Economic Distribution in Islam



Al-Balagh Foundation

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This booklet is about economic distribution in Islam, it gives an analysis on the current economic system of Islam and presents solutions to the economic problems in Islamic communities.

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In the name of Allah, the Compassionate, the Merciful.

"Whatever spoils given by Allah to His Messenger from townspeople belongs to Allah and to the Messenger, and to the nearest of kin, and to the orphans, and the indigent, and the wayfarer, so that it may not circulate amongst the rich of you. And what the Messenger gives you, take it then; but forsake what he forbids you. And venerate Allah, for He is stern in retribution." Holy Qur'an (59:7)

"Were it my money I would have distributed it among them equally. But it is Allah's." Imam Ali (a.s.) Imam Ali (a.s.)

Praise is due to Allah for His explicit and implicit favours. Peace and blessings are on the brilliant light, the giver of good tidings and warnings, our master Muhammad and on his infallible household and the righteous among his companions.

Today, the world appears to becoming more lost in self-generated chaos, economic problems take precedence over all other hardships and haunt the rulers of both the Eastern and Western blocks.

If the West suffers from high unemployment, high inflation ... etc., the East complains of decline in production, shortages in the supply of the basic necessities of life... Both capitalism and socialism, including before being developed into communism, are not only retracting their theoretical slogans and renouncing their doctrinal principles, they are nearly perishing as each are riddled with ambiguities and shortcomings that have failed to address even the most fundamental issues of con-temporary society.

Satellite states, like in the Arab world, have been dominated by the Western democracies and as a result, have been misled in setting up capitalistic systems or they have reluctantly turned tific socialism. The result from both should announce their ideologies, has been only bitter disappointment. Nothing has remained in their hands except the ashes of aping foreigners, which are being scattered by the piercing wind of the Islamic movement.

Both the East and the West have claimed their absolute dependence on the outcome of abstract theories, not only in the fields of material sciences but even in their ideological and philosophical views with regard to the universe, life and man. Each attach the uppermost importance to tangible experiments to prove facts and adopt the ensuing results.

But, contrary to all their claimed developments, the examples of socialism and capitalism in practice have proved to be fiascoes, neither imparting happiness to man nor satisfying his basic needs, both physical and spiritual; in failing to achieve worldwide security or putting an end to global catastrophes, instead cultural erosion and moral collapse, continue to increase unabated, while there has been no sign of pinpointing the root causes of anxiety and psychological misery that is sweeping virtually all nations today.

As the Foundation presents this booklet about economic distribution in Islam, free of charge, it is a single proof of the greatness of Islam and looks forward to the day when humanity will shake worldly dust off, fits communities and become arrayed with celestial robes to walk in the light of Islam, where happiness can be won in both this life and the Hereafter.

"... and to whomever Allah does not give light, he has no light." Holy Qur'an (24:40)

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Today, economic problems come at the head of man's present plights. They may be considered the root of life's problems that leave a pervasive impact on man's material interests and social conditions. The result has a direct effect not only on the life of the individual but also on the community and on the level of their material progress and civil development.

Economic conditions of the Ummah (Muslim community), like elsewhere, have a backlash on security and stability, and consequently, advances in health, scientific gains and the process of achieving social

justice. In Islam, life's stability is viewed as a base in a committed Muslim community. Similarly, catering man's basic necessities is a factor conducive to solidifying piety and winning divine rewards in the Hereafter.

Present life and the Hereafter, economic welfare and moral and spiritual ascendancy are tightly connected together through a sound insight in having all-embracing way of life, which only Islam can offer.

Allah, the Exalted, says:

"And seek by means of what Allah has given you the future abode, and do not neglect your portion of this world, ..." Holy Qur'an (28:77)

A Prophetic tradition from the Holy Messenger (s.a.w.w.) pointedly records:

"He is not from us who gives up his worldly life in favour of his Hereafter, nor is he who gives up his Hereafter in favour of his worldly life."

The Prophet (s.a.w.w.) is further quoted to saying:

"How excellent is Wealthiness in strengthening man's fear of Allah". 1

Imam al-Sadiq (a.s.), in interpreting the following verse,

(... Our Lord! Grant us good in this world and in the Hereafter, and save us from the punishment of the fire) (Qur'an 2:201)

has elaborated that the good referred is associated together in seeking the pleasure of Allah and Paradise in the Hereafter and the provision and good morals in worldly life. 2

Imam al-Sadiq (a.s.) is quoted himself to have said:

"There is no good in him who does not like to collect wealth lawfully, by which he satisfies his needs, pays off his debts and keeps up his relations with his relatives". 3

"How excellent is worldly life when it helps one to prepare oneself for the Hereafter". "Wealthiness that prevents you from wronging others is better than poverty that leads you to do evils." 4

The Prophet (s.a.w.w.) has also said:

"O Lord! Make bread blessed for us. Do not separate us form it. If it were not for bread we would not have kept up prayers, fast not have discharged our divine duties." 5

"It is better for the faithful to wake in the morning or in the evening at the loss of a beloved one than to go in the morning or the evening plundering others' property. We take refuge in Allah from plundering

others' possessions." 6

Through these Islamic texts about the importance of the economic side of man's life, the role of the growth of money and wealth in a Muslim's life, in relation to his quest on earth can be seen. They present a clear understanding of Islam's concern with economic life and the necessity of fair distribution of wealth, and the providing of a satisfactory standard of living to every individual so as to keep his faith sound and his life stable.

Based on this plain concept is Islam's stress on man's managing his financial life and its concern to set up a fair economic system based on the belief in man's lawful right to satisfy his natural needs. These include providing an adequacy of foodstuff, clothing, residence and the rest of material, ideological and psychological needs on whose availability, the justice of an economic system and the betterment of the community's welfare depend.

Qur'anic ayahs (verses) and Prophetic traditions are bountiful in dealing with the concerns of everyday economic lives of individuals. So exactly and meticulously they attend to production, earnings, distribution of wealth, management of money and all aspects of the economy that they never fail to draw admiration of economists and political scientists the world over.

