collected 221 definitions of leadership (from 1920s to 1930s) which seem to say the same thing: “leadership is about a person or persons, somehow, moving other people to do something”. A kind of “dyadic” or “dualistic” (leader-follower) view of leadership (Ciulla, 2005)**
- **No persuasive answer seems to exist in the literature of leadership as to what is “leadership”!**

Leadership Theory (cont.)



- **Ciulla (2005) says we are asking the wrong question. We should ask: “What is good leadership?”**
- **Other scholars view “good” leaders as “responsible” leaders (Alexander and Wilson, 2005).**
- **Responsible and good leaders according to such views tend to share common traits:**
 - **Integrity (at the core of which is honesty and trustworthiness)**
 - **Altruism (concern for the welfare of others)**

Islam as Point of Reference for the Hadhramis



- **Quran** "O you who have believed, obey Allah and obey the Messenger and those in authority among you".
- **The Quran and Prophet Muhammad tell us that social responsibility, integrity and altruism are central traits for Muslims.**
- **Prior to prophesy Muhammad was known among his Meccan tribesmen as al-ameen (the trustworthy) for his honesty when he was a trader.**
- **His first wife (Khadija), a businesswoman, asked him to marry her for his honesty (and she was one of the first people to believe in his prophecy).**

Islam as Point of Reference for the Hadhramis



- **Muhammad delayed his departure from Mecca (to escape being killed) so that he can return some moneys deposited with him to their owners.**
- **Muhammad “A hypocrite is known by three traits: When he speaks, he lies; when he promises, he reneges; when he is entrusted, he cheats”.**
- **Muhammad “He who deceives us is not one of us”.**
- **Muhammad “When honesty is lost, then wait of the Hour (Doomsday)”**

Islam as Point of Reference for the Hadhramis

- **Quran** “Those who are faithfully true to their *amanah* (i.e., trustworthiness) and to their covenants...these indeed are the inheritors. Who shall inherit Paradise. And dwell therein forever” (Quran 23:8, 23:10-11)
- **Quran** “They will ask you [Mohammed] what they should spend [on others]. Say “They should give what charity (khayr) they can to benefit parents, relatives, orphans, the destitute, and wayfarers. For, indeed, God is aware of the good things that you do”.
- **Quran** “Verily, God does command you to render back your Trusts to whom they are due”

■

Islam as Point of Reference for the Hadhramis



- **Beekun and Badawi (1999) argue that the Quran explicitly links the concept of honesty (amanah) to leadership and quote the story of the Prophet Yusuf (Joseph) in the Quran as evidence.**

- **The Quran reveals how Yusuf (Joseph) was placed, by the king of Egypt, in a responsible and leadership role (in charge of the granaries and storehouses of the kingdom) due to his trustworthiness (see verse “Yusuf”, 12:54-55).**

Islam as Point of Reference for the Hadhramis



- **The Hadhrami business people (like many “true” Muslims) follow in the footsteps of their Prophet.**
- **Quran describes Muhammad thus “Verily, you are of a great character”.**
- **Having “exemplary” deeds such as those of Muhammad’s are regarded as essential for endearing Muslims to their God (Allah)**

Leadership Theory (cont.)



- **Greenleaf's 10 traits**
- **Can a “good” leader be a “servant leader”?**
- **From an Islamic perspective the answer is a resounding “YES”**
- **Muhammad “The servant of the people is their leader” (in Arabic: Khadem al-kaum sayyudohom - خادم القوم سيدهم)**
- **According to Islam the purpose of leadership is serve people.**

Leadership Theory (cont.)



- **Islam: There is no conflict (or dilemma) between the notion of leading and serving. In fact they are two faces of the same coin.**
- **Prophet Muhammad never appointed a successor. He left it to the people to decide and they chose Abu Bakr (his closest companion).**
- **Furthermore leadership is not sought. It's given by the people. People who seek leadership should not be appointed!**

Leadership Theory (cont.)



- **Abu Bakr chose Umar Ibn Alkattab to succeed him (with the approval of the Muslims)**
- **Umar refused. His refusal was deemed a good trait of a servant leader. He finally accepted the offer to lead.**

Leadership Theory (cont.)



Trompenaars and Voerman (2009):

**Under the title “Theoretical Foundation”
of Servant-leader:**

**“Jesus is the epitome of a servant
leader ..’I did not come to be served,
but to serve’**

**Mohammad is also an epitome of a
servant leader (in the Islamic
tradition). He said “The servant of the
people is their leader”**

Leadership Theory (cont.)



