



King Abdulaziz University

International Centre for Research in Islamic Economics

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SEVEN REASONS
FOR BELIEVING**

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WHY IS ISLAMIC ECONOMICS IMPORTANT? SEVEN REASONS FOR BELIEVING

M.A. Mannan, Ph.D. (Michigan)*

"Man's character has been moulded by his every-day work, and the material resources which he thereby procures, more than by any other influence unless it be that of his religious ideas; and the two great forming agencies of the world's history have been the religious and the economic".

Alfred Marshall.

1. Introduction: Objectives and Assumptions

The main objective of this paper is to analyse the reasons for believing why the study of Islamic economics is needed to put forward the Muslim viewpoint in economic matters. These reasons are explained in terms of at least seven socio-economic and socio-political imperatives. A comparative approach is however, adopted to put the Islamic viewpoint on a sharper focus. The paper is addressed primarily to beginning students and teachers of Islamic economics, and should be useful to any scholars interested in the subject.

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Two Assumptions

Before we come to the specifics, it is perhaps desirable to state the following two assumptions on which this study is based. Firstly, there are Islamic responses to the diverse economic problems confronting the Islamic communities of to-day. But the underlying assumptions on which Neo Classical orthodox paradigm or Marxist-radical paradigm are based are either inappropriate or inadequate or incapable of explaining the Muslim worldview in economic matters, although these systems may work well within their respective socio-economic context and value framework. This is not to suggest that every institution and practices operating in these systems are un-Islamic in character. The fact is that in every system of thought, there will have some assumptions and ideas in common with other systems of thought. It is only through emphasis or de-emphasis or rejection, an identity is established.

Secondly, it follows then that Islamic economics will have its own hypothesis. In course of scientific investigation, Islamic economists may reject or accept or modify or alter them irrespective of social and economic systems. In other words, if the scientific enquiry may lead them to confirm or support any existing institution and practices of either the capitalistic or socialistic system, there is nothing wrong in adopting or adapting them in an Islamic state. In any case, Islam remains as a lender rather than a borrower of ideas, for, Islam is older than either of the two existing major economic systems.

2. Seven Reasons for Believing

There are other more specific reasons which can be explained in terms of the following seven imperatives as mentioned below:

- 2.1. Ideological imperatives,
- 2.2. Economic imperatives,
- 2.3. Social imperatives,
- 2.4. Ethical imperatives,
- 2.5. Political imperatives,
- 2.6. Historical imperatives,
- 2.7. International imperatives,

2.1. Ideological Imperatives

The need for the study of Islamic economics as distinct branch of knowledge owes its origin to the very concept of the ideology of Islam, made up of Islamic world views, values, norms and their applications to daily life. These ideas and values are derived directly or indirectly not only from the Quran and Hadith and Sunnah (*i.e.*, the sayings and tradition of the Prophet) but also from "*Ijma*" (*i.e.*, consensus based on agreed practice) and "*Ijtihad*" (*i.e.*, fresh thinking).

These sources of Islamic laws are both rigid and flexible. While the Quran provides a framework of timeless principles, their operational details are subject to interpretation and reinterpretation. Thus the Shariah provides us a static as well as a dynamic basis of Islamic economic premises and consequent economic analysis. This analysis is to be governed by the unique mix of principles of self-regulation, and co-operation, competition and control.

Thus, Islamic economics is co-operative, competitive and controlled all at the same time . This very understanding of this unique mix of principles should provide a fundamental insight into the working of the Islamic society, just as, for Adam Smith, the principle of the self-regulating economy, achieved through the "invisible hand" of competition provides an insight to the major theoretical advances of the market economy, and just as the principle of natural selection achieved through logic of survival of the fittest provides an insight towards understanding of Darwin's theory of evolution.

However, the principles of self-regulation, co-operation, competition and control are very unique in Islamic economics, for, these principles are subject to a higher normative control, deduced from the Quran and the Sunnah. They are determined not by man but by God. This Muslim world view has introduced the dual notion of accountability and return - return during life-time and return after death. It has in fact added a new dimension to temporal economic analysis.

