

Economic Problems

It is considered by Capitalism, that the cause of economic problems is the scarcity of natural resources. As time goes by, claims Capitalism, "man's needs will increase, and since the natural resources are limited; then it is clear that nature will be unable to supply mankind with his needs".

Socialism has a different view. It claims that the economic problems arise from the theft which the Capitalists make out of the workers' efforts. Work, Socialism claims, creates the value of goods, therefore, the goods must be possessed by the workers. Profits are taken by Capitalists, that is a contradiction which has lead to the economic problem. Islam differs from both by considering the reason of the economic problems to be man himself. This attitude is given by the Qur'anic verse.

وَسَخَّرَ لَكُمُ الشَّمْسَ وَالْقَمَرَ دَائِبَيْنِ ۖ وَسَخَّرَ لَكُمُ اللَّيْلَ وَالنَّهَارَ وَآتَاكُم مِّنْ كُلِّ مَا سَأَلْتُمُوهُ ۚ وَإِن تَعُدُّوا نِعْمَتَ اللَّهِ لَا تَحْصُوهَا ۚ إِنَّ الْإِنْسَانَ لَظَلُومٌ كَفَّارٌ

"And He has made subject to you the sun and the moon, both diligently pursuing their courses, and the Night and the Day has He (also) made subject to you. And He gives you of all that you ask f or; and if you count the favours of God, you will not be able to number them; Verily man is very unjust, very ungrateful". (Qur'an, 14:33-34)

Hence we can conclude the following:

1. There exists, sometimes, unjust people who do not comply with the principles of social justice which creates differences between classes.
2. Man is liable to be (kafir) for it seems that man always tend to try the easy path. It is man who does not work to utilise the natural resources. Islam considers that the root of the problem are in man, if man is cured, then there is no more problems.

Now we should discuss the Capital interest, and its bearings on the society. Capitalism views profits of

production as to be shared by all the contributing factors of production (that is natural resources, Capital, management, labour and machines), in the form of (rents, interests, wages, etc.). They are all governed by the laws of supply and demand.

Socialism forwards the following rule:

"From each according to his ability, to each according to his effort."

Socialism believes that work creates the value of goods, and hence workers must possess their work.

In Islam, the following rule is applied: "Work is the excuse for possession, but it does not alone create the value of goods."

Means of Possession in Islam

1. The basic concept that possession cannot be achieved without work.
2. Work is not the only contributor to the value of goods, because goods have an intrinsic value. Hence the phenomena of persistence of possession appears. Workers are to own their work. For instance, mines should be owned by the workers, and not by the Capitalists. Natural resources are not possessed by any person.

But anyone who provides the raw materials is considered as the owner of it after production, according to the second half of the rule (that is the phenomena of persistence of possession). This point is very important in distinguishing the Islamic Economic system from Capitalism and Communism.

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