How excellently perfect is the Qur'anic concept of Islam's view of daily economic life in which it confirms man's right to gain comfort. It is vividly expressed in this Qur'anic address to Adam (a.s.):

"Surely it is (ordained for you that you shall not be hungry therein nor bare of clothing. "Holy Qur'an (20:118)

Man's economic needs should be met, whether he himself, achieves this goal or someone else, be it an individual, a group of people or the state. The following verse enriches this concept:

"... so let them worship the Lord of this House, Who feeds them against hungry and gives them security against fear." Holy Qur'an (106:3-4)

It makes it clearer and more positive, the connection of Allah's worthiness of being worshipped to favouring man by providing his basic necessities of life. Tackling starvation and furnishing the basic economic needs of man, in the shadow of peace and security and is explained by this verse. It is a sacred feature of man's relationship with Allah and a stimulus to worship and submit to His will.

It is quite evident, in Islam's view, that the issues raised and questions emerging from thanksgiving, or to which worship is related, must be the focus of man's concern. They must be provided, for they form the path leading to worship and the causes of thankfulness and gratitude.

In a nutshell, Islam's view of man's rights to earn a daily living can be outlined as:

1. Money and property are Allah's. People are equal in gaining them and making use of them. Imam Ali

(a.s.) is reported to have said:

"Were it my money I would have distributed it among them equally. But it is Allah's."

- 2. Man has an inalienable right to earn his livelihood. Under no circumstances should he be deprived of it and at the time of infirmity or incapability, it must be provided for him.
- 3. Man is obliged to exert his utmost efforts in working and utilizing nature's resources to his interests. Allah, the Exalted, Says:
- "... therefore go about in the spacious sides thereof, and eat of His provision, and to Him is the return after death. "Holy Qur'an (67:15)
- 4. The system of economic life and the methods of earning money, distributing wealth and consumption should be in accordance with a specific moral and legal line. Man's freedom and his economic rights should be similarly subjected to this lawful commitment, which safeguards the rights of all and balances everyone's interests.4. The system of economic life and the methods of earning money, distributing wealth and consumption should be in accordance with a specific moral and legal line. Man's freedom and his economic rights should be similarly subjected to this lawful commitment, which safeguards the rights of all and balances everyone's interests.

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1. Al-Kulaini, al-Kafi, vol. 5, p. 71,
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- 2. Al-Kulaini, op. cit.
- 3. Al-Kulaini, op. cit.
- 4. Al-Kulaini, op. cit.
- 5. Al-Kulaini, op. cit.
- 6. Al-Kulaini, op. cit. p. 72.

Two main points related to the economic system and the distribution of wealth and productivity in Islam; need further consideration as a prelude to delve into related issues. Primarily they are:

1. Islamic economic thought has become vague in the minds of many scholars and cultured people and has led them to deny the existence of such system in Islam. This has been caused on the basis that Muslim thinkers have not studied economic and financial percepts and concepts and presented them in a related way in which contemporary thoughts have tackled them and treated within modern idioms and methodology.

It is due to this lack of development that Islamic economic thought has remained texts and concepts scattered in the Holy Qur'an, books of traditions, books of history and Islamic studies on figh (jurisprudence).

Muslim researchers did not consider them except in the recent past and in a limited and narrow scope.

The need has been to have them to be more meticulously examined, gathered, studied, analyzed, deduced and reshaped and where the outcome should be easily comprehensible and encapsulates all man's economic problems as well as covering all related aspects, such as the themes of wealth, its production and distribution within the Muslim community.

In respect, the fuqaha' took great pains to study these items extensively on the basis of fiqh. They also examined zakat (poor-rate), khums (an Islamic tax), kharaj (land tax levied on non-Muslims), working systems for companies, trade, ijarah (hiring someone or something for specific purposes), hawalah (transfer of debt from one person to another), purchases, usury, farming, speculation, usurpation, property, conduct of business...etc. By so doing, they provided basic ideological material conducive to form an economic view, and a clear-cut viewpoint on an Islamic economic system.

Many contemporary Muslim intellectuals have made use of this basic ideological material and studied economic systems, ownership, distribution, and consumption...in its light. They have also developed it in analyzing production relationships and offering an explanation to economic problems and so forth.

When Muslim intellectuals systematically delve into this field, in line with Islam's methodology of research and employing a comprehensive economic method, an economic overview can be presented, that make up entire systems providing solutions for man's problems, for which he has failed to find an answer. Instead man has been left groping in the long dark tunnels of the communist, socialist and capitalist theories, when satisfactory answers are at hand to alleviate doubts adduced by the enemies of Islam.

Such have spared no effort to present, to the sons of Islam and others, that Islamic economic thought is a shallow mould, which is unable to accommodate today's problems. They charge Islam, due to their ignorance, obstinacy, and fear from its justice, as well as its threat to their boundless self-centeredness and greed, that it falls short of successfully treating the more complicated daily economic issues.

Islamic economic system is, as they maliciously claim, still composed of a set of varying charity-oriented questions and moral commandments, which cannot tackle deep-seated problems, nor can it resolve the ever-complicated crises of inhumanity because of the immense phenomena, related to financial considerations present in human society.

These efforts are clearly made in a bid to turn attention of Muslims and others from returning to an economic system that frees humanity from exploitation, injustice and avarice and leads it to an economic life of welfare, where man finds comfort, care and dignity.

2. The second misconception, which must be warned of, is the mixing up of Islam with other economic systems and without distinguishing between the two. Many researchers and academics, be they Muslims or non-Muslims still mingle the Islamic economic system with the capitalist and social systems.

Even, some of them go to the extent of mixing it up with the communist systems. This confusion can be ascribed to the comprehensible concepts found in Islam, including the principles of freedom,

sponsorship, insurance or through the intervention of the Islamic state in directing the economy and keeping watch over the distribution and production ... etc.

Those who examine the conception of economic, political and individual freedom in Islam, look at Islam within a capitalist framework. Yet they observe Islam's rejection of, for instance, the capitalist amassing of wealth or the state's role in economic life, think Islam is a socialist system.

