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# Some Remarks on the Phenomenon of Islamic Revivalism

by Cornelia Löffler-Lohmar, Berlin\*

**There are several indications that in at least some parts of the Islamic world a process of cultural and political change has begun, with the tendency towards a reassertion of Islamic values. Amongst other things, this involves formulating a concept of modern Islamic economics, the principles of which are derived from the ethical norms of Islam. Is a specifically Islamic economy really likely to develop? What form might this take?**

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**S**pectacular events in the Middle East such as the Islamic Revolution in Iran, the known activities of fundamentalist Moslem brotherhoods in Syria and Egypt or Libya's emergence on the world stage in recent years have given the impression that Islamic values are undergoing a revival. In addition, the increased worldwide economic and political influence of the rich Arab oil states, among which Saudia Arabia in particular is asserting its own cultural values with considerable self-assurance, is helping ensure that the western industrial countries pay Islam more serious attention, if only for reasons of political opportunism.

This throws up many questions, however, which up to now have been surrounded by much uncertainty. Islamic revivalism – does it really exist, and what does it mean? Is it a movement of religious renewal or a relatively comprehensive political concept? Is it a passing political and ideological fad, or are there increasing signs of a new deeper-rooted self-confidence in the societies of the Islamic cultural sphere? What are the basic values and principles upon which Islamic revivalism obviously rests, for all the diversity in notions about Islamic society? Is a specifically Islamic economy really likely to emerge if such ideas exert growing political influence on development in Islamic states?

It need hardly be said that this article can offer no complete answers to these questions. It merely serves

to give the interested reader a clearer picture of the phenomenon of present day Islamic revivalism by

- briefly indicating some of the generally less well-known signs of a resurgence of Islamic values;
- attempting to sketch the broad outlines of the background and intention of this development, which is often portrayed as (neo-)fundamentalism;
- describing basic values and principles in Islam to the extent that they also affect the way in which economic life is ordered in an Islamic society.

Value judgements from a Western point of view have been deliberately avoided in the bulk of the article in order to give as factual and unbiased a portrayal as possible. It is only in the concluding section that a personal assessment is made.

## Signs of Islamic Revivalism

For centuries Islam has influenced individual behaviour, the structure of society and political developments to varying degrees and in varying intensity in the countries of the Middle East, in India and in South-East Asia. Even today Islamic tradition leaves its imprint on the thinking and life style of a large number of people,<sup>1</sup> most of whom live in developing countries from Morocco to Indonesia.

Until recently this fact was of little importance from the international point of view. Even the Islamic developing

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<sup>1</sup> At present there are about 750 million Moslems in the world.

countries still continue to gear their development efforts predominantly towards modern industrial and technical progress in the Western mould, with all the cultural, economic and social consequences this entails for their societies.

Increasingly determined resistance to this Western hegemony is now building up in almost all fields. There are many indications, some less obvious than others, that in at least some parts of the Islamic world a gradual but continuous process of cultural and political change is now under way, with a tendency towards a reassertion of Islamic values. A broad spectrum of facts point in this direction:

- In Bangladesh the weekly day of rest was recently moved from Sunday to Friday.<sup>2</sup>
- In the Sudan the Attorney General, Hassan el Turabi, is an influential advocate of Islamic revivalism as a prerequisite for the independent development of his country.<sup>3</sup>
- With massive support from a member of the Saudi royal family, systematic efforts have been made for years to establish a modern banking system at international level on the basis of Islamic principles.<sup>4</sup> In the Sudan Islamic banks are already gaining increasing importance for economic development.
- Many countries have reintroduced Islamic traditions or begun to observe them more strictly, such as segregation of the sexes in schools and universities or the provisions relating to the punishment of offenders.
- Even in the Soviet Union the increasing popularity of Islam, especially among the young, has been officially bemoaned as a cause for concern.<sup>5</sup> Similar trends have long been reported in other countries with Islamic populations.
- In the academic field there is a growing flood of literature in which the possibilities of building a modern Islamic society on the basis of the Koran and the *Sunnah* are discussed, mostly by Moslems. With the

same purpose in view, an International Centre for Research in Islamic Economics was established a few years ago at the King Abdul Aziz University in Jeddah.