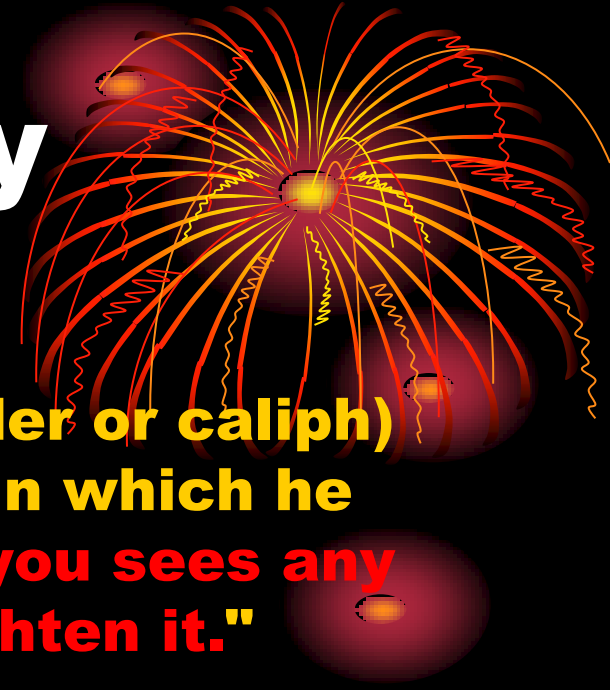
- **Trompenaars and Voerman (2009)** define leadership (as culturally) falling into two categories:
 - **Leadership in performance-oriented cultures (typically Western)**
 - **Leadership in ascribed-(i.e., status) oriented cultures (typically Eastern)**
- **This dichotomy needs to be explored further (from an Islamic perspective)⁵**

Leadership Theory (cont.)



- **Islamic culture is a performance-oriented culture!**
- **The Quran considers idleness - or squandering of time in pursuit of unproductive and non-beneficial work - as the manifestation of lack of faith.**
- **Quran “And say, Work, soon will Allah observe your work and His apostle and the believers.”**
- **Muhammad “It is better for one of you to take his rope and fetch a load of firewood on his back and sell it than to beg from people who might give him or refuse him”**
- **Umar (second successor after Muhammad) “Never should anyone of you think that du`aa’ (supplication) for sustenance without work will avail him, for heaven never rains gold nor silver”**

Leadership Theory (Conclusion)



- **Umar (on his appointment as leader or caliph) stood up and delivered a speech in which he said: "O people, whoever among you sees any crookedness in me, let him straighten it."**
 - **A man stood up and said: "By Allah, if we see any crookedness in you we will straighten it with our swords."**
 - **Umar said: "Praise be to Allah who has put in this ummah (i.e., nation) people who will straighten the crookedness of Umar with their swords."**

Some thoughts!



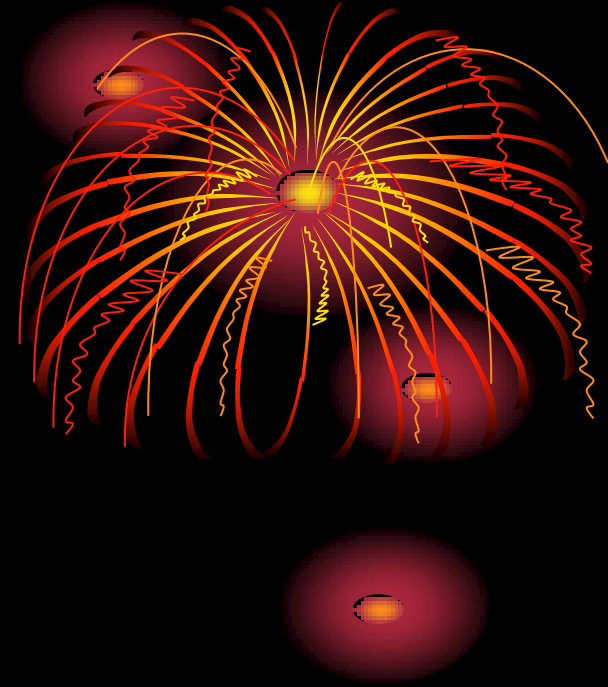
- **Hadhramis are not saints. Some dabbled in usury (money lending) and slave trade!**
- **The issue of money lending at extortionist interest rates in cities such as Java created resentment against an erstwhile highly respected community of migrants (Clarence Smith, 1997; Al-Alawi, 2009).**

Further Study (Limitations)



- **Work in progress!**
- **My intention is to continue to investigate this area further.**
- **One approach would be to concentrate on how Hadhramis treated the people they employed.**

Any Questions?

