

# The Place of Spirituality in Islamic Economic Paradigm

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**Abstract--**Research has shown that the secular economic worldview is basically and purely materialistic with zero tolerance for spirituality. Islamic economic system on the other hand is believed to premise its worldview on divine precepts with spirituality as its focal point. This study examines the place of spirituality in the Islamic economic system with focuses on concepts of 'iman (inner consciousness) *khilafah* (vicegerence of Allah) and *al- 'akhirah* (Hereafter). The study, given its nature, is library based with extensive literature review. The result of the study however reveals that the Islamic economic system introduces indispensable and reinforcing ingredient capable of realizing total well-being that satisfies both the material and spiritual needs of human personality. The study also shows that the Islamic economic system allows individuals, freedom to pursue self interest in market competitions without violating social interest and with full consciousness of accountability in the Hereafter.

**Keywords--:** Islamic Economics, *khilafah*, spirituality, well-being.

## I. INTRODUCTION

COMPLEXITY of needs which man seeks to satisfy keeps on increasing every moment. Those needs are ontological (stemming from the condition of being human). They are constant, unlimited and interrelated through all human cultures and across historical periods [1]. According to Al-Ghazali, the list of human needs may include economic and socio-psychological needs such as furnishings, property, status, prestige and even marital relations. All of these (and others) are recognised as significant human needs [2]. What changes over time and between cultures are the strategies by which these needs are satisfied. Once individuals have satisfied their basic physiological needs, they tend to satisfy needs at a higher level such as needs to have fruitful interaction with peers.

The study of human behaviours as a relationship between what to achieve (ends) and how to achieve it (means that have alternative uses) is one of the concerns of the philosophers in what they tagged Economics [3]. Thus, economists focus attentions on how humans use limited resources to achieve parts of their unlimited wants and come up with a number of assumptions and ideals. The economic systems are unanimous in the area of study – relationship between human beings and resources. They only differ in their worldviews and approaches due to philosophical and religious background of each system.

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For instance, monasticism and asceticism try to ignore human needs. Capitalism campaigns for material prosperity and emphasises private ownership and profit maximisation. Socialism opposes private property while 'mixed economy' attempts harmonising the two.

Whichever be the case, the principal objective of all economic systems is to ensure well-being for humanity through satisfaction of their needs. The attention of secular economies is focused only to material satisfaction of man leaving spiritual needs unattended to. As a result, they seek seriously attainment of abundant wealth; such, in most cases lead to conflict of interest the consequence of which gives rise to all forms of vices that affect all realms of humanity.

The primary objective of every religion, regardless of its source, is to shape human behaviour in a broader perspective, using divine instructions, so that individual self-interest would be realized without jeopardizing the interests of other people or violating the rules of Allah. Religion is the set of beliefs and precepts that must guide man in his conduct towards Allah, other people and himself [4]. An area of overlap between religion and economics can be easily inferred from the above. Economics is a fraction of general conduct of humans which is a domain of religion.

Islam, on its own, recognises two aspects of human needs- material and spiritual aspects- and both are simultaneously considered and catered for. It allows right to ownership and acquisition of material resources within the context of number of values and ethics and inculcates a spirit that is capable of controlling excessive passion for wealth directing their economic practices.

Though the Islamic strategy recognizes individual self interest and allows market competitions, it introduces indispensable and reinforcing ingredient capable of realizing total well-being that satisfies both the material and spiritual needs of human personality. Those ingredients vest in the concept of *iman* (inner consciousness) *khilafah* (vicegerence of Allah) and *al-akhirah* (Hereafter). Presence or absence of those spiritual ingredients determines perception individual economist has towards material prosperity [5].

## II. CONCEPT OF SPIRITUALITY IN ISLAM

Traditionally spirituality is a process of re-formation which aims to recover the original shape of man called the 'image of God' according to Christianity or *fitra* in Islamic term. To accomplish this, every religion tries to inculcate belief in Supernatural and some other invisible beings and abstract

concept all of which aim at blend of humanistic psychology, mystical and esoteric traditions [6].

Most religions are entrenched with different but complementary ethics and values which can develop spirituality and conscience in their adherents which in turn guide them in their social, political and economical endeavors including how they should relate with non human beings. Spousal cited by Ogunkan observed that religion is a most powerful factor which influences worldviews, values attitude motivations, decisions and behavior of individuals, and societies. The religion is a moral compass in guiding actions of individuals in the society [7].

