

Social contours of the economy: entrepreneurial behaviour of small and medium scale Muslim business owners in Dehiwala

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The work of Adam Smith and ensuing neo-classical economic theory heavily rest on the *Rational Actor Theory* in explaining economic action. The *Rational Actor Theory* propounds that economic choices are made by atomized individuals who, drawing on their rationality, pursue goals of self-interest with the objective of maximizing utility. Contrarily, this study highlights the social bases of economic action by specifically examining the role played by religion in moulding the entrepreneurial practices of small and medium scale Muslim entrepreneurs in Dehiwala. This study draws on primary data collected in two stages. In the first stage, quantitative data was collected from a baseline survey administered across a total of 126 shops situated along the Galle Road, within the Dehiwala Divisional Secretariat in the Western Province, Sri Lanka. While only owners of 65 shops responded to the survey, 31 shops were owned by Muslim entrepreneurs. In the second stage, case studies were performed on 4 shops out of the 31 shops owned by Muslim entrepreneurs. The study finds that Islamic discourses on kinship, marriage and charitable giving have been conducive to entrepreneurial venture creation and management by male Muslim entrepreneurs. However, duties prescribed by Islam to men and women within Islamic marriage and the gender roles consequentially perceived by the Muslim respondents of the study have hampered Muslim women's participation in entrepreneurial activities. Further, the study exhibits the way co-ethnic friendships and trust within the co-ethnic network have been fostered by the Islamic principle of 'brotherhood' and have in turn been transformed into *social capital* in the entrepreneurial contexts of the Muslim respondents. These findings show that the entrepreneurial practices of Muslim entrepreneurs have been embedded in their broader cultural contexts and thereby imply a need to shift the unit of analysis of economic action from individual action to social action.

Keywords: Muslim, entrepreneurs, Sri Lanka, Islam