□ The English-language review "Arabia" was founded about two years ago with the aim of intensifying the dialogue among Moslems and between Moslems and non-Moslems and providing information on current political, cultural and economic affairs throughout the Islamic world. Reports on trends towards Islamic revivalism occupy a prominent place.

Events such as these often fail to catch public attention outside the country concerned. However, let there be no doubt that the Islamic world is currently going through a process of political and cultural self-discovery whose lasting effects are difficult to assess.

The diversity and contradictions that are emerging in the political objectives<sup>6</sup> pursued are often interpreted in Western Europe as an expression of intellectual and political immaturity. This criticism is certainly justified to the extent that it applies to times of upheaval of any kind anywhere. On the other hand, such diversity also suggests that this is a widespread phenomenon occurring in various social classes and in different countries more or less independently of the policy predominating there.

Let us leave this point for the time being with an observation made at first hand. Among Islamic students from a wide variety of disciplines the idea of an Islamic development strategy based on their own cultural tradition to overcome the backwardness of Islamic developing countries is very much a subject of critical and controversial but nonetheless serious discussion. This should strike the observer as significant since these students might belong to tomorrow's academic and political elite in their own countries.

### Background and Intentions

Non-Moslems often see the revival of Islamic values merely as a rather anachronistic movement towards religious renewal that in the final analysis is incapable of tackling the burning problems that increasingly confront the world, especially the developing countries.

The history of revival and reform in Islam shows, however, "that moral rather than theological factors

<sup>2</sup> Reported in the review "Arabia", No. 18, February 1983, p. 20.

<sup>3</sup> Cf. "Arabia", No. 14, October 1982, p. 38 and No. 20, April 1983, pp. 18-20.

<sup>4</sup> Mohammad al-Faisal, a son of the late King Faisal, is playing a major part in these efforts. In 1975 the Islamic Development Bank was founded in Jeddah. The Islamic financial institution Dar al-Maal al-Islami has enjoyed accreditation in Geneva for more than a year; for a detailed report see "Arabia" No. 13, September 1982, pp. 35-49. Denmark recently granted a licence to an Islamic bank; report in "Arabia", No. 19, March 1983, p. 60. In May 1981 an International Symposium on Islamic Banking was held in Baden-Baden at which representatives of Islamic banks and countries undertook to work for the international establishment of an interest-free banking system. In many Islamic developing countries Islamic banks already play a considerable role in economic development efforts.

<sup>5</sup> Süddeutsche Zeitung, 13. 6. 1983.

<sup>6</sup> Such as the orthodox fundamentalist orientation of Pakistani policy and the Islamic Revolution in Iran, the revolutionary socialist neo-fundamentalism of Muammar al-Gaddafi or Saudi Arabia's form of Islam, which is traditionalist and yet open to modern developments.

have been in the foreground".<sup>7</sup> In the eighteenth century the writings of al-Ghazzali (1058-1111) and Ibn Taymiyah (1263-1328) inspired the rise of opposition movements – both activist reform movements and reformist intellectual ideas – to counter the orthodox rigidity of Islamic legal practice. Their proponents accepted only the Koran and the *Sunnah*<sup>8</sup> as fundamental sources of Islam – hence their description as "*fundamentalists*". In order to recover the original message of the Koran and the *Sunnah*, which in their view had been falsified in the course of time by the theological and doctrinal interpretations of the schools of law, they demanded *ijtihād*. *Ijtihād* means "to exert one's intellectual powers to find answers to problems ... (which) was meant to do more than solve new

problems by using historical Islamic roots and reason together: it was to reenact Islam at its historical roots".<sup>9</sup>

The nineteenth-century *modernists* also belonged to this spiritual tradition. They stressed above all the moral-social orientation in Islam. Accordingly, their reform ideas related mainly to social issues, such as education, women's rights and rudimentary economics.

