The Economic Philosophy of the Holy Qur’ān
(A Study of Sources & Foundations)

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ABSTRACT

This article attempts to understand the economic philosophy of the Qur’ān with the support of five renowned commentaries (Tafasīr) of the 20th century, and some notable scholars of Islamic Economics. This study has identified Qur’ānic teachings to provide a basis for an understanding of the economic life of human beings and nations as the conventional economic thinking provides. The study has probed into the basic foundations of Islamic Economic System. The article has carried out a comparative analysis of the secular concept of life with the Islamic concept of life and linked it to the Islamic Economic Philosophy. This paper has identified that Qur’ānic approach to economic life clearly differs from the conventional approach on Economic matters. This article leads to some new dimensions not covered in conventional Economics.

Keywords: Islamic Economics, Qur’ānic Philosophy of Economics, Foundations of Islamic Philosophy

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INTRODUCTION

According to Will Durant, “Every science begins as philosophy and ends as art; it arises in hypothesis and flows into achievement. Philosophy is a hypothetical interpretation of the unknown (as in metaphysics), or of the in-exactly known (as in ethics or political philosophy); it is the front trench in the siege of truth. Science is the captured territory; and behind it are those secure regions in the captured territory; in which knowledge and art build our imperfect and marvelous world. Philosophy seems to stand still, perplexed; but only because she leaves the fruits of victory to her daughters the sciences, and herself passes on, divinely discontent, to the uncertain and unexplored”.

Paul A. Samuelson has explained economics as a field of study and discourse which should be considered as the sixth field of Philosophy. He says, “Economics covers all kinds of topics. But at the core it is devoted to understanding the way businesses, households, and governments behave; it attempts to figure out the 1001 puzzles of everyday life”.

Economics today has become a very important branch of social sciences. It starts with philosophy or a hypothetical interpretation or solution to an economic problem and becomes a theory for practice, which is confirmed by implementation or experience.

With this brief introduction of philosophy, we shall now discuss the philosophy of contemporary economics.

Contemporary Philosophy of Economics

Contemporary economics has developed in an environment of atheistic materialism. Instead of finding nectar for genuine human welfare, the contemporary economics has injected the poison of utilitarianism into the most useful subject of economics. It claims that economic struggle is necessary because of the scarcity of resources and man’s ultimate goal is, therefore, to gain maximum material benefit. Modern economists have plunged man into the hazardous state of selfish conflict. In this selfish struggle, a few strong and unscrupulous individuals attain prosperity by fair or unfair means but the majority of human beings are suffering poverty and destitution. Consequently, this economic philosophy has ruined man’s peace of mind and satisfaction of heart. Modern economic philosophy lacks in divine guidance. It is based on the denial of the metaphysical phenomenon or holds a mechanical concept of life in which the existence of non-material things is not recognized. It holds secular concepts regarding the creation of Man and other creations; creation and administration of the universe by Laws of Nature; the mechanical or accidental concept of universe; universe being subservient to Man to benefit according to his personal instincts and whims; concept of life Hereafter and trial; people’s sovereignty; concept of humanism; concept of rights and obligations; laws for the protection of life, property and honor.
This philosophy considers man completely free in his thought and action and regards this worldly life alone to be the sole target. It is the material gain alone, which counts. This concept of natural and social sciences disregards the soul and its requirements and gives exclusive attention to human body and its demands. In consequence, moral values, which prove to be a barrier in the realization of worldly objectives are either rejected, or regarded as merely relative subject to the needs of time. Thus, secular philosophy of modern-day economics originating in the West is not compatible with Islamic philosophy of economics. In simple words, Man fabricates secular philosophy of economics and the Lord of this universe reveals the Islamic philosophy of economics to Man.\textsuperscript{iv}

\textbf{Qur’ānic Philosophy of Economics }\textsuperscript{v} (The Concept of Hereafter or Day of Reckoning on Worldly Life)

There is no disagreement among the economists on this viewpoint that all economic systems are based on certain philosophies, so is the case with Islamic economic system, which is based on revelation, a metaphysical phenomenon, revealed to Man, based on \textit{Qur’ān, Sunnah, Ijmā’ (consensus), Qiyās (analogy) etc.}

