

## **Platform Capitalism – Boon or Bane to Society?**

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**ABSTRACT.** In this essay, the rise of platform capitalism and its claims to a utopian economic world is explored. Using the *tawhīdī* worldview, I trace its emergence within the context of the growth of modern capitalism itself. The study reveals that there are certain core elements within the institutional framework of the modern economy that empowers capitalism to hegemonize society and its structures. In its drive to create and capture value, it grows rapidly, but destroys other institutions, including its own in the process. However, it always protects its inner core so that it is able to reincarnate itself in some new form. Platforms and its basket of newly emerging technologies thus represent this next frontier in the capitalist agenda, subsequent to its spectacular collapse in 2007-2008. Though some have hailed the emergence of platform capitalism as the dawn of a new age in material prosperity for all, this article demonstrates that this claim is nothing but subterfuge to deceive the world into embracing the digital age wholeheartedly. Global capitalism recognizes only one agenda: the need to feed its insatiable appetite to accumulate material wealth; all else is irrelevant. It is only an ethically-based Islamic system of economy, which embraces the precept of *tawhīd*, i.e., an ontology and epistemology of systemic oneness in everything, that can offer hope to the world at large.

**KEYWORDS:** Capitalism, Platforms, Economics, Islam, *Tawhīd*

**JEL CLASSIFICATION:** A12, B40, P1, P4

**KAUJIE CLASSIFICATION:** H21, F22, F51, G1

## 1. Introduction

In the same spirit of Reardon's lead article (Reardon, 2020), it is appropriate to begin this essay also with a quotation, but from one of the Muslim world's outstanding scholars of the last century, Muhammad Iqbal. In his masterpiece, *The Reconstruction of Religious Thought in Islam* (1930/1980), he poignantly asks:

What is the character and general structure of the universe in which we live? Is there a permanent element in the constitution of this universe? How are we related to it? What place do we occupy in it, and what is the kind of conduct that befits the place we occupy? (p. 1)

Iqbal intimates in this set of questions that any attempt to understand the world that we inhabit, our relationship to it, and our behavior therein is inextricably bound to some ultimate principle that should guide that quest. In so doing, he seeks to direct our attention to the common thread, nay, the common fabric that interweaves all of the elements of being into an existential and continuous whole. It is only from this standpoint of ontological oneness (termed *tawhīd*, in Arabic), and the episteme of the unity of knowledge, i.e., consilience (Wilson, 1999) that ensues therefrom, that an authentic understanding of the topic under review is possible.

One may be tempted to question the need to assert a particular *weltanschauung*, i.e., worldview for this study, at this early stage in the discussion. This is done because all too often in scientific analysis, the critical role that a worldview plays in framing the discourse, in conceptualizing and categorizing the relevant terms, and in asking the appropriate questions and seeking answers thereof, is hardly recognized. As Einstein (1916, p. 102) reminds us, they wield such "an authority over us that we forget their earthly origins... [and] Thus they come to be stamped as 'necessities of thought' ". With *tawhīd*, its origins extend far beyond earthly limitations; as Allah Almighty declares in the Holy Qur'ān that:

We will show them Our signs in the horizons and within themselves until it becomes clear to them that it is the truth. (41:53)

And yet again, in another place in the Holy Qur'ān Allah Almighty states:

Praising Him are the seven heavens, and the earth, and everyone in them. There is not a thing that does not glorify Him with praise. (17:44)

From this we immediately realize that *tawhīd*, as an overarching precept in both thought and praxis of the universality of everything, offers us a unique methodology to appraise all of the artefacts of our worldly endeavors (Choudhury, 2000). It is only on the basis of a common acceptance of this *tawhīd* that mutual interchange may proceed fruitfully henceforth (Qur'ān, 3:64). This is contrary to any kind of pluralism that ultimately yields no eternal truths which the Qur'ān (21:109), though, incessantly calls upon us to recognize and submit to.