However, the flexibility and rigidity of this normative control depends on the nature of the problem in hand. It is flexible, because it provides a scope for reasoning and fresh thinking; it is rigid, because the values explicitly or implicitly stated in the Quran are unalterable for all times to come. For example, items on which Zakat fund is to be spent is fixed; its operational details and mode of disbursement are subject to change . Again, while the right to private property is clearly recognised in the Shariah, the extent to which it is to be allowed is relative to socioeconomic conditions. Thus the use of ethically-based economic

reasoning is to be directed to infer behaviour patterns appropriate for the achievement of deliberately selected objectives.

The destination of the Islamic economy which ceases to be the unknown, becomes the postulated datum which serves as the goal to which successive stages of technical interlocking and behavioral response must be adopted, integrated, rejected or accommodated. The law of supply and demand, for instance, now ceases to be a priori of human behaviour which can be applied in all market situations, and becomes instead a set of consciously worked out guidelines and instructions to be followed by both producers and consumers, if a desired goal of "market equilibrium" is to be attained.

Similarly, the propensity to consume would cease to be a behavioral constant to be mechanically used for the determination of the multiplier and becomes a pattern towards which consumer behaviour must be guided, provided that such a multiplier is needed to achieve a certain macro economic target. Again, the doctrine of marginal propensity to save (MPS) may no longer be used as a plea to legitimise tax on the poor, for, marginal propensity to save tends to be higher in the case of rich. Furthermore, the prohibition of interest and its elimination from the economy is an ideological imperative. Apart from moral and social justice consideration, the use of interest rate as an allocative device is not permissible, for an objective criterion of expected profit rate based on opportunity cost considerations can be used instead.

Similarly, on an ideological ground. the theory of development is to be developed in terms of a broader framework of reference which refers to the balance development of all members of the society, including future generations, wild life and other living creatures and balanced use of non-human resources - both natural and physical. A host of other concepts such as consumption. production. money. banking. insurance, investment and return can be exposed to ideological and ethical overtone.

The introduction of these moral and ethical variables does not make Islamic economic theory timeless. What remains to be timeless is the postulated datum directly derived from the Quran. Islamic economic theory becomes then primarily concerned with the act of theorizing to the particular constellation of events for which it is intended. Thus the theoretical work of the Islamic economists must change as knowledge of behavioral stimuli improves or as the data of environment change.

Seen in this light, it becomes necessary to put operational meanings into individual ends and means and social ends and means. It requires institutionalization of a vast number of behaviour rules. The maximization of production and consumers' satisfaction becomes relative to the whole complex of institutionalized value-systems and its sub-systems.

As a principle, this system of control is not to be confused with the existing controls which seek to stabilize economic affairs in market economy confining only to marginal changes. On the contrary, control as here understood in Islamic economics refers to a goal oriented public policy that concerns itself with the shaping of the behavioural patterns themselves.

This deliberate introduction of control through institutionalized value-systems may not lead to the growth of a command economy. Because the regularization of behaviour through the use of the Quranic normative control is applicable to *both* directing authorities as well as obligating citizens. This can then provide a new basis for that self regulation or voluntary co-operation that must come from all, if it is to be imposed at all. But as a rule, the principle of self-regulation and co-operation derives directly from the belief in and commitment to Islamic values. The commitment comes only when values are internalized. This process of internalisation also calls for systematic planning of the education system. It provides a theoretical insight on which may be built the defence of moral and ethical values - values an Islamic society seeks to preserve.

Thus, the study of production, distribution and exchange has to be distinctive to Muslim societies and qualitatively different from non-Muslim societies. The primary value subsumed within modern western economics is the drive to *maximize individual benefit* in a competitive environment, with moral indifference as the inevitable corollary. Such characteristics which are repugnant to "Islamic person", (perhaps the analytical parallel to the "economic man" of the classical economists), are *not* to be found or at least not encouraged in an Islamic system. In the Islamic economy, the primary motive is "aggregative welfare"; one recognizes that one's condition is best bettered through the betterment of conditions of others. The choices, the individual make, are constrained not merely by resource scarcity, but by moral preferences. The basic concerns of economics what is to be produced, how, and for whose

benefit will be answered differently than in the modern secular economy. The "invisible hand" is Allah's.