A philosophy, howsoever attractive, remains lifeless and ineffective if not integrated with practice. The Muslims own a philosophy, which encompasses every branch of social sciences. The economic philosophy of the Holy Qur’ān does not only demand to have certain beliefs, and practice some rituals, but it also fervently demands to have firm belief in the revealed knowledge (Holy Scriptures), sent by Allah, \textit{subhanahu wa ta’āla}, through His Messengers (Peace be upon them), to confirm the Truths of this universe and the Man himself. Thus, the economic philosophy of Qur’ān means, true belief in the revealed knowledge, total submission to the Will of Allah, to live a life according to the teachings of Allah and his Messengers, to understand the purpose of Man’s life on this planet as a unit, and an organic whole, which cannot be divided into several compartments.\textsuperscript{vi} Consequently, the economic philosophy of the Qur’ān does not bifurcate Man’s life into this world and the Hereafter. This philosophy has been clearly mentioned at many places in the Holy Qur’ān.\textsuperscript{vii} However, the contemporary commentators like Muhammad Shafi’, Amin Ahsan Islāhi, Sayyid Abu al-a’la Mawdūdī and Muhammad Karam Shah have also elaborated this philosophy in their \textit{Tafsīrs}, especially in the verses cited in the end note number six.\textsuperscript{viii}

This may be kept in mind that before the advent of Western colonialism, which legalized interest, and on its basis promoted banks, the Muslim world was following the Islamic economic system without any problem. This fact can be compiled from the older works on \textit{ahādīth and fiqh covering mu’āmalāt}.

\textbf{Foundations of the Islamic Philosophy of Holy Qur’ān}

The Islamic Philosophy of the Holy Qur’ān holds major foundations which are adapted from Qur’ān and Sunnah. Figure-1 below enlists these foundations:
(1) Man and all other creations owe their existence, to Allah alone. (2) The universe is created and administered in accordance with the regulations set by Almighty Allah, known as "Laws of Nature". Negation of the mechanical concept of universe, which claims, it a product of an accident. (3) Whole universe is subservient to Man for his use and benefit. (4) Life of the humankind in this world in a place of trial, on which depends his life of the Hereafter. (5) Allah alone is the Sovereign; this concept of sovereignty gives birth to the concept of human unity and human equality. It slashes the roots of rule of man over man, and negates the concept of kingship, dictatorship, priesthood. (6) Every one is equal according to Islam. All humans enjoy equal rights and can seek remedy, if wronged, through a court of law. Everyone has protection of his life, property, and honour. (7) The economic philosophy of Qur'ān is based on Wahī (revelation), which demand a believer to adopt a balance between the requirements of body and soul and function for the larger interest of human good. (8) This Philosophy is not against morality. It believes in eternal moral values, through which nations rise and fall. (9) Fundamentals of Islamic economic philosophy come from Qur’ān and Sunnah. The Qur’ān condemns every innovation, for which there is no proof in the fundamentals. However, Islamic economic philosophy is not static. It gives a golden tenet of Ijtihād, an instrument, for use in all places and times of need. (10) Regarding the reason of truth, the Qur’ān prescribes that where there is valid evidence for another point of view, it should be accepted with humbleness. However, where the evidence is fake or lacking in truth, the Qur’ānic philosophy feels obligated to expose that discrepancy. The truth is exclusive and should be accepted without compromise. The good value is recognition of Allah as the source of all truth. (11) A common misunderstanding about the economic philosophy of Qur’ān is that it demands blind faith in its principles and blocks the way of evaluation. This is a mistaken view,
which has created hostility between the Qur’ānic and non-Qur’ānic philosophy of social sciences, which certainly includes economics. The Holy Qur’ān on the contrary, repetitively invites and encourages humankind for judicious economic thinking about every phenomena including that of economics.