Against this background, I will first summarize the key points raised in the lead article by Reardon and then use it a basis to further expound on the topic. Instead of repeating what has already been mentioned, I will explore the relevant issues from a more historico-empirical perspective to illuminate aspects not already covered. In section three, I review the legacy of modern capitalism, emphasizing its agenda and what enabled it to grow so rapidly, yet also collapse so dramatically. In what follows, I then explain how the system, nonetheless, is able to reinvent itself in a new form. Against this background, section five outlines the rise of platform capitalism and what it bodes for the future. In the penultimate section, additional comments pertaining to ethics are provided, after which I will conclude with some final remarks.

## 2. Platform Capitalism, Big Data, and Ethics: Wherefrom and Whereto?

The term 'platform capitalism' has no doubt been popularized by Srnicek's now famous 2016 publication with this title. Not unexpectedly, therefore, Reardon relies largely on this text to unpack for us the technicalities around the emergence and nuances of this concept. By so analyzing each of its two constituent terms (platforms and capitalism) separately, and then showing how they have synergized with each other, we get the sense from the lead article that digital platforms themselves essentially consist of an elaborate nexus of computer software programs owned by private firms (Reardon, 2020, p. 61). Their reach and influence in the modern capitalist economy stem largely from their ability to harvest and process

huge amounts of data (personal, financial, and economic) from across a broad spectrum of economic processes and agents. This information is then either sold off to third parties, or used by the platform owners themselves, to produce added value, or is exploited purely for rent seeking purposes. Consequently, the actual size of these platform firms in terms of the real economy (investment in physical assets and employment) may vary, though generally, they are extraordinarily small relative to their market share value (Srnicsek, 2016).

So why then all of this hype around platforms and how they operate within the modern economy? What has clearly emerged in the last decade is that platforms, with the rapid advancement in digital technology and the advent of the Internet of Things (IoT), are increasing in their capacity to collect and process data, and then control who can access all of that information and for what purposes. Given this monopoly power that they wield on data, the primary concern, à la Reardon and Srnicsek, is whether these firms will help promote or hinder economic sustainability and provisioning for all. It is suggested that if platforms can somehow be contained, or regulated through state intervention, then platforms could well be used to serve the public interest.

Reardon argues that the emergence of platforms serves as an additional impetus for the recirculation of economics. He inveighs, quite justifiably, against the dominant neoclassical paradigm for its inadequacies on several fronts: these include its anti-historical, anti-empirical, and highly ideological slant. To remedy the problem, Reardon appeals for nothing less than a complete overhaul of the discipline (Reardon, 2020, p. 64). Few, except those beholden to the mainstream, would disagree with the urgent need to reform economics, though the steps he suggests for a re-conception of the field are certain to elicit a healthy debate. As expected, Reardon also revisits the perennial debate on the relationship between ethics and economics, and rightly bemoans the still ongoing absence of ethical considerations within mainstream economic pedagogy. He highlights this deficiency within the discipline by asking a few searching questions, and proposes that this is an area where Islamic economics can play an important role (Reardon, 2020, p. 66).

Our guest writer, before leaving us with his concluding remarks, seeks to encourage further discussion by pointing to some of the other outcomes that may result from the confluence of platforms within modern capitalism. He urges his colleagues from within the Islamic economics discipline to contribute their bit towards ensuring that platform capitalism works for the betterment of all (Reardon, 2020, p. 67).

### 3. What Legacy has Capitalism left for Mankind

Notwithstanding the usefulness of the lead article in outlining the nature of platforms and their emergence within the modern capitalist structure, it falls short of fully expounding for us the deeper and widespread implications of this phenomenon. Reardon (2020) did point out in his introduction that his forte is in economics education *per se* and that is where his focus would be *vis-à-vis* the topic. All the same, he needed to have still elucidated several other pertinent aspects of the topic to enable a better evaluation of the creature that we are dealing with here, capitalism and its most recent progeniture, platforms. This is typically the result when the reductionist mode of enquiry<sup>(1)</sup>, contra the *tawhīdī* episteme of the unity of knowledge is employed (Choudhury, 2014, 2015); critical elements are forcefully excluded from a proper evaluation of the subject on hand. To demonstrate why this happens, let us begin first with capitalism.