While Islamic economics insists on the inclusive or "integrative" nature of economic analysis, the formulators of classical western economic analysis purposely exclude the normative economic values. It is true though, economic man also acts in accordance with a range of values dictated mainly by market, profit, prices, *etc.*

One might find, however, comparable choices being made in the "real" modern western economy, from which benevolence and moral preference are not entirely absent. But *that is incidental or marginal to the mainstream of secular economic analysis.* This is not the case in Islamic economics, because the benevolence and moral preference becomes an integral part of the Islamic economics as it is concerned not only with what is but also with what ought to be. As a result the distinction between normative and positive economic become relatively unimportant in Islamic economics. Thus, we see that on an ideological ground, there is a clear case for studying Islamic economics.

2.2. Economic Imperatives

The study of Islamic economics arises out of the practical necessity of resolving the crisis and conflict of development and modernization process which has started in the Muslim world. Muslim economists need to find out Islamic solutions to the modern problems of development, economics and finance. Its practical necessity has arisen because of the recent trend towards Islamization of economy in some Muslim countries

(*i.e.*, Pakistan) and emergence of a number of financial institutions and Islamic banks in recent years. Thus, the establishment of Islamic Development Bank (IDB) in 1974 is in fact an economic agreement among all the forty Muslim states intended to promote economic development and economic co-operation among Muslim countries in conformity with the principles of the Shariah. The emergence of IDB and other local Islamic banks in the '70's presuppose a structural change in the pattern of investment strategies not only between the Muslim countries but also between Muslim world and the rest of the international community.

At a national level, the conflict arises from the "point of contact" which is mainly the present capitalistic social-economic institution; it is not really geared to rake the thrust of Islamic development which is essentially equity-based rather than conventional loan-based. It is a framework of development free of interest.

At an international level, the conflict arises because the socio-political context in which the current economic order and other international institutions such as World Bank, International Monetary Fund are worked out after the Second World War are no longer valid today. The North-South dialogue is indicative of the fact that the current international economic order which is in a state of crisis seems incapable of explaining and influencing the course of contemporary economic events; it is ill-adapted to meet the legitimate need of the third world countries, not to speak of new Muslim states.

Viewed from this perspective, the establishment of Islamic banks is the beginning of a serious economic process whereby they have to take a disproportionately larger share of responsibility than the conventional development banks in mobilising human and non-human resources. Even if the North-South dialogue becomes successful, there is still a need of a permanent, technically competent organisation which could reconcile conflicting demands and help to define the real areas of common interest of the Muslim world. In search for a new destiny and a new determination of the Muslim states towards self-development, Islamic banks will thus have to assume a much more dynamic role than ever before. The study of Islamic economics has therefore, assumed its special importance, for, only through restructuring the pattern of investment towards the direction of joint enterprise and economic cooperation towards the direction of raising the capacity to produce. Muslim countries should be able to increase their ability to get what they want. The fundamental question is not to get what they want, the question of whether they want the right things in the light of the Shariah becomes extremely important today. Herein lies the importance of the linkage between the principles of economics and the Shariah.

2.3. Social Imperatives

The need for the study of Islamic economics arises because of Islam's emphasis on social concern in economic development and planning. The fact is that if the success of economic institutions depends to a large extent on the nature of a whole culture in which they are embedded, the development involving the production, distribution and exchange process

has to be distinctive to Muslim societies . The distinct character of the study arises from its integrated approach for ethical and social issues involved in economic problems. The task before Muslim economists is not merely to analyse the distinctiveness of Islamic economics but to find out viable Islamic solutions to the modern problems of economics, banking and finance. The need for such solutions is perhaps felt more acutely than ever before, for, present socio-economic realities of the Muslim world, not to speak of world economy reflect the progressive misallocation in the balanced use of resources. It reflects man's deliberate misuse of "His" resources. This comes in conflict with the Quranic position which states that "every kind of thing that is produced on the earth is in due balance and measure". As the Quran says:

"And the earth We have spread out (like a carpet); set thereon mountains firm and immovable. And produced therein all kinds of things in due balance. And We have provided therein means of subsistence, for you and those for whose sustenance you are not responsible". (Al-Hijr: 19:2).