The Concept of Two-Lives

The first important element that helps in understanding the economic philosophy of the Holy Qur’ān is the concept of two lives. The conventional economics confines itself to activities having an impact on the economic aspects of our life in this world only. It is believed that the human life is merely confined to this world in which we are living in. In contrast the first significant point that brings out a marked difference in the approach of human beings towards economic activities according to Qur’ān is the very fact that our activities have impact not only in this world but also in another world that we have to live after we finish our life in this world.

“Flair in the eyes of men is the love of thing they covet: Women and sons; heaped-up hoards of gold & silver; horses branded for (blood & excellence); and (wealth) of cattle and well-tilled land. Such are the possessions of this worlds' life; but in nearness to Allah is the best of the goals (to return to). Say shall I give you glad tidings of things for better than those? For the righteous are gardens in nearness to their Lord, with rivers flowing beneath; Therein is their eternal home; with companions pure (and holy) and the good pleasures of Allah. For in Allah's sight are (all) His servants”.

These verses clearly display the concept of two lives both of which have economic gains and benefits of their own kind and taste. The first life has material pleasures like women, sons, gold, silver, horses, cattle and good land and the other life of the Hereafter has spiritual pleasure, gardens, rivers, eternal houses and companions.

"Nay (behold), ye prefer the life of this world; but the Hereafter is better and more enduring.

Similarly, in verse 2:62 it has been mentioned that those who live a righteous and pious life, they will not have fear in this world, nor shall they grieve in the Hereafter. All these verses also show the difference of two lives; the achievements in the Hereafter showing a priority over this worldly life because of its much better, enduring and eternal economic benefits.

The concept of two lives, in fact is like two phases. The first phase is transitional which begins with the present life on this earth. All of its material conveniences and pleasures will end on an appointed day. From here starts the second phase, the life of the Hereafter which is eternal and endless in terms of life and its pleasure and pain, possessions and punishments.

This concept of two lives is very important to understand in order to explore the economic philosophy and the economic teachings of Holy Qur’ān.
Nature and Significance of Worldly Life (according to Qurʾān)

With emphasis on priority of work for the second life and the eternity of that life, the nature and scope of economic activity in the first life can be understood by realizing the nature and significance of the worldly life. Life on this planet is a splendid demonstration of Allah’s wisdom and knowledge. For a Muslim it is a transitory stage, an introduction to the eternal life in the hereafter. Verse 19:74 of the Qurʾān tells the history of countless generations of the past destroyed by Allah, who were even better in equipment and in glitter to the eye but that has been repeatedly mentioned as temporary and transitional. The transitional nature of our present life is explained by a parable in verses 10:24-25, that perhaps the people think that this world will last eternally, but it will not. All that of this material life will be left in dust and ashes. This is more clarified in verses 26:146 to 149, that people will not be left secure forever in the enjoyment of all that they have here in the form of gardens, springs, cornfields, date palms with cobs near breaking with the weight of fruits, and the houses made with great skill in the mountains.\textsuperscript{xv}

The Qurʾān describes nature of this world in these words: "What is the life of this world but a play and amusement" \textsuperscript{xvi} and "The life of this world is nothing but goods and chattels of deception".\textsuperscript{xvii} These verses again refer to the lower value and transitory condition of this world. Similarly verses 3:14, 18:46, 28:60, 42:36, 43:35, mention that the material things like women, sons, heaped up hoards of gold and silver, excellent branded horses, wealth of cattle, well-tilled land are nothing but conveniences and possessions of the present life which is a fleeting show and the only reality will be when man has attained his final goal.\textsuperscript{xviii}

The Qurʾān also tells us in verses 7:32, 17:21 and 28:61, that the good, clear and pure things of this life are beautiful gifts of Allah produced for his servants for their use, convenience and sustenance in this worlds’ fleeting life, but are not more in rank, gradation and excellence in comparison with those of the Hereafter. It is also mentioned in verses 92:11 and 104:3, that amassed wealth and material advantages of this world will not last forever nor will they be of any use on the Day of Judgment. In the light of above, and from verses 2:2, 42:36, 46:15, it can be understood that the system of this world is not eternal, because it will end at a certain time which is only known to Allah, and after using the material possessions and conveniences of this world for a limited period of life every soul will leave empty handed and everything will be annihilated on an appointed day.\textsuperscript{xix}