If we maintain the simplistic characterization of capitalism, à la Hunt and Lautzenheiser (2011) as provided in the lead article, then on this conception, many economists will have no qualms with the capitalist system. They are willing, for all intents and purposes, to endorse it as an acceptable set of arrangements to satisfy the complex demands of a post-modern age. After all, they may argue, the spectacular rise of even communist China as an economic powerhouse on the world scene occurred only after its embrace of a capitalist ethos for its economy (Zitelmann, 2018). There are likewise others, including several Islamic economists themselves, who also assert that since Islam does not prohibit private ownership, the profit motive in trade, or the operation of free markets, a modified version of capitalism may be also acceptable (for a fuller explication on this issue,

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(1) For a useful summary on the impact of reductionist methodology in scientific enquiry, see Ackoff (1997).

see Mahomedy, 2013). This is because, in these respects at least, it most closely resembles the features of an Islamic economy. They too, like Reardon, have proposed that by so grafting onto its institutions some set of ethical considerations and imperatives, capitalism can be reformed to serve social interests. However, unlike our guest writer, they see no need to overhaul capitalism's theoretical counterpart, neoclassical economics (Mahomedy, 2016).

On the surface, these arguments may appear to hold water. But let's dig a little deeper. What are some of the other latent, but critical elements of modern capitalism that distinguish it from its antecedents of institutions that prevailed in antiquity, and that have fueled its phenomenal growth? Here we may identify the following:

- The accumulation of capital in the hands of an emergent merchant/business class.
- The institutionalization of interest and finance in the form of banking and insurance, almost contemporaneously with the above.
- The enactment of the concept of juridical person and limited liability<sup>(2)</sup>, and
- The entrenchment of the modern philosophical outlook to life (these include the mix of Liberalism, Rationalism, Materialism, and Darwinism).

Together, as these core elements began to conjoin and integrate with the other institutional and behavioral arrangements of capitalism, it invariably led to the formation of a ruthless form of economic ascendancy controlled by a small number of interest groups. With the patronage and acquiescence of governments, these cartels, under the guise of fractional reserve banking institutions, international corporations, and other multilateral institutions, have ensconced themselves in the economy, progressively seeking to capture as much of the surplus value from various economic activities in almost all parts of the world.

The hegemony of this capitalist oligarchy, on especially the so-called third world, can easily be verified by its historical unfolding. Consider, for

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(2) For a detailed history of the emergence of this contraption in the Western world, see Blumberg (1986).

example, each of the different phases under which its members have utterly pillaged the wealth and resources of the nations they have conquered. During the mercantilist era, local manufacturing initiatives in the colonized nations of Africa, Asia, and the Americas were suppressed in order to strengthen, through trade, the industrial base of their mother countries. Likewise, they were stripped of all of their precious metals, much of which were used to finance the industrial revolutions in Europe at the time<sup>(3)</sup>. This litany of plunder continued in the centuries that followed, when other valuable treasury and the vast natural resources of the occupied nations were transferred back to their colonial masters to develop their own industries. This occurred under the aegis of companies such as the East India Company (EIC), whether of its British, French, or Dutch formations (see Gardner, 1971).

This pattern of exploitation hardly changed during the 20<sup>th</sup> century: only this time it was undertaken with a degree of sophistication and subterfuge. First, under the guise of developmentalism<sup>(4)</sup>, multilateral institutions such as the Bretton Woods System, the International Monetary Fund and the World Bank ensured that the 'developing' world remained eternally indebted to the capitalists. This was enforced through the imposition of structural adjustment programs conjoined with crippling interest-based loans that could never be repaid. As the developmentalist agenda waned towards the beginning of the 70s and lost much of its steam, the promise of globalization was then vaunted as the harbinger of better times for the world (Wallerstein, 2005). Global supply chains and the free movement of international capital were punted as the new engines for economic growth. The dramatic fall of the USSR all but cemented the notion that capitalism had reached its final apogee (see, e.g., Fukuyama, 1992).