In addition to profound moral implications, the above verse asserts the existence of social and economic equilibrium in the very scheme of creation of the earth - an order of "balance" between living being - both human and non-human resources - both natural and physical resources.

But unfortunately the present absolute and relative level of human poverty is the clear manifestation of misallocation of resources. The World Bank (1980) describes absolute poverty as a state of malnutrition,

illiteracy and disease "beneath any reasonable definition of human decency." Out of the World's population of 4.4 billion, more than one in six - 780 million people - live in that condition. That number, incidentally, does not include China's poor, about whom not much is known. Nearly half of those 780 million live in India and Bangladesh. One sixth live in Southeast Asia, mostly in Indonesia. Another sixth are in sub-Saharan Africa. The rest are scattered through Latin America, North Africa and the Middle East. Two out of every five of them are children. The great majority live in rural areas, where the men are usually landless agricultural labourers.

Since the study of the causes of poverty is in fact the study of causes of human degradation, economists alone can not fully answer to this question, but they can play a major role in finding out an appropriate solution to the problem. The critical test before the Muslim economists lies in their individual and joint ability to solve what is by far the greatest single economic problem facing the Muslim Ummah: elimination of human poverty in the so-called under-developed or least developed areas of the Muslim world - inhibited by about three quarters of the Muslim population.

While the industrialized countries have a life expectancy at birth around 73 to 75 years (1978), disease under control, malnutrition rare, literacy universal, the low-income Muslim countries whose population is about 75 percent of the total population of all the member countries of the Islamic Development Bank, have life-expectancy at birth around 42 to 47 years (1978), disease, malnutrition and illiteracy, widespread.

The crux of the matter is how to raise the living standard of the three quarters of the Muslim world by concentrating on the development of indigenous resources and rationalization of consumption pattern. One of the tasks of Islamic economic inquiry is to discover exactly what elements in Muslim society which perpetuate poverty whether in social life, in religious life, in education system, in government and administration or in economic and financial institutions or in external economic factors or in both.

This gloomy picture of poverty, however, offers a sharp contrast with the "Capital Surplus" of five to six oil-producing Muslim countries. It is to be recognized, though, that these surpluses are not the result of a strong national production machinery but the outcome of the exhaustible oil extraction. One of the critical tasks before Muslim economists as to how to convert these surpluses into fruitful investments which should not only enable the oil producing countries to reach the stage of self-supporting development but also to use them for effective economic cooperation between Muslim countries, thereby benefiting the present and our future generations. Deriving strength from the rich traditions of common religion, a common cultural heritage and history, the Muslim world have the potential to set an example of economic cooperation to the rest of humanity.

2.4. Moral and Ethical Imperatives

In the study of Islamic economics, economic decisions are to be influenced and guided by the value judgement based on value reference as reflected in the Quran and Sunnah, thereby imposing certain

distinctive marks on its practitioners. For example, Islamic economic analysis starts from the premise that absolute sovereignty of overall resources between heaven and earth belongs to God and God alone and that every body has a right to share. This right to share implies equitable distribution of income and resources among all human beings and living creatures. This moral and ethical imperative is to be reflected in economic decision making process.

Apparently Islamic economics like any other secular economics begins as an attempt to explain the magnitudes and movements of certain quantities such as the market, prices, wages, output, sales and so on. Very early in its development these quantities are to be studied in an integrated way involving ethical issues in economic problems.