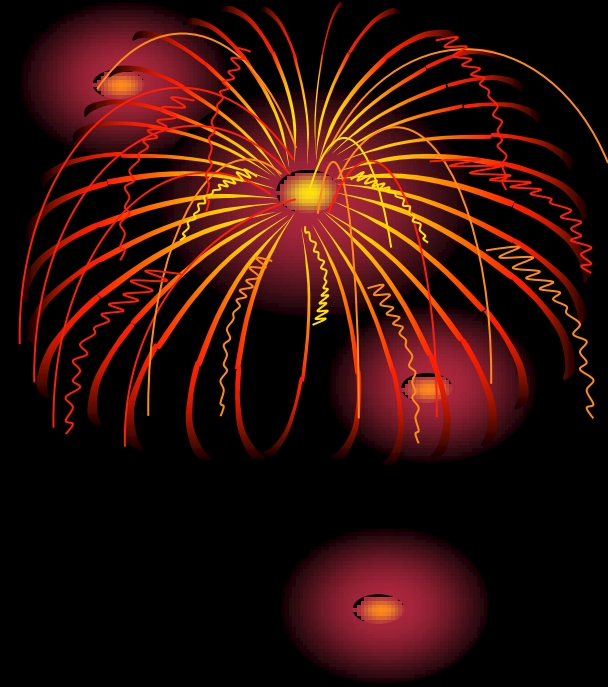


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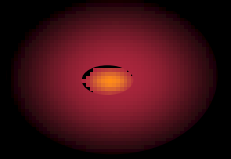
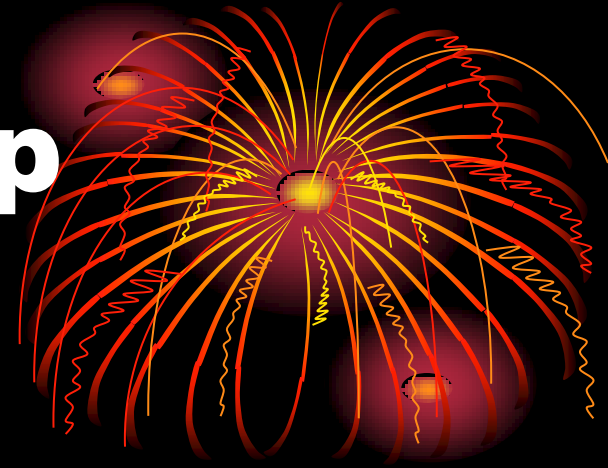
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Ben Laden



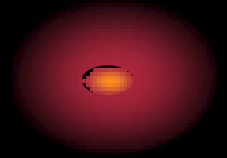
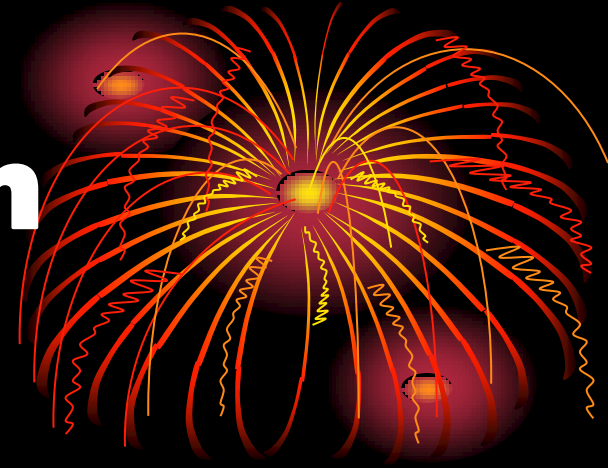
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City of Tarim - Map



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Sir Richard F. Burton (1821 – 1890)



[Return](#)

Servant Leader's Traits (according to Greenleaf)

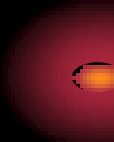


- **listening**
- **empathy**
- **healing**
- **awareness**
- **persuasion**
- **conceptualization**
- **foresight**
- **stewardship**
- **commitment to growth of people**
- **building community**

[Return](#)

Islam does not like wasters



- **Quran “... eat and drink: But waste not by excess, for Allah loveth not the wasters”. *Al-Araf, Chapter #7, Verse #31*)**
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[Return](#)

Sayyid Abubakr Al-Kaf (Knighted in 1954 in Aden)



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Imam Ahmad (1895-1962)



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Frugality & Perseverance



- **Frugality**: “A Hadhrami would sell his supper!”
- **Perseverance**: “They defeated us with their money and we defeated them with *staying (i.e., endurance)*”.