Re-examining these ideological aspects and analyzing them scientifically, meticulously and unbiasedly, it will be noticed however, that there is a wide gap between Islam's view and cures and those of capitalism and socialism. The only conclusion that can be made about attempts to converge manmade systems with Islam is that they are clear distortions in line with other misconception that are invented to belittle the everlasting message of the Holy Prophet (s.a.w.w.).

To emphasize the difference, the following four points underline the key difference between Islam and these two ideological systems, in particular, and other social and political systems, in general:

1. Islam differs from socialism, capitalism and communism and other theories and perspectives in its ideological and doctrinal bases. Islam is a Divine Message with a special conception of the universe, life and man. It basically disagrees with socialist and capitalist views, which have their roots in their materialistic vision that has no religious base, nor any belief in Allah.

Socialism, capitalism and communism and the like are merely concepts devoid of spiritual and moral values. The distance between them and Islam is unmistakably great. Islam has an all-embracing ideological and legislative make-up. In it, no barriers are to be found between morals, laws, worships, concepts and existence.

2. Islam differs from all man-made systems in that it has a lawful executive framework, which exactly expresses political, economic, and social concepts. Regarding the social system 1, laws, which are the second stage of its ideological ladder, are based on founding principles of their own. They manage related affairs quite differently from man-written laws and legislation, in all domains whether they be economical, political, sociological, or appertaining to individual behaviour ... etc.

Such matters, such as ownership, investment, economic, consumption are tackled in a unique way by Islam.

3. In its aims and objectives, Islam is distinguished from other systems, like, it differs from them on the basis of contents and the legal organization of life. It treats related subjects in separate ways with specific points. The ultimate goal of Islam is to worship and seek the pleasure of Allah, the Exalted.

In implementing the divine law and adhering to the divine order, a Muslim demonstrates that he is a worshipper. His objective is to seek the reward and pleasure of Allah, the Exalted. Contrarily, the human objective in capitalist and socialist societies is purely a materialistic one, expressed in terms of

materialistic gains regardless of the cost and fall out on society.

4. Even though there is a sort of analogy between Islam and other systems in certain respects, Islam has its own way and method of implementing its economic concepts and objectives.

For example, Islam believes in social justice and so it adopts just principles in distribution and production growth.

Socialism and capitalism attempt to call for similar concepts, which can be seen as generally logical and which man, by no means, can shun. But in trying to develop the conceptions and implement them, we will find the difference between Islam and secular systems in both method and way. In capitalism, freedom knows no boundaries. In theory, individuals can do what they desire to. In doing so, it believes that the non–existence of limits or restrictions results in economic freedom, in competition and the increase of production.

But to achieve a suitable and satisfactory economic level is for all people, makeshift and inexorable laws have to be enforced, based upon such theories as the laws of wages, supply and demand...etc. while, on the other hand, socialism subscribes to the methods of confiscating the sources of wealth and means of production. The state, thanks to this system, becomes a massive capitalist party monopolizing all means of economic resources and turns individuals into production units, who take nothing from the fruit of their toil except that which the state allows them to have.

Unlike these two systems Islam adopts its own methods. It never opens the gates for individual selfishness to flourish like in capitalism, nor does it confiscate the means of production and acquiring wealth, turning people into machines on behalf of the state, like socialism. Islam believes in individual ownership, community ownership and state ownership, as it is expounded in the books of fiqh, traditions and in the Holy Qur'an.

Lest selfishness and urges of greed prevail, and to prevent exploitation and economic injustice from sweeping over the community, Islam has laid down lawful and moral restrictions related to ownership, investment and consumption in defense of manipulation and deprivation.

The aim, which has in view, as duly explained, is to liberate man from both the greedy capitalist grip solidified by the democratic system and state capitalism thrust upon productive individuals in the socialist system by means of coercion and force, which are the monopoly of the government. In conformity with a delicately set economic plan, Islam grants freedom and responsibility to the Muslim individual and community within bounds so each balance the other.

1. Theory of the social system is the first stage of the ideological ladder. It is the bases from which laws and legislations are derived. Social and moral theory is the foundation stone on which man depends to outline the attitude towards different matters in these two fields. Laws then come to incarnate the theory and give it a practical quality in the lives of the individual and the community (like the areas of obligation, prohibition, permission, unlawfulness and lawfulness).

The central question which presents itself in the world of economics and wealth and which needs a comprehensive and exact answer is: What is the economic problem and what is its cause?

The answer to this question depends upon what is the approach and the nature of the system chosen. The identity of the economic system, which manages the distribution of wealth among human beings, conversely is outlined in accordance with the general comprehension of the problem and its nature. The solution to any economic problem thus lies within the system, in its formula. It gives the answer to the question, what the economic problem is and how it can be dealt with.

To analyze the problem overall from a philosophical point of view needs a comprehensive grasp of the nature of both man and wealth, the value of each and their significance in life as a prerequisite. It further relies on a deep, exact and efficient comprehension of the problem on one hand, and on the other, an objective analysis of the implemented system, which is immune to any prejudice that may be caused by the personal bias of the concerned economist and those who invented its perspectives.

These factors, put together, help to give the shape of the answer and to plan an economic system with its stated hallmarks.

Now, let us see what answer Islam gives to our question: What is the economic problem and what is its mainspring?