This ethical imperatives in economic matters is intended to maximise the aggregative welfare of all humans and other creatures which may be called the macro-economic paradoxes - the propositions which are true at individual level may not be so at the level of society as a whole. The "hoarding" discouraged in Islam by one individual may increase his money stock but the attempt by all individual to "hoard" may not result in general "hoarding"; it merely decreases the total volume of money payments. The expenditure and receipts are two different things for an individual, they are exactly the same thing for society. An individual's decision not to spend on consumption may increase his net worth, but if every one tries to do the same, it may very well result in decline in income and employment and so on. The point is that the collective result of individual decision may not necessarily equal to the sum of these decisions.

Since the ultimate purpose of the Shairah is to achieve the universal common good, Islamic economic analysis must unfold all the ethical and moral issues affecting economic problem directly or indirectly. Mere generalization from an individual pure economic experience will not be sufficient. Thus some of the significant questions of our time such as limits of private property, limits of state intervention into individual economic life, equitable level of distribution of income in a Muslim society, defining the goal of economic development in an Islamic framework, provisioning for basic minimum human needs in a particular social context and the like questions can not possibly be answered without evolving the ethical principles as provided by the Shariah. What is needed then is the establishment of the linkage between the principles of economics and the Shariah - a framework of a serious study which Islamic economics is intended to provide.

2.5. Political Imperatives

It is not the political independence but the economic independence from the colonial past that matters most for the Muslim world. The Muslim world needs an identity so that it can take its full share of international responsibilities. The possibility of permanent Islamic civilization rises before the Muslim world, though its prospects is not necessarily one to be approached without fear. The fact is that the emergence of most of the Muslim states in the past thirty years after the successive stages of political decolonization, the organisation of the Islamic Conference and the consequent establishment of the Islamic Development Bank and a number of other local Islamic banks in the '70's

are indeed an encouraging sign of the revival and rediscovery of Islamic values in the Muslim world.

The gains of this undoubted political progress what had been made in recent time can not be consolidated without the serious study of economic problems and issues confronting Muslim societies. This study forms the subject-matter of Islamic economics, if the Muslim countries decide once for all against perpetuating the colonial legacy in their quality of life, their cultural values and above all their socio-economic institutions. These are not easy to change. But without structural change in the existing socio-economic institution, Muslim countries in general can not free themselves from the pains of poverty and their economic backwardness and its stagnating influences, preventing them to make an effective participation in world affairs. As Karim Gaye (1979) ex-Secretary General of the Organisation of the Islamic Conference summarised the current socio-political and socio-economic situation of the Muslim world in the following words:

"Our countries, located in Asia, the Middle East and Africa are a part of the developing world with a low living standard. The masses in these countries continue to struggle against illiteracy, squalor, disease and other forms of misery. And in some of our countries the quality of life for the common man is almost intolerable.

Despite the fact that our countries have a history of development effort, they do not appear to have made much headway - a situation which can be attributed partly to their economic backwardness and

to the lack of effective participation in world affairs. Even a glance at the processes through which vital decisions about the world's economic and political affairs are made, and a look at the organisations and countries making these decisions, would clearly show that the Muslim countries generally find themselves at the lower end of the scale. Not infrequently their genuine role has been denied to them and their rights usurped".

He further continued:

"To be more specific. the operation and the future outlook of the world's financial markets have come to depend - to some extent at least - on the policies and attitudes of the Muslim world. Similarly, the balance of payments situation of the industrial world. its trade, its production and even its employment patterns are no longer exclusively under its own control. The role of the petroleum-exporting Muslim countries in these fields has become increasingly important. These developments give us a powerful instrument for participation in international economic diplomacy, and this is an opportunity which needs to be utilised fully before the non-renewable resources of the Muslim countries are exhausted or modern technology finds substitutes to reduce the importance of these resources".

The study of Islamic economics is needed to understand the full implication of this international economic diplomacy from the Muslim viewpoint. What is needed is a great deal of spade-work in terms of identifying bottleneck, and recognising deterrents to co-operation with which the study of Islamic economics is vitally concerned.