However, the foundation of Islamic approach to life generally is based on the concept of *tawhid*. *Tawhid* implies oneness, uniqueness and incomparability of Allah to any of His creatures; He is the sole Creator and Sustainer of the universe (*rububiyyah*); He alone deserves worship (*uluhiyyah*) and unshared authority with unity of essence and attributes (*asma wa sifat*).

In many occasions, the two primary sources- Qur'an and Hadith attempt to inculcate spirituality into socio-economic practices of Muslims. Those sources mention faith in connection with socio-economic engagements of man. The Qur'an does not speak of faith as an abstract concept or a quality that is independent of action. It is between faith (*iman*) and righteous deeds (*'a'malu-s-salihah*) as inseparable components of what constitutes a true believer and factor to enhance prosperous/better life. The Prophet was emphatic to negate faith from a dishonest merchant and assure an excellent worker and honest trader love of God and better place in the Hereafter.

### III. MEANING AND OBJECTIVES OF ISLAMIC ECONOMICS

Attempt to give an agreed definition of 'Economics' like any human knowledge is more cumbersome than studying the subject itself. The definition varies from one scholar to another based on the perspective and scope with which each scholar views the concept. The prefix- 'Islamic', however, adds to the cumbersomeness of the definition of Islamic economics. Many scholars have suggested several and different definitions on Islamic Economics of which we may mention only a few.

Monzer Kahf and Chapra respectively quote several definitions of Islamic economics some of which are considered below: For instance, Hasanuz Zaman defines it as: "The knowledge and application of injunctions and rules of the *Shari'ah* that prevent injustice in the acquisition and disposal of material resources in order to provide satisfaction to human being and enable them to perform their obligations to Allah and society". In the view of Mannan, it is defined as: 'a social science which studies the economic problems of a people imbued with the values of Islam'. Siddiqi describes it as: "The Muslim thinkers' response to the economic challenges of their times; in this endeavour, they were aided by the Qur'an and the *Sunnah* as well as by reason and experience" [8], [9]. Looking at the above definitions, one would realize that Islamic economic tends to study the economic system of Islam and economic behaviour of individuals and institutions. It is the study of economics in connection with Islamic teachings.

However, the Islamic economics is restricted to ethical teachings and moral values derived from the Qur'an and *Sunnah* by virtue of the definitions provided. It however, has a wider scope that encompasses a wide range of issues, such as property rights, incentives system and allocation of resources, types of economic system, the system of economic decision-making and the proper role of government. This is on the basis of comprehensive and integrated viewpoint of human life which Islam combines. Akram Khan opines that the inclusion of many normative economics like *'ithār* (preferring others over one's own interest), looking after orphans, wayfarer, stranger among other lead to its scope to be wider and comprehensive [10].

As preservation of man's wealth is one of the five basic objectives that Islam aims to attain, Islamic economists have mapped out some objectives of Islamic economics. These are:

- Economic well-being within the frame work of the moral norms of Islam
- Universal brotherhood and socio-economic justice
- Equitable distribution of income
- Freedom of individual within the context of social welfare [11].

However, the aforementioned objectives of Islamic economics are based on Islamic paradigm underlying the theories and methodology of the subject. To achieve those objectives would require a mechanism that could be checking man from time to time in their transactions. Islam therefore introduces spiritual devices to check balance man's activities.

### IV. SPIRITUALITY AND ISLAMIC ECONOMICS

Islamic economics has a link to the Supreme Being Who creates man and all his economic resources. Islam considers economic prosperity not as a goal on its own but a necessity of life and a means of livelihood for man to attain the ultimate goal that vests in his capacity as representative of Allah on earth who is to give account of world management. It views life in its totality covering spiritual, intellectual, social, political and economic realms of human being individually and collectively. Thus, Islamic philosophy would like to examine man, life and world together and attempt to find answers to the following philosophical questions: 'why am I in this world?' 'Where am I from?' 'To where am I heading?' 'Who creates the world?' 'What ought to be my relationship to that Creator?' 'What is next after the worldly existence?' This philosophy leads to the following principles:

1. Faith in Supreme Being Who creates, owns and controls the universe and Who deserves man's submission and to Whom he turns for support and assistance (Qur'an 6:14, 114 and 164).
2. Man, who is vicegerent of Allah on earth, is a combination of material and spiritual components (Qur'an 2:30).
3. Human beings, regardless of sex, race, ethnicity and religion, are equal and brothers of a single family (Qur'an 4:1).
4. Human beings are created for a specific purpose of which all Messengers of Allah were appointed and all

heavenly scriptures were revealed to guide them attaining such goals ( Qur'an 4:165, 75:25).