In the view of the modernists, the backwardness of Islamic societies in relation to the rising western industrial nations was due to the Moslems' deviation from the principles in Islam and neglect of the obligation of *ijtihād*, in other words their own creativity. Unlike their revivalist predecessors, however, they considered that progress was practically impossible without the use of modern scientific knowledge and methods along Western lines.

This attachment to Western thinking and life styles was one of the reasons why the modernists of the last century remained a minority, rejected by orthodox jurists

<sup>7</sup> Fazlur Rahman: Roots of Islamic Neo-Fundamentalism, in: Philip H. Stoddard et al. (ed.): Change and the Muslim World, Syracuse 1981, pp. 23-35, here p. 26.

<sup>8</sup> Collection of reported sayings and deeds of the Prophet Mohammed during his lifetime; these reports, which number tens of thousands, are termed *hadiths* (traditions). Recognition as an authentic *hadith* requires proof of an unbroken chain of transmission. Some *hadiths* may be interpreted in several ways; this gave rise to the various schools of law in the first century after Mohammed's death.

<sup>9</sup> Rahman, op. cit., pp. 26f.

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and misunderstood by the vast traditionally-minded majority of the population.

This also earned them bitter criticism from the *neo-fundamentalists*, who became active at the beginning of this century and who see the effects of Western civilisation on Islamic societies from the colonial period to the present day as the essential cause of their backwardness.

Unlike the earlier fundamentalists and modernists, the neo-fundamentalists of today do not come exclusively from the *ulema* (lawyers) or from the intellectual elite. Many are laymen, believing Moslems who are often involved in brotherhoods or other activist movements. As a reaction against the hegemony of the West in the cultural, economic and technological spheres they demand separate development and the establishment of an Islamic social order based on the Islamic values conveyed by the Koran and the *Sunnah*. This is seen as an alternative to both the capitalist and communist paths of development and hence also as an ideological and cultural challenge, particularly to the occident.<sup>10</sup>

Up to this point there is broad agreement between the neo-fundamentalists and the *modern revivalists*. The latter are mainly academics, many of them educated in Europe or the USA, whose direct experience of Western civilisation and intensive grappling with it have enabled them to develop a critical detachment from it.<sup>11</sup>

It is their intention to show the Islamic community of states ways of overcoming their "widespread economic underdevelopment, i.e. non-utilisation and/or under-utilisation of human and physical resources with consequent poverty, stagnation and backwardness (even in) those countries which are resource-rich"<sup>12</sup>, which is due partly to colonial exploitation but also partly to their own mistakes.<sup>13</sup> However, they consider true progress to be possible only if Moslems abandon "the

blind following of their leaders. The rulers, . . . the wealthy, . . . and the religious leaders have been exalted to the position of unquestioned authority, before whom men surrender their reason and critical judgment, to their utmost detriment".<sup>14</sup> Instead, each individual should remember *tawhīd*, "the conscious commitment to the will of Allah, of a thinking people emancipated from the mental slavery of other people and the bondage of their own basic instincts"<sup>15</sup> and through *ijtihād* develop new perceptions and perspectives for the improvement of his individual circumstances and the situation of the Islamic community as a whole.

This point constitutes an essential difference between the modern revivalists and the neo-fundamentalists. They concede that the latter also demand *ijtihād*, but accuse them of applying it in an uncreative way and instead merely forcing a religious revivalism. "The result is a revival of orthodoxy, rigid attitudes and closed minds instead of the dynamic approach which could face new situations, create new institutions and realise the Islamic values afresh."<sup>16</sup>

On the other hand, while not rejecting Western philosophy and life styles outright but adopting a highly critical attitude towards them, the modern revivalists differ from the generation of intellectuals and politicians from developing countries who considered that the way ahead for their countries after independence lay in close economic association with Western industrial countries and in the adaptation of a Western life style. In the modern revivalists' view economic and technological progress should also be achieved strictly on the basis of the ethical norm laid down in Islam.