2.6 Historical Imperatives

The study of Islamic economics is needed for historical reasons also. As noted earlier, the Muslim countries became victims of historical decline and colonialistic imperialism. It has successfully prevented the process of full manifestation and evolution of free Islamic conduct of state, society and people. Despite the fact that Muslims themselves share their part of responsibilities for the loss of Islamic momentum of social and economic ethics and their creative values, the successive stages of colonization of the great part of the Muslim Mongol invasions and Crusaders did create an evolutionary trap and gap in the process of nature emergence of true Islamic Common Wealth of communities. A historian's sweeping glance at this trap and gap can be illustrated with the help of the following Figure I below:

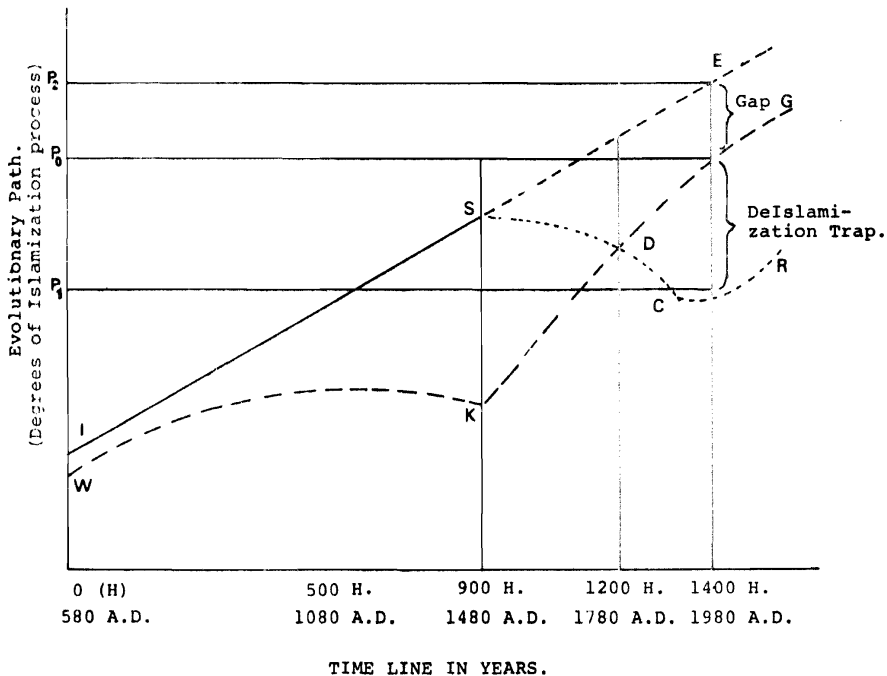


Fig. I: A sweeping glance at the history of Islamic civilization: rise, fall, recovery.

IS = Rise and growth of Islamic evolutionary path .

SE = Projected evolutionary path, had there been no interruption in Islamic momentum which was caused by several factors (*e.g.*, Mongol wars, crusades, rise of misguided Sufi doctrines, European colonialism).

SD = Period of Muslim decline (*i.e.*, complete fall of Muslims in Spain in 1492 AD; the disintegration of Muslim rule in India in 1558A.D; beginning of disintegration of the Ottoman Empire (*i.e.* 1699); rise of the industrial revolution in Europe 1700A.D. to 1980A.D.).

SDC = Period of decline: European colonisation of the most of the Muslim world.

WKDG = A tentative view of the evolutionary path of western civilization.

P₀P₂ = Representing gap to be filled by the Muslim Scientists themselves after overcoming the deislamization trap as indicated by P₀P₁.

CR = Contemporary Islamic resurgence .

Thus despite the balancing factors inherent in the very concept of Islamic socio-economic framework, despite the strategic significance of resources in most of the Muslim countries, the Muslim world has remained essentially weak and failed so far to evolve relevant Islamic order of society due to the trap and gap of their knowledge and know-how in science, technology and innovative skill and their application for solving the problem of historic distortion of priorities and maldistribution of resources, in conformity with the principles of the Shariah.