1. Allah, the Exalted, says:

"Corruption has appeared in the land and the sea on account of what the hands of people have wrought, that he may make them taste a part of that which they have done, so that they may return." Holy Qur'an (30:41)

2. And Allah has also said:

"And you love wealth with exceeding love. "Holy Qur'an (89:20)

- 3. "Decked out fair to mankind is the love of desires -Women, children, hoarded treasures of gold and silver, marked horses, cattle and tilth. That is the enjoyment of the life of this world; but Allah with Him is the fairest return. Say: 'Shall I tell you of better than that?' For those that are god-fearing, with their Lord are Gardens underneath which rivers flow, therein dwelling forever, purified spouse, and Allah's good pleasure. And Allah sees His servants." Holy Qur'an (3:14-15)
- 4. "... most surely man is ungrateful to his Lord. And most surely he is a witness of that. And most surely he is tenacious in the love of wealth ..." Holy Qur'an (100:6-8)
- 5. "And those who made their abode in the city and in the faith before them love those who have fled to them, and do not find in their hearts a need of what they are given, and prefer (them) before themselves though poverty may afflict them, and whoever is preserved from the

niggardliness of his soul, these it is that are the successful ones. "Holy Qur'an (59:9)

- 6. "Therefore be careful of (your duty to) Allah as much as you can, and hear and obey and spend, it is better for your souls; and whoever is saved from the greediness of his soul, these it is that are the successful. "Holy Qur'an (64:16)
- 7. The Messenger of Allah (s.a.w.w.) is reported to have said:
- "Refrain from doing injustice, for it is the darkness of the Judgment's Day. Avoid misery, it was misery that cut down those who were before you. It made them shed their blood and do haram (what is forbidden and harmful)".
- 8. And the Holy Prophet (s.a.w.w.) is also quoted to have said:

"Two fierce wolves entering a pen of sheep are not as much harmful as avarice and love of a social rank to the faith of a Muslim." 1

Examining these quotations and compile their content, the following conclusions can be reached:

1. In the first quotation, the Qur'an blames man for causing his own problem. Corruption, be it political, economic or moral, is only man's making. Man encapsulates a host of stimuli and desires and he himself is spurred on to extremes in peculiar proclivities, to cause corruption, injustice and tyranny under which humanity suffers greatly.

"Corruption has appeared in the land and the sea on account of what the hands of people have wrought, that He may make them taste a part of that which they have done, so that they may return." Holy Qur'an (30:41)

- 2. Quotations 2,3,4 and 8 emphasize that man's selfishness, avarice, his excessive love for property and wealth and his tendency to amass them, is the main cause of all his daily problems, in general, and his economic problems, in particular.
- 3. Quotations 5,6 and 7, from the Qur'an and holy Prophetic traditions, how that avarice itself which is a vice used with great eagerness and desire to obtain and keep wealth away from the bands of others, is the latent, effective factor behind man's greed and his predilection to monopolize wealth and deprive others from it.

In summary, we can assert an important fact in the world of economics, as clearly stated by Islam and known as the cause behind the problem of wealth distribution, is man's self-centeredness and his greed. For the worlds of the holy Qur'anic verses and Prophetic traditions lay great stress on avarice and greed as the root causes of the economic problems in the fields of distribution and consumption.

This view rules out the effect of external conditions, including means of production, whether in

abundance or scarce, and distribution, for man, himself, controls distribution, His will controls it. His awareness identifies his view of justice, the value of money and wealth and the meaning of life. It is this very awareness that principally outlines the way he adopts in dealing with himself and others.

Everywhere and every time subjective factors are the root causes of the problems and the sources of economic injustice, regardless of the variation in conditions, means and quantity of production, which tend themselves to be by-products resulting from the original misdiagnosis.

The only way to save man from economic injustice and confusion is his daily life, re-shaping his existence and re-formulating his conceptions, his view of life, money, wealth, profit and moral pleasure, in a sound and objective way and in harmony with the Qur'an and in agreement with its deep, analytical views.

Allah, the Exalted, says:

"... surely Allah does not change the condition of a people until they change their own condition; ..." Holy Qur'an (13:11)

Unless an independent, economic system is adhered to this, change cannot be fully successful; a system, which takes upon itself the task of re-distributing human wealth and managing economic life in agreement with the principles of Islamic justice and equality and not on high-fluting theories that lose the essence of what the basic problem is:

Allah, the Exalted, says:

"And that if they should keep to the (right) way, We would certainly give them to drink of abundant water." Holy Qur'an (72:16)

"And if the people of the towns had believed and guarded (against evil) We would certainly have opened up for them blessings from the heaven and the earth ..." Holy Qur'an (7:96)

There is no way to better man's life other than effecting a complete, psychological and ideological transformation. Yet to achieve this, a just system and law must be brought about, both socially and legally, to serve as a prelude in the building of a human community, where man can bask in righteousness and happiness and taste the flavour of freedom and dignity.

The Qur'an, in many of its ayahs and conceptions, emphasizes this method of transformation:

"until they change their own condition". "and that if they should keep to the (right) way". "believed and guarded (against evil)."

By scrutinizing these words, we can arrive at the conclusion that the Qur'an made psychological change, and treading on the right path (Shari'ah and the Divine system), having faith in them and insisting on

adhering to their profound principles. Islam is prerequisite to human change for the better and the sources of good and man's economic welfare.

This is the true dimensions of the problem and overcoming it. But what of the external factor that perpetuate and self-propel the ill-effects? This is the true dimensions of the problem and overcoming it. But what of the external factor that perpetuate and self-propel the ill-effects?

External Factors

Identifying human faults as an internal cause of the economic problem, Islam turns its attention to specify the external factors, which constitute the chief reasons behind exacerbating the problem. Islam attributes the economic problems to two factors:

- 1. The Human Factor. The subjective one and root cause as already has been explained.
- 2. External Factors. The objective ones.

These factors can be deduced, by concerned researchers of Islamic economics, from the sources of legislation, morals, and concepts that deal with the social and economic aspects of man's life. Briefly they can be summed as:

- 1. Inadequate production.
- 2. III-distribution.
- 3. III-consumption.

By referring to the Qur'an, Prophetic Sunnah, books of figh and studies on morals, we can compile many texts, principles and thoughts which deal with each of these causes. To present a clearer picture of the Islamic view of the economic problem, it is necessary to consider all three causes separately. By referring to the Qur'an, Prophetic Sunnah, books of figh and studies on morals, we can compile many texts, principles and thoughts which deal with each of these causes. To present a clearer picture of the Islamic view of the economic problem, it is necessary to consider all three causes separately.

