

Social Networks in Business: The Complex Concept of Wasta and the Impact of Islam on the Perception of This Practice

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Abstract : This study explores wasta as an example of a social network and how it impacts business practice in the Arab Middle East, drawing links with social network impact in different regions of the world. In doing so, particular attention will be paid to the socio-economic and cultural influences on business practice. In exploring relationships in business, concepts such as social network analysis, social capital and group identity are used to explore the different forms of social networks and how they influence business decisions and practices in the regions and countries where they prevail. The use of social networks to achieve objectives is known as guanxi in China, wasta in the Arab Middle East and blat in ex-Soviet countries. Wasta can be defined as favouritism based on tribal and family affiliation and is a widespread practice that has a substantial impact on political, social and business interactions in the Arab Middle East. Within the business context, it is used in several ways, such as to secure a job or promotion or to cut through bureaucracy in government interactions. The little research available is fragmented, and most studies reveal a negative attitude towards its usage in business. Paradoxically, while wasta is widely practised, people from the Arab Middle East often deny its influence. Moreover, despite the regular exhibition of a negative opinion on the practice of wasta, it can also be a source of great pride. This paper addresses this paradox by conducting a positional literature review, exploring the current literature on wasta and identifying how the identified paradox can be explained. The findings highlight how wasta, to a large extent, has been treated as an umbrella concept, whilst it is a highly complex practice which has evolved from intermediary wasta to intercessory wasta and therefore from bonding social capital relationships to more bridging social capital relationships. In addition, the research found that Islam, as the predominant religion in the region and the main source of ethical guidance for the majority of people from the region, plays a substantial role in this paradox. Specifically, it is submitted that wasta can be viewed positively in Islam when it is practised to aid others without breaking Islamic ethical guidelines, whilst it can be viewed negatively when it is used in contradiction with the teachings of Islam. As such, the unique contribution to knowledge of this study is that it ties together the fragmented literature on wasta, highlighting and helping us understand its complexity. In addition, it sheds light on the role of Islam in wasta practices, aiding our understanding of the paradoxical nature of the practice.

Keywords : Islamic ethics, social capital, social networks, Wasta

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