"The gap produced in many centuries of neglect and misplanning could not be, even under the best conceivable conditions, bridged up within one or two decades with all the unexpectedly large windfall gains of oil sales. As a result, Muslim countries in general are presenting a pattern of new efforts at technical and structural change, but of a shaky character. The conditions of dynamic 'balance' creation could not be brought into being to demonstrate the power of arbitration between capitalism and communism. Such political power-game on the international scene, tragically indeed, has been possible because of a socially undesirable system of distribution of resources and distribution of income (when income is produced) internationally and nationally by the developed countries, now occupying positions of power and privilege in the First and the Second Worlds and also in the U.N. Security Council. Their unsocial system of distribution is manifest in the gigantic annual sales of military equipments with resources that could have wiped out world poverty. In addition, manpower and goods are not permitted to enter the markets of these developed countries in accordance with their own principles of efficiency - producing geographical specialisation and comparative advantage." (Sharif: 1980, p. 16). To revert the process of this historical decline, what is needed, is not the lip respect for theological significance of social and economic issues, not even the rigid insistence on the performance of the ritualistic elements in Islamic society, but a deep socia-economic analysis helpful for building appropriate institutions. Ideas take shape only through the development of institutions.

2.7 International Imperatives

So far we have discussed the positive factors in favour of the study of Islamic economics, the two negative factors: failure of the existing capitalistic and communist economic system to solve the problem of massive under-development and poverty in the Muslim world in particular and other developing third world countries in general, and the failure of the North-South dialogue, unfortunate as it is, unambiguously call for attention to the great need for the serious study of Islamic economics. This should enable the Muslim economists to identify the common areas of economic-co-operation among Muslim countries to find their socio-economic solutions from within as a starting point for eventual growth and formation of Islamic Common Market .

The pursuit of a joint strategy by Muslim countries in economic relations and negotiations with the developed countries would certainly strengthen their bargaining capacity, thereby enabling them to reduce or eliminate the external constraints on their social and economic development, for, many of the Muslim countries are still perpetuating the colonial legacy in their social and economic institutions. The study of Islamic economics is needed to operationalize the joint strategy of co-operation among Muslim countries.

Besides at an individual level, each Muslim country should try to design its own development model in an Islamic framework, given diverse resource endowments. Any further attempt to imitate either the capitalistic or socialistic model of development is bound to compound the problem of poverty of the Muslim countries. The World Bank report

(1980) suggests that to-day the world is poorer than ever before and income inequality between the poor and rich nations is also wider than ever before. Despite material progress, it shows the failure of the capitalistic or socialistic model of development in terms of aggregate human welfare. This very fact also indicates the necessity of studying Islamic economics.

Again, the failure of the North-South dialogue for evolving a new International Economic Order stems from the refusal of the western developed countries to make any structural change and reform in the existing financial and monetary institutions, such as International Monetary Fund (IMP), the World Bank and General Agreement of Trade and Tarriffs (GATT) which were conceived to serve the interest of the advanced countries and often heavily biased against the interest of the developing countries - a group of 77 (which now consists of 121 developing countries including all the Muslim states). The U.S.A. alone, for instance has 23 percent of the voting strength in the IMF and European Economic Community (EEC) about 19 percent.

The message of the failure is clear to Muslim scientists and economists. That is, all this requires a serious study of Islamic economics for evolving Islamic economic order(s) for Muslim communities. The complexity of this task arises from the fact that the third world solution (even if there is any) may not be acceptable to Muslim countries. In many cases the social, moral and economic ethics of Islam do run counter to policies and practices of secular institutions of many third world countries, not to speak of western capitalist or eastern communist countries.

3. Conclusion

Taken all in all, the seven reasons for believing why the study of Islamic economics is important is by no means exhaustive. The significance of the study of Islamic economics lies in its balanced focus on the production of goods and services as well as other determinants of the "quality of Life" for which value judgement may be needed within the Islamic value framework. Accordingly, Islamic economics being an integrated body of knowledge does overlap with other disciplines such as religion, sociology, political science in a much more significant way than secular economics. The fact is that Islamic economics can not remain neutral between different ends. It is concerned with what is and what ought to be, in the light of the Shariah. Therefore, it involves the study of social, political, ethical and moral issues affecting the economic problems directly or indirectly.

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