Man should not be occupied seriously in seeking an increase of wealth, position, number of adherents or followers, supporters, mass production and mass organization that he forgets his departure from this world and that he has to start another life, which will be eternal.\textsuperscript{xx}

The Qurʾān also describes the importance of the next world and emphasizes upon man to prefer the next world over this world. In verses 9:38 and 87:16-17, it says: "Do you prefer the life of this world; but the Hereafter is better and some more enduring". These verses show that these two lives are not equal in value. Very little value is attached to worldly material things and ranks comparing with those of the
Hereafter. The gifts of the Hereafter are far higher and superior in dignity, quality and real worth than the transitory ones of this world. So, it is rational to look and go for those having more value. For these reasons Qur’ān requires to give priority to the Hereafter and demands sacrifice of worldly profits on those of the Hereafter.\textsuperscript{xxi}

In contrast with ephemeral and uncertain pleasure of this material life there is a general call from the Lord to all human beings for the higher good and that is the best and eternal home of peace of the Hereafter, better and more lasting which is within the sight of Allah, only for those who believe, work-righteous and put their trust in Lord.\textsuperscript{xxii} It does not mean at all that the present worldly life and its comforts are not important to Muslims and they are required to ignore the first life and just try to pursue the second life, but in fact, the first life provides the opportunities to succeed in the second life. The important thing is that success in second life depends on how one behaves in the first life and the behaviour in first life to enable one to succeed in the second life does not require one to ignore first life. He is rather required to be fully active to get rewards in the world hereafter.\textsuperscript{xxiii}

The two lives are not two independent lives but are two integral parts of same life. One life leads to another. The life of this world is in fact a place of test in different ways for men, people and nations to earn their comforts in the permanent life of the Hereafter. All human beings on the earth are under trial by having or not having the sustenance and possessions of this life, which are provided by Allah to the just and the unjust as a test, the result or reward of which is not given in this world but in the Hereafter which will bring Paradise for the successful and Hell for the those who fail.\textsuperscript{xxiv}

"Verily we have created man for toil and struggle".\textsuperscript{xxv} This means that man is born to strive, struggle, and suffer hardships to achieve the objective of his life. Verses 23:30 and 29:2-3, clearly state that there are signs for men to understand that they will not be left alone by only saying this that they believe, but for sure they will be tested, like those before them. The Qur’ān also gives the historical proof in verses 7:94-95, about trial taking, that whenever a prophet was sent to a town (means nation), Allah took up its people in suffering and adversity, in order that they might learn humility. Then Allah changed their suffering into prosperity, until they grew and multiplied, and began to say that their fathers too were touched by suffering and affluence. Both suffering and prosperity were referred to as a trial of Allah in this case. In the same context the parable about "People of the Garden" mentioned in verses 68:17 to 20, illustrates the test of Allah by economic losses and also refers to the history of the people of Makkah, who were tested at the time of this divine revelation.\textsuperscript{xxvi}

"That what is on earth we have made but as a glittering show for the earth, in order that we may test them as to which of them are best in conduct".\textsuperscript{xxvii} The purpose of testing the people by prosperity and adversity is also explained in verses 11:7, 29:3, 39:49 and 89:15-16, by saying that most of the people do not understand that Allah tries the people to see their true and false conduct.
"Be sure we shall test you with something of fear and hunger, some loss in goods or lives or the fruits; ---". xxviii The Holy Qurʾān mentions more in verses 3:186, 6:165, 20:131, 21:35 and 64:15, that the trial by Allah may be loss of possessions, gifts, riches and children, by raised ranks above others, by splendor of life and by evil and good. In other words, the economic achievements of the first life are merely a form of a test. xxix

