

Definition of Islamic Economics

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One way of defining Islamic economics is to qualify the term modern economics with Islam, viz. Islamic economics is 'the study of economics in the light of Islamic principles', or 'bringing economics in consonance with the *Shari'ah*'. But this would imply that the definition of the science of economics has a universal acceptability which it does not.

Another way of defining Islamic economics would be to accommodate the latest and the least criticised definition of economics and qualify it with Islam. For example, if we accept Robbins' definition of economics, we could define Islamic economics as 'a science which studies human behaviour as a relationship between ends and scarce means which have alternative uses, in the light of the *Shari'ah*'.

But, firstly, this definition would invite criticism that has been made of Robbins' definition, and secondly, it would also raise the problem of reconciliation of incompatible concepts. The qualifying word 'Islamic' imposes on us a set of *a priori* judgements, and whether or not we are capable of rationally justifying them, we have to assume them as correct. Interest is prohibited whether or not monetary savings are scarce. *Zakat* is incumbent whether or not there are needy people deserving it. Man's choice to consume anything and to any extent is not absolutely free.

Defining Islamic economics would call for the accommodation of some prerequisites which are characteristic of the Islamic way of life. The first of such prerequisites is that in Islam economic activity ought not to be governed by human desire and experience alone, it should be governed by the fundamental injunctions of the *Shari'ah*. As a social science, Islamic economics is not independent of moral values. Its normative aspect is more pronounced than its positive aspect, in fact it is the normative aspect which is instrumental in analysing existing economic phenomena and in deciding proper courses of action in consonance with the Islamic objectives. The *Shari'ah* has specified those objectives which an individual as well as a society should endeavour to achieve.

But it will be found that the *Shari'ah* provides only some basic principles which guide economic behaviour of the individual and which point out to socially desirable objectives. This enables ample freedom within the specified limits to choose a strategy

suited to different stages of economic growth and social development. But this freedom of action is not designed to lead to neglect of the basic objectives which are so essential in an Islamic society. These objectives are to discharge man's obligations to Allah which include those social responsibilities which Allah Himself has ordained. Thus a possible definition of Islamic economics incorporating these characteristics may be proposed as follows:

Islamic economics is 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 beings and enable them to perform their obligations to Allah and the society.

In this definition the term "acquisition" and "disposal of material resources are suggestive of the subject matter of economics. This economic activity should be so conducted as to avoid injustice in acquisition and disposal. The principles which prevent injustice are contained in the *Shari'ah*. The *Shari'ah* comprises of two things: injunctions and rules. The first signify the do's and the don'ts in the Qur'an and the *Sunnah* while the second signifies those set of principles which the *fuqaha* have derived from the first (injunctions). Some instances of these principles are as follows: No harm is to be done, nor any to be borne; or 'profits go with liability'; or 'dire necessity permits the unlawful'; or 'it is better to remove the harm than to acquire benefits'; or 'everything that is not prohibited is lawful' etc.

The phrase 'to prevent injustice' has been added before 'acquisition and disposal' so that reference is made to the relevant rules of *Shari'ah* by analogical reasoning.

The phrase 'in order to provide satisfaction to human beings' points at the means of achieving the object of economic activity which is provided in the phrase 'and enable them to perform their obligations to Allah and the society'. This last phrase is intended not only to include the social aspects of economics but also to accommodate the role of the government in regulating and planning all economic activity and in levying taxes in the larger interest of the society.

As is generally understood, the object of all economic activity is satisfaction of human wants. But in Islam this is not an end in itself. A man is not supposed to live for himself or for his kin. His obligations as a social being are much larger than this. He has obligations to all the needy of the society. The Prophet's companions went to make a living not only to satisfy their wants and to support their families but also to contribute toward financing *Jihad*. A Muslim earns in order not only to satisfy his own wants and his family's but also discharge his obligations toward the society at large. This is what Allah has ordained for him and this is an objective which also makes his earning a pious act (*ibadat*). Does the definition suggested above incorporate all the characteristics of the subject? Does it really point out to the scope and subject matter of Islamic economics? Can it be termed as a precise definition? Let the other scholars on the subject come forward to criticise this definition and suggest modifications and substitutions. A sober academic discussion would help us in forming a standard definition of Islamic economics which would serve as a criterion for judging the validity of so much talk on the subject.