1) Inadequate Production

The main cause of poverty as well as being a principle factor behind the economic problem, under whose burden man is still suffering, is the decline in production in the view of Islam. That is why Islam has focused attention on it and blamed two main factors for it:

A. Unemployment and disusing of human resources:

Islam looks upon work as a holy and esteemed asset. It puts it on the same footing with jihad and

worship. The Prophet (s.a.w.w.) is reported to have said:

"Worship is of seven parts the best of which is seeking halal (lawful) provision." 2

Islamic traditions and texts dealing with the importance of work are bountiful. They have one aspect in common urging man to work, mobilizing human beings to raise their production capabilities and fighting sloth and unemployment as the prime reasons of poverty and materialistic and social decline.

Of the traditions reported in regard to this point is one quoted from Imam Ali (a.s.):

"When things coupled, sloth and helplessness got together and engendered poverty."

Imam al-Ridha (a.s.) quote his father Imam Musa al-Kadhim (a.s.), on the same subject that he said to one of his sons on his death-bed:

"Beware of laziness and boredom, for they prevent you from your share of this world and in the Hereafter." 3

B. Ignorance and lack of experience about methods of productions, including the under–utilization of natural resources and man's creative powers. These factors play a critical and undeniable role in the decline of production and spread of need and destitution. Islam, for such consideration, urges Muslims to seek knowledge, make use of natural resources and gain knowledge about work and management. The Prophet (s.a.w.w.) is quoted to have said:

"Allah surely loves the trustworthy professional."

Islam works towards mobilizing man bodily, psychologically and intellectually, employing his technical and scientific abilities for the sake of production, adequate supplies of needed commodities, and creating wealth. The Prophet (s.a.w.w.) reproached whoever has no interest in increasing his wealth through halal (lawful) work and expanding his ability to spend and meet his needs and the needs of his dependents.

In the words of the Holy Prophet (s.a.w.w.):

"There is no good in whoever who does not like earning his living from halal work to satisfy his needs, pays his debts, and strengthen his ties of kinship".

This Prophetic tradition emphasizes the necessity of man striving to earn his own way; that his earnings should outweigh his expenses. The Prophet (s.a.w.w.) laid stress on this point: "relation to the good of his family and the community as a whole".

Islam's plan is simple and precise, directing man's energies into productive employment as a moral responsibility and a legal duty that fits into building a healthy Muslim society, where there is no unmet wanting. Islam's plan is simple and precise, directing man's energies into productive employment as a

moral responsibility and a legal duty that fits into building a healthy Muslim society, where there is no unmet wanting.

2. III-Distribution

Bad distribution is the second gravest external cause of the economic problem, which also results in the spread of poverty and need, and unbalanced economic life. As clearly seen from secular systems, different social classes have arisen. One of them lives in the lap of luxury, enjoying every kind of material pleasure, amassing wealth, monopolizing means and sources of riches. While the other is hardly able to have daily bread and scrape together a subsistence living.

This gross inequality in economic life, which represents a dangerous and harmful schism in society, has its main causes principally in bad distribution and the implementation of bland, man-made economic systems which have their own momentum is aggravating the catastrophe. Feudalism, capitalism, and communism and the like have merely exacerbated the crisis all the more.

III-distribution, has a long historic experience, regardless of whatever secular economic system has been tried. Its consequence of an unjust spread of wealth is the prime basis of today's social tragedy of mankind.

Such is well established, by Muslim and non-Muslim experts alike, as exampled by one report in an Italian publication, and translated and published in the Kuwaiti daily "Al-Qabas", back on August 15-8-1976 in its issue 1525:

"Experts in the fields of development, food and population unanimously agree that the available natural resources in the world are so abundant that they can meet all the needs of the nations if goodwill was shown and if these resources were equally distributed among all nations. The root cause is the unjust distribution of the resources...and the failure of many nations to win their real independence, decide the fate of their wealth and distribute it justly and fairly.

"Russian scientist Ivan Shatilov has also said that cultivated areas now could satisfy the hunger of tens of billions of people if their crops were distributed equally and fairly among the nations of the world. He further points out: 'On the other hand, we must not lose sight of the fact that the advanced industrialized world has not, so far, made use of the marine sources of food. The oceans constitute 71 percent of the total surface of the earth, whereas they produce no more that 1 percent of man's foodstuff."

Man will never be able to taste the flavour of happiness and dignity, as historical records testify, unless he sheds the shackles of short-sighted man-made systems, and blot out forever their traces in the human community, souls and lives. Such systems proved themselves a failure. They only record their flagrant, tragic defeat, which victimize humanity and brings forth unspeakable cries of starvations, wars and deprivations.

Man was metamorphosed into a machine working incessantly in-favour of the ruling classes, whether being individuals as is the case in the capitalist and feudalist systems, or authorities, and parties as it is in the socialist and communist systems.

Only when man recovers his consciousness from the anesthesia of propaganda manipulated by those who covet these principles from their won vested interest and breaks the fetters of servitude which subdues him by force and coercion, man will see the fountain of light and find the path to an honorable free life, where he finds his righteousness and dignity. Only when man strives to seek and intensifies his efforts to win good and happiness will he find the key presented by Islam.

This concise discourse, is not intended to delve into great detail the major principles and important lines drawn by Islam in its unmatched economic system. It is but an outline of just its view. This concise discourse, is not intended to delve into great detail the major principles and important lines drawn by Islam in its unmatched economic system. It is but an outline of just its view.

3) III-Consumption

The major third factor conducive to the economic problem and perpetuating the spread of poverty and destruction of human resources is ill-consumption, which the misuse of wealth and the non-usage of assets that could preserve and satisfy human demands in a calculated balanced way.

Like all other fields, Islam has a unique diagnosis for consumption in its particularly caring way of embracing a complete formula for life. Its guidelines show the following steps:

A. Limiting Consumption

Consumption is the most critical stage in dealing with the wealth and making use of it and Islam did not neglect this vital area but set a system with clear moral aspects that controls the process, utilizing the graces and favours bestowed on man by Allah.

So that man would not act excessively or unreasonably in regard to consuming life's resources, Islam projects a well-laid system, calculated and in accordance with its message and its distinctive way of handling matters at man's disposal.