The philosophy of Hereafter discussed above, is the continuity of this life with a break by death. The soul will not die but the death of the body will give a taste of death to the soul when the soul separates from the body. The soul will then know that this life was but, a probation. The denial of the life after death make all other beliefs meaningless but the concept of Hereafter with its belief of answering to Allah on the day of judgment for all the deeds and the distribution of reward or punishment keeps the man alert in his worldly activities and plays a very important role in the Islamic system of life. The Holy Qurʾān says: "And fear the Day when ye shall be brought back to Allah. Then shall every soul be paid what it earned, and none shall be dealt with unjustly". xxx Moreover "On that day will men proceed in companies sorted out, to be shown the deeds that they (had done). Then shall anyone who has done an atom’s weight or good, see it. And anyone who has done an atom’s weight of evil, shall see it". xxxi Pick hall translated same verses in these words: “That day mankind will issue forth in scattered groups to be shown their deeds. And whoso doeth good an atom’s weight will see it then. And whoso doeth ill an atom’s weight will see it then”.

The Qurʾān tells more of its nature in al-Qurʾān: 3:57, 3:185, 6:36, 19:40, 29:8, 34:11, 40:40, 45:22 and 89:5, that every soul shall have a taste of death, all will be raised up by Allah, all the good and bad deeds will be shown and all will be rewarded justly and all the seeming inequalities will be adjusted finally on the day of judgment.xxii

"On that Day no power shall they have over each other for profit or harm and we shall say to the wrong-doers, taste ye the penalty of the Fire, the which ye were wont to deny!” (al-Qurʾān: 34:42). “The day whereon neither wealth nor sons will avail.” (al-Qurʾān: 26:88). In the above verses and in verses 2:134, 39:47-48 & 92:11, Qurʾān makes us aware that on the Day of Judgment no one will have the power over each other for profit or harm. Wealth amassed in this world will be of no use on that day, nor will the sons and any material advantages of this life bring profit by themselves in the Hereafter. Everybody shall reap the fruits of his doings according to his merits.xxxiii "Ye shall certainly be called to account for all your actions”. xxxiv Moreover, “For every act of hearing or seeing or of (feeling) in the heart will be enquired into”xxxv

The Qurʾān informs Man of his responsibility in this world and warns him by telling that he will certainly be questioned in the Hereafter for his actions, for the joy he indulged in, and for every engagement he will have to stand before Allah’s tribunal to answer all his deeds.xxxvi So one should fear and be prepared of the questioning and its bad consequences in case of guilty of the day of disaster when hearts and eyes will be transformed in wholly new world.xxxvii And for those who do not believe in the
Hereafter Allah has made their deeds pleasing in their eyes and so they wander about in distraction. For such, a grievous penalty of fire is waiting and, in the Hereafter will be the greatest loss.xxxviii

**Qur’ānic Concept of Worldly Life**

Despite all this contrast between the two lives and the insignificance of the first life vis-à-vis the second life, the Holy Qur’ān nowhere implies to ignore and neglect the first life. All the fruits and enjoyments of first life are required to be enjoyed, but only in a way that it becomes a source of achievements in second life. The following verses clears this concept: "Who hath forbidden the beautiful (gifts) of Allah, which he hath produced for his servants, and the things, clean and pure, (which he hath provided) for sustenance.\(^{xxxix}\); "It is Allah who made out of the things he created some things to give you shade of the hills, he made some for your shelter, he made you garments to protect you from heat, and coats of mail to protect you from your (mutual) violence. Thus, does he complete his favours on you, that ye may bow to his will”.\(^{xli}\)

The Qur’ān encourages Muslims to take their portion of the beautiful bounties of Allah in this world and use these worldly gifts which he has produced for his servants. "Do not forget thy portion in this world".\(^{xlii}\) It suggests a middle course between the two different conceptions of life, which is "moderation" in every walk of life. "Hold a just balance between those extremes." (al-Qur’ān 25:67). It also means neither to renounce this world, because the life of asceticism destroys all working potentialities, nor to be engrossed and involve in the economic pursuits of life to such an extent, that the second life is forgotten.