This euphoria of the pre-eminence of capitalism was, however, short-lived: the currency crisis and financial contagion in East and Southeast Asia before the end of the millennium, which then spread to Brazil, Russia, and Argentina (Paddock, 2002; Palat,

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(3) See Khanna (1978) for a description of the role of colonization in funding the Industrial Revolution in Britain.

(4) See Marglin and Marglin (1990), and Wallerstein (1992) for a detailed critique of how this strategy was employed by the North to exploit the Global South.

2004), dashed any remaining hopes of those who still believed in the magic of international capital. Millions were reduced to poverty overnight as the currencies of these emerging economies collapsed. But the charade of capitalism's promise of prosperity was decisively punctured in 2007-2008 when the chickens came home to roost; the world witnessed with shock and disbelief the dramatic collapse of the West's financial system, with dire consequences for the global economy. So, did these events signify that capitalism was in its final death throes? This is an issue I will revert to shortly.

Now going beyond the economic and financial spheres, it is only when one considers the adverse consequences of capitalism on the psycho-socio-political and eco-cultural structures of the nations it has ravaged, that the true scale of its impact becomes discernible. Apart from the continued pillage of economic resources, we may enquire, for example, on its political dynamic: what legacy has capitalism left in those vanquished nations? By propping up governments in their client states (Gough, 1968; Stoler, 1989) to do the bidding of their masters both domestically and in international fora, the capitalist cartels further estrange the ruling classes from their populace. This, in turn, leads to an eternal cycle of internecine conflict and a struggle between local interest groups that vie to curry favor with the elites who pull the actual power strings (Magdoff, 1970). In the process, institutional collapse at all levels occurs and communities are gradually denuded of any productive capacity and initiative. For those that step out-of-line to challenge capitalist hegemony, such as Iraq and Libya, their fate is displayed most vividly for all to see. The release of audio-visual recordings of the executions of both Saddam Hussein and Muammar Gaddafi of Iraq and Libya, respectively, are cases in point.

#### 4. How Capitalism Destroys and Reinvents Itself

Reverting once again to the future prospects of capitalism, did the Great Recession of 2007-2008 portend its demise? If capitalism not only survived the Great Depression of 1930s, but in fact metastasized in its aftermath, then in all likelihood it will continue to endure for the foreseeable future. This is because, as Reardon (2020) aptly reminds us:

A defining feature of the historical development of capitalism is its ability to adapt and morph into

something different, and to its ability to survive... At major turning points, it morphs and mutates in response to danger, creating patterns and structures barely recognizable to the generation that came before. (p. 62)

Now if we combine this attribute of the system with its capacity to operate within different socio-political contexts, then capitalism resembles the survival instincts of a parasitic virus. It constantly seeks new hosts to grow on and multiply. Once it has emaciated the host and whatever reproductive capacity it has to offer it, capitalism then moves on and seeks, in an altered form if need be, another body to feed on, and continues this process *ad finitum*. Thus, as long as an enabling environment is present, the system will thrive, albeit in some evolved form. It thereby takes on a life of its own with just one overriding objective: an insatiable appetite to increase and accumulate in and of itself.

This description of capitalism brings to the fore another important insight into the workings of the system: beyond crass materialism, it is not beholden to any ideology or race, be it political, religious, or philosophical. Because it is not accountable to any higher monolithic authority, nor owes allegiance to any entity, it will cozy itself to any set of institutional arrangements that will allow it the space to procreate. That leaders of western capitalist nations, including Britain and France, had expressed the desire to see their capitals become global centers of Islamic finance indicates that even Islamic economics, in its current form, appears to offer capitalism such an opportunity ("UK's Brown backs Islamic finance", 2006; Asokan, 2008). In this manner, as long as its inner core (as identified in section three above) remains intact and unimpeded, capitalism can function contemporaneously, within multiple, even conflicting systems of economy (including, paradoxically, in communist china!). More importantly, void of any ethical underpinnings, it sees no moral imperative to ensure the wellbeing or even survival of anything else, including its own outward structure. As Schumpeter (1942/1976) wrote most pertinently:

[C]apitalism creates a critical frame of mind which, after having destroyed the moral authority of so many other institutions, in the end turns against its own. ... The capitalist process not only destroys its own institutional framework but it also creates the

conditions for another. Destruction may not be the right word after all. Perhaps I should have spoken of transformation. (p. 143, 162)

Not surprisingly then, as we observed with the Great Recession of 2007-2008, the custodians of the system actually allowed it to collapse on itself, ensuring though, that its core elements remained ensconced within. This, to enable it to re-emerge from its own ruins, in some new form. And once again, capitalism will be reincarnated, but with a new façade largely unrecognized to the world. And in classical style, it will be paraded with a new set of promises à la Rifkin (2014) of free sharing commons and products that are almost free.

### 5. The Birth of Platform Capitalism

Before the end of the twentieth century, industrial capitalism had already fully exploited the primary and secondary manufacturing sectors in most parts of the world, emaciating in the process, most of their productivity capacity. Capital then abstracted upwards towards finance, and through the emergence of a shadow-banking system, also extracted whatever remnants of surplus were left behind in the global economy via an elaborate labyrinth of financial engineering instruments (Peet, 2011). When the financial system began to unravel in 2007-2008 as a result, even sovereign western nations became deeply indebted in trying to protect their economies from collapsing. As Simon Johnson, a former chief economist of the IMF warned at the time, governments themselves were being effectively captured by the financial oligarchy. The crisis, in retrospect, thus actually marked a coup for capitalist forces (Johnson, 2009). In its aftermath, as the system was being re-liquefied with trillions of dollars at the same time that existing firms were deleveraging (Rogoff, 2008), all of the newly-created, excess funds had to find some outlet. Not surprisingly, capitalist interests were forced to seek new breeding grounds to sustain their growth. By this time, the maturing of the digital sector, the widespread use of the internet on a global scale, and the drive to build the knowledge economy (Burton-Jones, 2001; Čerić, 2001) all provided the additional impetus for capitalism to intermingle with these developments and reinvent itself for the 21<sup>st</sup> century. Digital platforms provided the base on which this was to evolve and develop (Srnicek, 2016).

The last decade has not only witnessed the ubiquity of these platforms and their capacity to harvest and process huge amounts of data of all sorts. It is also a period in which several other breakthrough technologies such as the Internet of Things (IoT), Artificial Intelligence (AI), robotics, 3D printing, nanotechnology and clean energy initiatives, genome editing, cryptography and block-chain computing, etc., have emerged and are now developing rapidly. As all of these advances are in technical prowess, they are sure to come and present new ways of doing things. They are expected to have a strong bearing on the way people across the world interact and transact. Consequently, platforms should not be seen in isolation from these broader trends and developments. It is all part of a more ambitious agenda to trigger yet a *fourth industrial revolution* that is projected to span across the cyber, physical, and biological domains (Schwab, 2017). The potentialities of these advancements are vast, and it is nigh on impossible to imagine the capitalist oligarchy being passive participants in this process; they may well be at the forefront of funding and directing these initiatives so that they could be exploited to serve their own interests. As it is well-known, these enterprises require huge injections of funds which, in the present age, is provided primarily by private investment initiatives (Lazonick & Mazzucato, 2013).

Nonetheless, if we employ the term “platform capitalism” as a catch-all phrase for the emergence of this new phase, then it is clear that it epitomizes the next frontier in capitalism’s drive to ensure its continued existence and domination of the economic sphere. If it gains traction, it is certain to create, once more, major socio-cultural and political change (and upheaval). But again, these will be merely the consequences of capitalism’s thrust to grow and reinvent itself. Although apprehensions have been expressed in various fora that the confluence of these new technologies is likely to lead to greater inequality, increased state surveillance, privacy infringements, monopolization, etc., all of these concerns will fall to the wayside as the accumulation of profits will become the over-riding imperative. This is almost certain given a capitalist agenda that sees no justification for its existence other than the amassing of wealth. Its historical unfolding over the last four hundred years, as outlined above, leaves us with no other conclusion.