5. The objective of man on earth is not limited to material needs alone but to establish justice, harmony, forbid injustice and oppression to ensure well-being of every one, all in serving Allah (Qur'an 103:1-3).
6. Death is not the terminal of man's existence but a channel to another world where he would give account of his worldly endeavors (Qur'an 99: 7-8, 23:115-116), [12].

Close to the above, Islam equally introduces belief in some invisible beings called *malaikah* (Angels) some of whom are charged to monitor and keep records of human activities. For example, Quran says as follows: 'But verily, over you are appointed Angels to watch you; the honourable writers (to document your deeds), they know all that you do' (Qur'an 83:10-12).

However, if the above philosophy is allowed to operate, it would build in every individual inner consciousness and morally-based filter mechanism which seems to be more effective and efficient in checking human behaviour than any constituted authority. Without such sanction, man becomes subject of personal judgment and he is driven by his self interest without any consideration for social interest. It is on this note that Qur'an warns against cheating and exploitation which often disorganize human society and promote crimes of different kinds (Qur'an 2:188). Thus slogan of 'the end justifies the means' has no place in Islamic paradigm; both the means and the end have to be ethical and acceptable to Islamic teaching. The Prophet declared that: (Verily, Allah is pure and accepts nothing but what is pure). Hence, any righteous project done in the interest of Islam but with the wealth accumulated through unlawful ventures attracts no blessing from Allah.

The above values are lacking in the conventional economic system which makes the nations that adopt it to be swimming in the ocean of frustration. A perplexing issue in the strategy of Laissez-Faire, for example, lies in the unhindered individuals' freedom to pursue their pecuniary self-interest through market competition. Thus, the producers would produce, based on their self-interest, at lower cost, whatever will help them to maximize their profits. Consumers, on the other hand, would want to maximize their utility with lower price. Thus, profit maximizing producers and utility maximizing consumers under perfect competitive market conditions determine market price for goods and services. This market economic strategy has no socio- religious values attached to it. Crimes of various kinds such as fraud, exploitation and dishonesty become prominent in that system and promote dialectic hatred, conflict and elimination. The growth of the material prosperity is not capable of bringing happiness, peace and tranquility.

## V. CONCEPT OF KHILAFAH

*Khilafah* is a perception that considers Allah as the true owner and controller of everything in the universe and puts human beings as Allah's appointed managers who are to act according to the instructions of Allah. This concept of *Khilafah* has a long term impact on the Islamic economic worldview. Islamic economic worldview sees the universe and

its contents without exception as part of belongings of Allah (Qur'an 53:1, 20:6 and 10:66). No other being shares this ownership with Him even on an atom weight quantity (Qur'an 34:22 and 22:73).

All forms of production such as extraction, transformation, transportation, preservation, plantation and animal rearing are initiatives of Allah who provides every factor including wisdom applied in each process (Qur'an 20:5 and 14:32-34). For instance, in the process of plantation, man only cultivates the land and plants the seed. Germination and growth to the point of harvest are not under control of man. All factors involved: man, land, seed, cultivating machines, water, sunlight, air etc belong to Allah, Who is the real farmer (Qur'an 56:63-70, 80:24-32). As a result, man is not the absolute owner of all economic materials he claims; they are possessed by Allah Who entrusts them to some individuals among His creatures for temporary management for the well-being of every human-being. He says: وَمَا بِكُمْ مِنْ نِعْمَةٍ فَمِنَ اللَّهِ (And whatever of blessings and good things you have, it is from Allah) (Qur'an 16:53), وَأَنْفِقُوا مِمَّا جَعَلَكُمْ مُسْتَخْلِفِينَ فِيهِ (And spend of that whereof He has made you trustees. And such of you as believe and spend (in Allah's way); theirs will be a great reward) (Qur'an 59:7, 2:3 and 3:180).