B. Prohibition of Extravagance and Wastefulness

Extravagance and wastefulness are nothing but harmful misusages of wealth. Islam exhorted man to confine himself to the necessities of life and to keep his lusts, avarice and the untoward behaviors in check.

Allah, the Exalted, says:

"O children of Adam! attend to your embellishments at every time of prayer, and eat and drink

and be not extravagant; surely He does not love the extravagant." Holy Qur'an (7:31)

"And they who when they spend, are neither extravagant nor parsimonious, and (keep) between these the just mean." Holy Qur'an (25:67)

"And give to the near of kin his due and (to) the needy and the wayfarer, and do not squander wastefully. Surely the squanderers are the brothers of the Satan and Satan is ever ungrateful to his Lord." Holy Qur'an (17:26–27)

"And do not make your hand to be shackled to your neck nor stretch it forth to the utmost (limit) of its stretching forth, lest you should (afterwards) sit down blamed, stripped off." Holy Qur'an (17:29)

These exhortation and restrictions were purely to keep a balanced economy perfectly organized. If wealth is employed in the interest of man, used as it was ordained and planned by Allah, all human needs were met.

Islam, in its legislation and perceptions, erect a structure of logical bases compatible with human makeup and instinctive needs.

Because man cannot always handle wealth, Allah's given services and favours are bestowed upon him in a strategically productive way, Islam puts before him the way according to which he can utilize and consume wealth efficiently and justly. If, however, these are ignored and neglected, the specific objective outlined by Allah will be lost to man with disastrous consequences as can be seen by the widespread plight of people all over the world.

All activities, including commodities and services, are put into two categories that best suit their nature, halal (lawful) and the haram (unlawful). Wine, gambling, revelry, debauchery, wasteful entertainment ... etc, are strictly prohibited because they only dissipate man's wealth.

Instead of being wasted in vain, such huge sums of money should be spent in the services of human society to satisfy fundamental human needs and preserve wealth from being squandered and lost. It is an ailment that plaqued all societies who lack the sound planning Islam presents to man.

Thousands of millions of dollars are wasted daily on wine, gambling, extravagant entertainment, debauchery, as well as on accumulating weapons of mass destruction and annihilation for wars and terrorizing other nations, whilst millions of people are straddled with hunger, deprivation and misery.

Islam makes such perverse and corrupt consumption haram because its aims are to employ wealth in fields that secure welfare for humanity.

With its exact and perfectly planned economic system, Islam has placed in the hands of mankind the economic gifts of securing the cure of all financial woes and salvaging an equitable world from the abyss

of poverty, deprivation and injustice in which millions still painfully suffer from and seemingly will continue to do so with ill-founded man-made equivalents.

- 1. Al-Naraqi, Jami' al- Sa'adat (Collector of Felicities), vol. 2, p. 46.
- 2. Al-Harani, Tuhaf al-Uqul an Aal al-Rasul, Mawa'id al-Nabi (Treasures of Minds about the Household of the Messenger of Allah, Exhortations of the Prophet).
- 3. Al-Kulaini, al-Kafi, vol. 5, p.67.
- 1. The distribution system of Islam is grounded in a general ideological base that "Allah is the Only Real Owner." As for man, he is not more than a deputizing vicegerent. He can only manage what he owns within certain limits, specified by Allah.

Allah, the Most High, says:

"And certainly you have come to Us alone as We created you at first, and you have left behind your backs the things which We gave you, and We do not see with you your intercessors about whom you asserted that they were (Allah's) associates in respect to you; certainly the ties between you are now cut off and what you asserted is gone from you." Holy Qur'an (6:95)

"Believe in Allah and His Apostle, and spend out of what He has made to you to be successors of; for those of you who believe and spend shall have a great reward". Holy Qur'an (57:7)

- 2. Man has natural, instinctive needs which must be met, and under no-circumstances can he be deprived of this right. The aim of Islamic economic legislation is to provide needed commodities for man. Thus in unmistakably made clear in this Prophetic tradition.
- "Allah, the Exalted and mighty, looked at the wealth of the well-off. And He looked at the destitute. He ordained a portion from the wealth of the rich to be delivered to the poor to satisfy them. If it had not satisfied them, He would certainly have increased their share." 1

The ability to earn wealth is put at man's disposal to better his life. It is not a goal in itself. Rather it is a means to manage man's economic and daily life. Wealth, therefore, has a social role. It serves man and makes him attain a nobler, and more comfortable life. In its distribution, it must be spread into every cell of the human society's body so that it can cater for all needs.

"Whatever Allah has restored to His Apostle from the people of the towns, it is for Allah and for the Apostle, and for the near of kin and the orphans and the needy and the wayfarer, so that it may not be a thing taken by turns among the rich of you, and whatever the Apostle gives you, accept it, and from whatever he forbids you, keep back, and be careful of (your duty to) Allah; surely Allah is severe in reattributing (evil)". Holy Qur'an (59:7)

3. In Islam, ownership in various forms is lawful including individual, communal and state ownerships

and which is an axiomatic fact in Figh and Islamic legislation.

4. The method of gaining money, property and economic resources are restricted to certain laws as Islam puts restraints on any tendency of greediness or other unscrupulous motives including exploitation.

Islam adopts two important methods to tackle this critical point to frustrate the urges of greediness and exploitation. They are:

A – Rearing and cultivating Muslim individuals and society, both morally and spiritually, in a way that promotes virtuous aspirations to steer clear of greediness and selfishness and present the reality of wealth being only transitory aspects of a temporary life on earth. It is a life that belittles so much attention being paid to competition and making material gains merely for their own sake as man's existence has much greater goals to be achieved for his salvation.

Islam turns its attention to the process of upbringing and focuses its attention on developing the spirit of thrift, innovation and productive goals in line with its cultural values and guidance. Man is advised to overlook the fierce rat race, which is merely for grabbing more wealth and warns him not to drown himself extravagantly and excessively in lusts and corporal pleasures.