There is yet another critical finding that comes to light from an exploration of the relationship between platforms and capitalism. Contrary to popular opinion, technological development is never a value-neutral or apolitical process. Technical innovations cannot spurt to life from nowhere, nor is it possible for them to develop further within a vacuum. Invariably, technology is initiated from a confluence of interests and it is then strategically driven towards given objectives that serve the ends of its protagonists and investors. That bankers and financiers play a critical role in this process was already recognized in the early 1900s (Schumpeter, 1911/1934, p. 74). Of more recent, the co-opting by the military-industrial complex of tech-driven firms into their secret programs also belie any claim to the latter's value-neutrality thesis. The most recent clamor by Google, Amazon, and Microsoft to participate in the US Defense Department contracts are cases in point (Lord, Pocock, & Matthews, 2019; Tveten, 2019). It is, therefore, not inconceivable that as the tech-industry, government institutions and other interest groups deepen collaboration among themselves, the implementation of newer technologies will serve not to assuage concerns about surveillance, privacy, etc., but actually exacerbate them even further.

Platform capitalism will undoubtedly seek to assert itself as the new economic paradigm of the future. In essence though, it will be a value-gobbling monster characteristic of its predecessors, but dressed once again in a new garb. Its strategy to extract surplus will likewise remain exactly as before: present the facade that its aims are noble and welfare generating for all, whilst in reality, it will continue its assault on an unsuspecting public. The general masses will be all too enamored by the glitz and glamour of the latest gizmos that the tech-industry has to offer, to recognize that the rug is being pulled from under their feet. Leaders similarly, led by an ill-informed academia, will fall prey to the lies that society is entering a well-transitioned, post-capitalist system where “goods and services are nearly free, [so that] profit is defunct, property is meaningless” (Rifkin, 2014, p. 5), and that we live in a world “beyond the free market, beyond carbon, beyond compulsory work” (Mason, 2016, p. 290). Nothing could be further from the truth.

## 6. How does Ethics Feature in all of this?

The next relevant issue that Reardon raises in the lead paper, though somewhat briefly, is on the role of ethics in this context and what contribution Islamic economics has to offer. There are several assertions which he makes, many of which are problematic. With the limited scope of this discussion paper, a detailed response to each of them is not possible here. But given the importance of this matter some response is warranted.

Firstly, it is not entirely clear whether our guest writer concurs with Walras' demarcation and cleavage between the search for pure truth and moral values. From the Qur'ānic *tawhīdī* worldview, moral values represent the highest truth, and all of scientific enquiry (including the natural sciences) aspires towards illuminating this virtue. This distinction (i.e. between pure truths of science and moral values) and its consequent effect on partitioning knowledge into natural and social science categories are arbitrary and invalid. They are artifacts of the rationalist hegemony on science and enjoy no such recognition in Islam (Choudhury, 2000). This then follows on to the next claim in the lead paper, also due to rationalist and pluralist thinking, that ethics is subjective, and therefore eludes any sense of universality. On this conception, any dialogue on ethics reduces to intellectual gymnastics and serves no useful purpose. The moral law thereby loses all functionality. It is precisely because of this understanding of ethics, as some exogenous set of rules and regulations requiring forceful imposition, that we are led into a blind alley of determining whose ethics ultimately get chosen, how it will be implemented, on what basis, etc. Consequently, the meaning of ethics from this dictionary etymology serves no functional purpose.

An understanding of shared universal ethics is indeed attainable once we invoke the *tawhīdī* worldview. Doing so recognizes the unicity precept overarching into the worlds of being and knowledge, as manifested by Allah's Light (Qur'ān, 24:35). This unity of existence and knowledge thereby reveals a deeply interconnected world of pervasive interrelations between entities, variables, institutions, and policies in the broadest possible sense, including and involving the human order. It is through the interaction of all of these integrated elements, that learning

and knowledge flows emanate continuously. Operationally, it occurs by employing the episteme of unity of knowledge through intellectual effort (*ijtihad*, in Arabic) and a participatory process of consultation among the learned (*shura*, in Arabic), with reference to the Divine texts. Through circular causation, these learning flows and outcomes transform and evolve continuously towards higher orders of organic unity in both thought and action. As this unfolds, there has to be constant referral back to the Qur'an and Prophetic guidance (Sunnah, in Arabic).