In a typical capitalist system, every individual views wealth accumulation as the ultimate goals to be realized through market competition in a moral-neutral condition. Pride and ingratitude to Allah becomes norm of every one. This is similar to the view held by Qarun who said: 'إِنَّمَا أُوتِيتهُ عَلَىٰ عِلْمٍ عِنْدِي' (This has been given to me only because of knowledge I possess) (Qur'an 28:78). However, in the Islamic paradigm, everyone ought to imbibe the aforementioned ingredients with divine elements and consider his wealth as favour from Allah entrusted to him for judicious management and for which he is accountable in the Hereafter. This is reported of Prophet Sulayman who viewed his wealth and said: قَالَ هَذَا مِنْ فَضْلِ رَبِّي لِيَبْلُوَنِي (this is by the Grace of my Lord to test me whether I am grateful or ungrateful! And whoever is grateful, truly, his gratitude is for (the good of) his own self, and whoever is ungrateful, (He is ungrateful only for the loss of his ownself). Certainly! My Lord is rich (Free of All wants), Bountiful" (Qur'an 27:40).

From the foregoing explanation, the following are identified as some impacts of the concept of *khilafah* on the Islamic economic system:

1. It checks excessive claims of ownership that often lead man to arrogance.
2. It reduces unflinching attachment to wealth that prevents many people from religious values.
3. It enhances obedience and compliance to financial demands of the *Shari'ah*. Every Muslim ought to willingly release his resources in obedience to divine law without coercion. However, Qur'an buttresses this in different occasions where the Companions of Prophet Muhammad were reported to have demanded the Prophet to direct them regarding their wealth (Qur'an 2:210 and 2:219).

4. It gives the state economic buoyancy as every wealthy individual is ready to pay his due willingly without any duress.
5. It gives every individual in the community a sense of belonging.
6. It ensures security; once the rich caters for the needs of the poor, crimes such as theft, robbery and unethical ventures would be reduced if not eliminated. The poor would also be assured of basic necessity of life from the treasury of the wealthy [13].

#### VI. AL-AKHIRAH

Death is not the terminal of man's existence but a channel to another world where he would give account of his worldly endeavors (Qur'an 99: 7- 8, 23:115-116). In the Hereafter, man is to be presented with records of his deeds the outcome of which determines his final destination either into the Paradise or Hell as reported in the verse bellow: 'And We have fastened every man's deeds to his neck, and on the Day of Resurrection, We shall bring out for him a book which he will find wide open. (It will be said to him): "Read your book. You yourself are sufficient as a reckoner against you this day' (Qur'an 17:13-14). The Prophet was reported to have mentioned sources of income and expenditure of man to form part of what he shall account for in the Hereafter and all illegal acquisitions shall be refunded to the rightful owners via interchanging of good and bad records [14], [15]. As a result, as Muslim works for present life, he should not ignore his duty in preparation for life to come. In other word, he is to take cognizant of his activities which do not end in his present transactions.

#### VII. CONCLUSION

Islamic economic worldview tries to introduce what its secular counterparts consider unnecessary and build in man inner-consciousness and moral filter mechanism in the economic system. Individual's interest as well as social interest is considered. The inculcation of concept of *Iman*, *khilafah* and the Hereafter in economy would have a long way effect in cautioning every stakeholder in economic practices from transgressing the limit and ensuring moral and ethical standard in human society. If such worldview is allowed to operate in the contemporary world, it will be more effective and efficient than any constituted authority in controlling human endeavours, sanctioning excessiveness and reducing economic and financial crimes.

The spirituality and inner consciousness, as a creator of moral values, has the capacity to encourage social and economic order, freedom and justice. This would build value-system, particularly, character virtue such as honesty, truth-telling, trust, hardwork, selfless services, moral rectitude integrity, God fearing, compassion, love and justice. There would be willingness on the part of individual not to do to others what he would deem unfair if done to him.

This is the area where spirituality aims to fill the gap that market regulation in a free society cannot fill. If research shows that the four most profitable enterprises in a potential market are, in order of decreasing profitability: recreational

drugs, gambling, prostitution, and health-care, a conscious Muslim merchant will choose health-care. He will not make the excuse to consider any of the other alternatives as he is aware that any deal a Muslim undertakes must conform with ethical standard set out by *Shari'ah*.

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