

# THE ECONOMIC SYSTEM OF ISLAM (PART 2 OF 2): ITS IDEOLOGY

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**Description:** An introduction to the principles Islam has legislated to guide the economic system of society. Part 2: The Ideological Basis of Economic Activity and the general principles by which they are guided.

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## The Ideological Basis of Economic Activity

The ideological basis in Islam may be summarized into six basic principles:

The cornerstone is that everything has to start from the belief in God as the Creator, Lord, and Sovereign of the universe. This implies willingness to submit to God's will, to accept His guidance, and to have complete and unqualified servitude to Him. This means that Muslims - individually and collectively - should not imitate or emulate any other system if it differs from their particular principles, for example, the system of usury or interest.

The second basic principle is that Islam, as a religion, is a complete way of life; something that guides a person's life in all its aspects: the moral, social, ethical, economic, political, etc. All of these aspects are based on the guidance of God. Therefore, it is not a question of the person's acceptance of God's teaching in one matter and the refusal of acceptance in another. Everything has to be within that basic guidance.

***“...And we have revealed to you in stages this book, a clarification of all things, a guidance, a mercy, and glad tidings...” (Quran 16:89)***

A third principle is that God created human beings on earth as His trustees, which means that everyone is created to fulfill a certain responsibility on this earth. God has entrusted human beings with free will in order that they live their lives according to the moral and ethical values that He Himself provided. In addition, Islam provides an opportunity in material progress, thereby combining moral, social, and material progress, all interlinked in harmony.

The fourth principle is that God, in order to help humankind to fulfill the responsibility of trusteeship, has made everything in this universe subservient to them. There are many

verses in the Quran that suggest this meaning, such as:

***“God is He Who made subservient to you the sea that the ships may run therein by His command, and that you may seek of His grace, and that you may give thanks.” (Quran 45:12)***

This does not mean, however, that humans are given free reign to use and abuse the resources God has provided us however we choose. Rather, there are many verses that urge humankind to harness the various resources that God has made available to them on this earth responsibly. Humans are encouraged to enjoy of the good things that God has created, but they are to do so within the boundaries that He has given. Doing so is not regarded as sinful as long as it follows His path and does not transgress His limits. God says:

***“It is He Who produces gardens, with trellises and without, and dates, and tilth with produce of all kinds, and olives and pomegranates, similar (in kind) and different (in variety): eat of their fruit in their season, but render the dues that are proper on the day that the harvest is gathered. But waste not by excess: for God loves not those who waste.” (Quran 6:141)***

The fifth principle is the principle of accountability in the Hereafter. God has given human beings trusteeship and resources. This means that every single person will be questioned on the Day of Judgment as to how he or she behaved whilst enjoying his or her earthly life. This, of course, includes our economic behavior. God says:

***“And then on that Day (the Day of Resurrection) you will be called to account for every comfort and delight [we bestowed upon you].” (Quran 102:8)***

The sixth principle is that the variation in wealth among people in itself does not give a person either inferiority or superiority. Rather, poverty and affluence are in the total control of God Who, out of His Infinite Justice and Wisdom, has specified these things for whom he chooses.

***“Indeed God increases provision to whom He pleases and straitens it [in regards to others]...” (Quran 13:26)***

Affluence, like poverty, is also seen as a trial from God, one through which it is seen what one will do with their wealth – indulge oneself or use constructively in ways legislated in the religion, God says:

***“Your wealth and your children are only a trial, whereas God! With Him is a great reward (Paradise).”(Quran 64:15)***

After being bestowed with numerous gifts and bounties and a kingdom incomparable to any other on the earth, God in the Quran narrates that Solomon said:

***“...This is from the bounties of my Lord, to test me whether I will be thankful or ungrateful...” (Quran 27:40)***

God is not concerned with the amount of wealth a person may have amassed, their beauty or color, but rather, His measure of honor is the piety of the hearts. God says:

***“On humankind! Indeed We created you from a male and female, and we made you different nations and tribes, that you may come to know one other. Indeed the most honored amongst you are the most God-conscious.” (Quran 49:13)***

The Prophet also said:

***“Indeed God is not concerned with your appearances nor your wealth, but rather your hearts and deeds.” (Saheeh Muslim)***

As one can immediately surmise from these principles that the Islamic economic system is radically different from others, due to the difference of the values upon which it is based. In a capitalist society, one may see certain rules of economics which take precedence over moral and ethical values due to the intrinsic nature and values of that system. The same may be seen in communist, socialist and other societies as well. From the principles mentioned in these articles does the Islamic system of economics spring, striking balance between personal benefit and the benefit of society as a whole, as well as mundane profits and spiritual gains, all which ensure that one gain the Pleasure of the Lord of the Worlds.

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