The Qur’ān describes the objective of both lives by using the term "Falah" which means prosperity, betterment and success of both worlds which depend upon the righteous behaviour and good deeds related to the second life. "The believers must (eventually) win through" (al-Qur’ān 23:1). To achieve this objective, it enjoins the Believers to go for the greatest success of this world without endangering the good and benefits of the next world by walking on the path of truth and piety that is to believe and obey Allah and his Apostles instructions and do good and righteous work, which will certainly bring peace, happiness, calmness of heart and the prosperity of this life and that of the Hereafter. (al-Qur’ān: 2:35, 2:62, 2:197, 2:281, 2:200-201, 23:51, 72:16)

The greediness of this world should not be the objective of a Muslim but to live a life of honour and piety by lawful economic activities looking for the good of both worlds. Al-Qur’ān:"But whosoever turns away from my message, verily for him is a life narrowed down, and we shall raise him blind on the Day of Judgment".\(^{xliii}\) the Holy Qur’ān considers only those worldly successes as valuable, which are pure and possess good of both worlds even it may be very little in quantity it counts the reward of the next world as the profits of this world. On the other hand, by walking on the path of faith, righteousness and piety, if one looses all the worldly pleasures or possessions of this life, he is not considered as a failure in the view of the Qur’ān because he will for sure get excellent rewards and will be successful in the next life.

The comfort and order in this world is an important element of Qur’anic teachings on pursuing the benefits of this world. The Qur’an abhors "Fasad" which is equivalent to mischief, and condemns it very strongly and informs of the severe punishment in this world and the Hereafter. "--- And do no mischief on the earth after it has been set in order. That will be the best for you if ye have Faith. " (al-Qur’an: 7:85); " --- Allah loveth not mischief." (al-Qur’an: 2:205); "(Those who) do mischief on earth these cause loss only to themselves."(al-Qur’an: 2:27). Those who are involved in this act of "Fasad" are informed of severe punishment in this world and the Hereafter. The things which the Qur’an considers in the category of fasad is breaking Allah’s covenant after it is ratified; breaking of relationships, mischief on earth by hoarding, mixing, blending, black-marketing; fraud in weights and measures. All these things results in Mans own loss in both worlds.

CONCLUSION

The Islamic Economic Philosophy creates a system of Islamic life, which stands on this concept that Allah has created Man and all that is in the heavens and on the earth and he loves his creation. He is the only one to be worshiped without any rival. He is the real sustainer and owner of all that is in the heavens and to him belong the entire heritage and He has all the knowledge. Allah has placed Man as trustee and inheritor on this earth and all that is created in the heavens and on the earth is for him to explore by the perfect knowledge inspired to him by Allah to use and enjoy its fruits in good ways to achieve the success of both worlds. Allah has given many things in his hands as a trust with an authority, power and freedom of its use and enjoyment according to his wish. But, the use of these worldly bounties of Allah should be in accordance with instructions of Allah, not merely with his own lust. He should handle this trust with honesty and skill, with mindfulness of Allah and with the consciousness of responsibility to Allah.
Notes & References


v English translation & meanings used in this paper are taken from “THE HOLY QURÂN” tr. by Abdullah Yousuf Ali, revised & edited by “The Presidency of Islamic Researchers, Ifta, Call & Guidance”, King Fahad Holy-Qurân printing complex, Kingdom of Saudi Arabia, u.d.


xii al-Qur‘ân: 87:16-17; also see commentary by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Ma-ârif-ul-Qur‘ân; Mawlâna Amin Ahsan Islâhi, Tadabbur al-


xv Also see commentary on the verses cited, by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Mawlâna Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.


xviii Also see commentary on the verses cited by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Mawlâna Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.

xix Also see commentary on the verses cited by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.

xx Also see commentary on the verses cited by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.


xxiii Also see commentary on the verses cited, by: Abdullah Yousuf Ali, Mufti Muhammad Shafi, Mawlâna Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.


xliii Also see commentary on the verses cited, by: A.Yousuf Ali, Mufti Muhammad Shafi, Mawlâna Amin Ahsan Islâhi, Sayyid Abul-a’la Mawdûdi, Pîr Muhammad Karam Shah al-Azharî.