Islam calls on man, to vie with his brothers, to create good and give up a part of his property if able in favour of others in need. Man is spurred on by Islamic teachings to shun methods and amass wealth and property, which pollute the spirit, kill the conscience and dispose man to the wrath of Allah. In return, man's reward is ensured in the Hereafter. Undesirable and unproductive ways of accumulating wealth such as usury, hoarding, cheating and other unprincipled methods are forbidden by Islam.

There are bountiful texts and concepts in the Holy Qur'an and the Prophetic Sunnah that instead nurture a noble human spirit and promote the qualities of altruism and benevolence deep in man.

Allah, the Almighty, says in the Qur'an:

"And those who made their abode in the city and in the faith before them love those who have fled to them, and do not find in their hearts a need of what they are given, and prefer (them) before themselves though poverty may afflict them, and whoever is preserved from the niggardliness of his soul, these it is that are the successful ones." Holy Qur'an (59:9)

"Say: In the grace of Allah and in His mercy, in that they should rejoice; it is better than that which they gather." Holy Qur'an (10:58)

B- Laws are the second method employed by Islam to limit ways of accumulating riches and prohibit amassing through unlawful means that do the utmost harm to the community and feeds off the blood of the impoverished social class.

It is the state that takes the responsibility of achieving economic justice as it is responsible for justice in

every social realm. That is why laws strictly forbid usury, hoarding, cheating and manipulating prices ... etc. The state's responsibility is to protect and enforce laws and also to prevent such unlawful practices.

The letter written by Imam Ali (a.s.) to Malik al-Ashtar, his governor in Egypt, clearly testifies to this required intervention, when saying:

"Keep an eye on the activities of traders and industrialists, whether they are nearby or live in far-flung areas in your country.

"Let it be known to you, however, that they are usually stingy misers, intensely self-centered and selfish, suffering from the obsession of grasping and accumulating wealth. They often hoard their goods to make more profit out of them by creating scarcity and black markets. Such practice is extremely injurious to the public on one hand, and defames the ruler on the other.

"So put an end to hoarding up wares because the Holy Prophet (s.a.w.w.) has prohibited it. Remember that trade should go on between purchasers and suppliers according to correct measures and weights, and on such responsible terms that neither the consumers nor the suppliers should have to face losses. But if traders and industrialists carry on hoarding and black marketeering, even though you have explicitly warned them earlier, then you must punish them according to the intensity of their crime."

5. Economic balances by means of Islamic taxes: Islam has laid down certain taxes like Zakat (poorrate) and Khums (one-fifth of a Muslim's income paid to the treasury every year). They are taken from the well-off according to certain provisions, and delivered up to the destitute to satisfy their needs, solve the problem of poverty, and in doing so, achieve economic justice. The ultimate goal of Islam here is to meet the economic needs of all Muslim individuals, so that no one is left deprived in the whole Muslim World.

Imam Ja'far bin Muhammad al-Sadig (a.s.) is reported to have said:

"Surely, Allah the Almighty and Exalted ordained a portion from the wealth of the rich to be handed out to the poor which satisfies them. Otherwise, He would certainly have increased their share. If they, however, remain unsatisfied, that is because some people deny them their undisputed right." 2

In a dialogue between the Prophet (s.a.w.w.) and a man who came asking him about faith, the Prophet (s.a.w.w.) described Zakat as a redress for the poor and a means to ensure a balance between the needy and the rich.

The man narrated that he had asked the Messenger of Allah (s.a.w.w.) what he called for and describes the following dialogue.

"I call the servants of Allah to serve Allah," the Prophet (s.a.w.w.) replied.

"What do you say?," I enquired.

"Bear witness," the Prophet (s.a.w.w.) said, "that there is no god but Allah and that I, Muhammad, am the Messenger of Allah. You must believe in what He revealed to me, deny the deity of al- at and al-Uzzah, keep up prayer and pay Zakat."

"And what is Zakat?," I asked him.

"The well-off among us," he told me, "hand back the money set aside to the poor among us." 3

Looking at the statement of the Messenger of Allah (s.a.w.w.) in his using of the verb "hand back," the Prophet (s.a.w.w.) reveals the objective basis on which the process of economic distribution in Islam depends, and the secret of the balance of its concept of economic justice in human society. The Prophet (s.a.w.w.) thus points out the effective role of Islamic taxes in addressing defeats in economic life.

The reason behind that, in the light of the Prophet's statement, is that surplus wealth that ought to be distributed fairly and evenly among individuals, goes directly, due to mismanagement, to the pockets of the well-off and tips the scale at the expense of the poor. Hence, the redress is made by handing back the money to their original and lawful owners, namely the poor.

The Prophet's statement sheds a glaring light on Islam's view of one of the main pillars on which distribution is based.

It is the belief that these taxes are a lawful guarantee to protect the right that slips out of the hands of the poor, due to the self-human attempts to bend the law or on the account of human failure in raising itself to the level where it can implement this natural law in economic life. These taxes underpin the ground on which the pillars of just distribution stand, in order to preserve the economy's stability, secure welfare to everyone and ensure balance is addressed on both sides of the economic scale.

6. Reciprocal social responsibility: Reciprocal social responsibility among Muslims is a further important safeguard towards a just distribution of wealth and combatting destitution and poverty in the Muslim community.

From an Islamic education, Islamic sentiments are developed for a Muslim to feel responsible for his brother. On no account should be bask in life pleasures and luxuries whereas his brothers suffer from the severe pains bitter hunger, and unsatisfied needs.

Islamic law lays down the principle of reciprocal social responsibility on spiritual and moral grounds to implement such concerned behavior. By so doing, Islam build up a strong, tenacious society, in which the individual shoulders his duties by identifying with his suffering brothers.

Numerous traditions and narrations emphasize this principle and urge Muslims to share the burden uniformly.