Within the context of our topic, we find that when the early scholars of Islam adopted the *tawhidi* approach (al-Ghazali, 1998), they arrived at clear principles and guidelines that directed them in their understanding of economic affairs within the broader socio-political and ecological world-systems. They recognized that the attributes of justice, fairness, compassion, and excellence were all embedded within the sub-systemic set of relations that overarched all entities and variables, in both the natural and humanly-created orders. From these then emerge, for example, human consciousness on trust, fulfillment of contracts, upholding of moderation, avoidance of wastage, and the prohibition against exploitation. At the policy/institutional level, it ensured the promotion of market processes, transparency, protection of property rights as social relations, interest (usury)-free transactions, cooperative economic behavior, etc. (for further details on this, see Choudhury, 2008). It is only from this nexus of inter-causal relationships, which perpetually energize learning and doing, that an ethically-oriented economic system flowers. However, it is noteworthy that under this framework, most of the core elements that have underpinned modern capitalism might be considered anathema and inadmissible.

Choudhury (2000, 2004, 2006, 2007, 2011, 2013, and 2014) provides full text-book treatments of this *tawhidi* episto-ethico process and its actualization. It is only through the discursive consultative process, succinctly described above, that we avoid the intractable problems of attempting to exogenously enforce ethical rules and conduct through coercive means. These knowledge flows must emanate endogenously from interaction and learning of participants, rather than imposition. In the absence of such a unified, inter-and intra-systemic, evolutionary approach, there

will always remain an inherent tension in socio-political institutions. As Nitzan and Bichler (2000) observe:

And so from Smith onward, it became increasingly customary to separate human actions into two distinct spheres, 'vertical' and 'horizontal'. The vertical dimension revolves around power, authority, command, manipulation and dissonance. Academically, it belongs to the realm of politics. The horizontal axis centres around wellbeing, free choice, exchange and equilibrium – the academic preoccupation of economists. The consequence of this duality was to make modern political economy an impossible patchwork: its practitioners try to remarry power and well-being, but having accepted them as distinct spheres of activity to begin with, the marriage is inherently shaky. (p. 67)

The above helps to clarify why an ethically-based economy predicated on *tawhid* is so divergent to that of capitalist globalization. Consequently, Islamic economics cannot be seen as an ethical extension of conventional economics. Nor can it combine with western economics in some kind of limited trans-disciplinary fashion as Reardon suggests. Previous attempts at trying to engage with neoclassical economics and imbue western materialism with a sense of the sacred by Islamic economists, had, in fact, been counterproductive for the healthy development of Islamic economics itself (Nasr, 1986; Nasr, 1989; Choudhury, 2011; Mahomedy, 2013). Consequently, any such syncretization will lead to failure again. While Islamic economists can learn from their western counterparts, the discipline itself, as it develops on the basis of its unique but universal ontology of *tawhid* and episteme of unity of knowledge, can, and must, stand its own ground. Only then can it offer hope to the post-modern age.

## 7. Conclusion

From the lead article, one gets the sense that Reardon is resigned to the acceptance of platform capitalism as the economic dispensation of the future, whilst expressing apprehensions about its reach and capacity to monopolize. He holds out the hope, though, that with a more pluralist approach to economic thinking, with a change in economic pedagogy, and perhaps with some regulations in place, platform capitalism could be tamed to ensure sustainable living and provisioning for all. He asks whether Islamic economics



has anything to contribute so that capitalism can be reformed for the betterment of society.

As this response article has demonstrated, when the *tawhīdī* approach is employed to evaluate the workings of capitalism, several conclusions emerge. These are that the system is predicated on a materialist philosophy that destroys the basis of all other moral authority; it ruthlessly exploits latent, core institutions within its structure to feed its insatiable appetite to grow and expand; and lastly, it does this with little or no regard to the collateral damage it inflicts. The 2007-2008 financial collapse of the Western world's financial system revealed that the capitalist oligarch was willing to allow even its home-bases to be destroyed in order to ensure its own survival. Capitalism sees only itself. Against this dismal record, there are many scholars, including some Muslims, who yet still uphold the merits of capitalism as a viable mechanism for the continued economic well-being of humanity. What blinds people to the historical realities of the capitalist project and its agenda, that they still hold out the prospect for such a system to be reformed, or modified to yield a just and benevolent outcome?

It is the contention of this article that these kinds of misleading conclusions are arrived at precisely because the worldview of *tawhīd* and its corresponding episteme of unity of knowledge is not acknowledged in socio-scientific enquiry. This has been the central debility of modernist science, including mainstream economics, ever since the advent of the *scientific*

*revolution*. Consequently, when the reductionist approach of methodological individualism is employed, it partitions reality into segregated compartments of learning. When this happens, the object of enquiry is examined in isolation of the vast nexus of relationships it has with all of its related phenomena in both the physical and non-physical domains. Moreover, the subject of study is stripped of its empirical content, and its historical unfolding is rarely appraised. In so doing, its intra-and inter-disciplinary linkages and consequences are invariably overlooked, leading to invalid and myopic conclusions. Pluralism, as advocated by Reardon, is not tenable as a way out of this confusion either; it merely adds to the muddle of further individuated outcomes with no way out of the impasse.

Ironically, and interestingly, in suggesting other ways forward to reform economic pedagogy in general, Reardon explicitly mentions the need to overhaul our approach to economic analysis. These include adopting a multi-systemic approach, increasing inter- and trans-disciplinarily, recognizing the interconnectedness of the physical and non-physical domains in our study of phenomena, and a recasting of basic concepts and categories, where necessary. These are, in fact, some of the self-same aspects that the *tawhīdī* approach emphasizes. Had Reardon adopted all of these in his own exposition on the topic of platforms and capitalism, which he neglected to do, he may well have arrived at more forceful and decisive conclusions in his write-up.

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## رأسمالية المنصات – نعمة أم نقمة على المجتمع؟

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المستخلص. في هذا المقال، يتم استكشاف ظهور رأسمالية المنصات ودعوى تطورها إلى عالم اقتصادي مثالي. باستخدام نظرة العالم التوحيدي، أتتبع ظهورها في سياق نمو الرأسمالية الحديثة نفسها. تكشف الدراسة أن هناك بعض العناصر الأساسية في الإطار المؤسسي للاقتصاد الحديث التي تمكن الرأسمالية من الهيمنة على المجتمع وهيكلته. في سعيها لإنشاء القيمة والسيطرة عليها، فإنها تنمو بسرعة، ولكنها تدمر المؤسسات الأخرى، بما في ذلك مؤسساتها نفسها. ومع ذلك، فإنها تحمي دائماً جوهره الداخلي حتى يتمكن من إعادة تشكيل نفسه بشكل جديد. تمثل المنصات وسلطة التكنولوجيات الحديثة الناشئة عنها الأبعاد الجديدة في جدول أعمال الرأسمالية، بعد انهيارها المذهل في ٢٠٠٧-٢٠٠٨م. على الرغم من أن البعض قد أشاد بظهور رأسمالية المنصات باعتبارها فجر عصر جديد في الازدهار المادي للجميع، إلا أن هذا المقال يوضح أن هذا الادعاء ليس سوى خدعة لخداع العالم في تبني العصر الرقمي بكل إخلاص. تعترف الرأسمالية العالمية بجدول أعمال واحد فقط: الحاجة إلى إشباع شهيتها الغير متناهية لتراكم الثروة المادية؛ كل شيء آخر غير ليس له أهمية. إنه لا يمكن لأي نظام أن يقدم الأمل للعالم بأسره في مواجهة هذه التحديات سوى نظام الاقتصاد الإسلامي القائم على أساس أخلاقي، والذي يحتضن مبدأ التوحيد، أي علم الوجود ونظرية المعرفة للتوحيد المنهجي في كل شيء.

الكلمات الدالة: الرأسمالية، المنصات، الاقتصاد، الاقتصاد الإسلامي، توحيد.

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