The Noble Messenger (s.a.w.w.) is quoted to have said:

"Never does he believe in me who goes to bed full, while his neighbor is hungry. Never shall Allah on the Day of Judgment look with favour at the people of a place who pass their night satisfied but among them is a hungry one." 4

He also said:

"Surely he is not a Muslim who does not take interest in the affairs of Muslims. And surely he is not a Muslim who hears a Muslim calling for help and does not respond to his call." 5

He further said:

"All of you are leaders and all of you are responsible for your subjects."

On this point Imam Ja'far al-Sadiq (a.s.) is quoted to have said:

"The right of the Muslim on the Muslim is that he should never eat his fill while his brother suffers, never should be quench his thirst while his brother suffers thirst, never should he clothe himself while his brother suffers inadequate clothing." 6

Another tradition reads:

"Any believer who denies another faithful something he can certainly offer him or can do for him, on his own or with others' help, Allah shall certainly resurrect him on the Day of Judgment black-faced, with withered eyes and hands tied up to his neck. Someone shall cry out, 'This is the traitor who betrayed Allah and his Messenger.' Then he shall be ordered to be thrown into hell-fire."

Deep in themselves, Muslims feel great human sentiments. With such cooperative, kindly manners, Muslims treat one another. They only act incompatible ways with Islam's excellent teachings, which leave their mark far more than any material and corporal power could do. Muslims move to act, urged by the reward stored for them and by their implanted benevolence more than by the whip of the dictatorial authority.

7 Economic security: In Islam, state is liable for the demands and needs of every single subject, Muslim or non-Muslim, should be unable to provide for himself, through his own personal resources or his sponsor.

This point is best explained again in the letter Imam Ali (a.s.) wrote to his governor in Egypt, Malik al-Ashtar:

"Then I want to caution you about the poor. Fear Allah about their condition and your attitude towards them. They have no support, no resources and no opportunities. They are poor, they are destitute and many of them are crippled and unfit for work. Some of them, come out begging and some (who maintain self-respect) do not beg, but their condition screams about their distress, poverty, destitution and wants.

So, protect them and their rights. Allah has laid the responsibility of this on your shoulders. You must fix a share for them from the government treasury. Beside this reservation in cash, you must also reserve a share in kind of crops...etc. from government grain stores in cities, in which such grain are collected and cultivated on state-owned lands. Because in this collection, the share of those living far away from any particular city is equal to the share of those living nearby".

Islamic law, made by this quotation, allots sums of money from the treasury to support the infirm and needy, who can no longer work or that their incomes fall short of covering their expenses. It states clearly the principle the state's responsibility for economic security that applies to every citizen, irrespective of his/her religion.

It is narrated that one day Imam Ali (a.s.) saw a Christian dimmi (non–Muslim citizen living in an Islamic state) begging. Amir al–Mu'minin (a.s.) asked:

"Who is this?"

"Oh Amir al-Mu'minin!," said people, who were present.

"He is a Christian."

"You employed him," Amir al-Mu'minin (a.s.) retorted, "until he became old and infirm then you denied him help. Spend on him from the treasury." 7

8. Lawful sources of wealth: Sources of ownership, or the means by which man can gain wealth, property and amenities of life, are looked upon by Islam as important matters, which define the identity of the economic system, its method of distributing wealth among members of society, fighting poverty and need, and rooting out greed, exploitation and unlawful ways of gaining wealth.

Islam sets two key ways of gaining wealth which are work and need. They are lawfully accepted ways of ownership. 8

- A) Employment and natural resources: One may work in agriculture, mining, industry or any field of production or one may give one's services in the fields of medicine, engineering, transportation, education, trade ... etc. In Islam, employment in any field of lawful activity, is the chief way of acquiring wealth and money. Islam lays out great emphasis on the personal role in securing wealth and obtaining money, as we have previously detailed. A) Employment and natural resources: One may work in agriculture, mining, industry or any field of production or one may give one's services in the fields of medicine, engineering, transportation, education, trade ... etc. In Islam, employment in any field of lawful activity, is the chief way of acquiring wealth and money. Islam lays out great emphasis on the personal role in securing wealth and obtaining money, as we have previously detailed.
- B) Need: In the same way Islam made work a legal way of getting money and wealth, it made need a source of ownership for wealth to fight destitution and poverty. But ownership here is different from the

former one.

For ownership, in the first case, is the fruit of the direct interaction between man, nature or raw materials,

or services rendered to satisfy some needs. Man here becomes entitled to ownership in return for the

fruits of his labor.

As for ownership by need, it is the process of conveying property or wealth from one owner to another

one on account of the need for it by the new owner. In order of precedence, the latter kind of ownership

comes second to the first one. Ownership by need is placed in the category of owning something by

inheritance and maintenance as in the case given by the husband to his wife.

The needy, who cannot work, due to bodily infirmity or can find no work, has a share in the money set

aside from the taxes of Zakat and Khums, or from the money allotted by the state to meet the needs of

the impoverished.

The ultimate result of this economic system being put into practice is that every single member of the

Islamic community becomes economically secure. He neither fears poverty nor does he worry about his

daily life. On the contrary he feels secure, and has confidence in the community and state he lives under

its shade.

Once this unmatched economic system is implemented, and security in welfare prevails alongside with

stability. All man's efforts then are channeled into one conduit, which is the competition to do good and

to work for building and constructing a society far removed from in-fighting and aggressive and

destructive erosions.

Praise be to Allah, Lord of the world.

1. Al-Tabari, Mirza Hussein al-Nuri, Mustadrak al-Wasa'il, chapter on zakat.

2. Al-Kulaini, al-Kafi, vol. 3, 3rd ed., p. 497

3. Sa'id Hawa, al-Rasul (The Messenger), vol. 1, pp. 121123.

4. Al-Kulaini, al-Kafi, 3rd ed., p. 668.

5. Ibid, p. 164.

6. Al-Kulaini, al-Usul min al-Kafi, vol. 2, p. 170.

7. Al-Hur al-Amili, Wasa'il al-Shi'ah, vol. 6, 2nd ed., p. 49.

8. There are other ways of ownership in Islam allied to work and need, including inheritance, maintenance, donation, gifts,

profits of endowments ... etc, which our main focus has not separated out.

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