Accordingly, their prime concern is to formulate a concept of modern Islamic economics. What differentiates their view of economics from Western economics is not so much the rejection of the entire body of economic *knowledge* developed in the West as the economic *thinking* prevalent here, which has no foundation in ethical norms and is in no respect holistic.<sup>17</sup> By contrast, not only are Islamic economics set in an ethical framework,<sup>18</sup> but the economic

<sup>10</sup> The capitalist order of society is considered decadent because of the observed lack of any link between economic activity and ethical norms, as expressed in an excessive desire for profit or an economic doctrine that classifies man solely as homo oeconomicus. Communism is categorically rejected not only because of its underlying atheism but also because the philosophy of historical determinism and materialism and the idea of collectivism run fundamentally counter to Islamic thinking.

<sup>11</sup> As expressed, for example, in Seyyed Hossein Nasr: *Decadence, Deviation and Renaissance in the Context of Contemporary Islam*, in: Khursid Ahmad et al. (ed.): *Islamic Perspectives*, London 1979, p. 35-42, here pp. 35 and 40.

<sup>12</sup> Khursid Ahmad: *Economic Development in an Islamic Framework*, in: Khursid Ahmad (ed.): *Studies in Islamic Economics*, London 1980, pp. 171-188, here p. 172.

<sup>13</sup> Muhammad Nejatullah Siddiqi: *Tawhīd: The Concept and the Process*, in: Khursid Ahmad: *Islamic Perspectives*, op. cit., pp. 17-33, here pp. 27f.

<sup>14</sup> Ibid., p. 19.

<sup>15</sup> Ibid., p. 29.

<sup>16</sup> Ibid., p. 31.

<sup>17</sup> The modern revivalists set themselves "the task of transforming and integrating into the Islamic pattern the extant economic wisdom most of which has evolved in the Christian West", Syed Nawab Haider Naqvi: *Ethical Foundations of Islamic Economics*, in: *Islamic Studies*, Vol. XVII, No. 2, 1978, pp. 105-136, here p. 106.

<sup>18</sup> For a discussion of normative and positivistic elements in Islamic economics see Anas Zarqa: *Islamic Economics: An Approach to Human Welfare* in: Ahmad (ed.): *Studies in Islamic Economics*, op. cit., pp. 3-18.

principles are derived from the ethical norms of Islam.<sup>19</sup> It is in this that is seen Islam's opportunity to offer prospects and possible ways of overcoming the backwardness of Islamic societies.

In order to understand Islamic thought and hence the present Islamic revivalist tendencies, it is essential to know that politics, economics and religion form a natural unity<sup>20</sup> in the minds of Moslems. One of the reasons for this can be traced back to the very origins of Islam, for in the original community of Medina, which is still regarded as a model, the Prophet Mohammed was both secular and religious leader. Another reason is that the revelations of the Koran and the sayings and deeds of the Prophet relate to all aspects of individual and social life. Hence notions regarding the shape of an Islamic economy are always part of a more comprehensive concept of Islamic development and society.

In order to understand revivalist concepts of an Islamic economic system it is also necessary to know Islam's fundamental ethical values, the essential guiding principles derived from these and a number of precise requirements and prohibitions relating to economic matters. They are described in the following section, of necessity in a very abridged form.<sup>21</sup>

### Framework for an Islamic Economic System

Non-Moslems often believe, not entirely correctly, that the Koran is the only source of Islamic values and principles. It is true that it contains an unordered collection of prescriptions on the most varied issues, including economic matters. However, as mentioned several times above, the *Sunnah* also forms an essential basis of the *shari'ah*.<sup>22</sup> The two literary works

together have always been uncontested primary sources of guidance for Moslems on absolutely all aspects of life.<sup>23</sup>

The *shari'ah* as a whole is more than a collection of provisions transmitted via the Koran and *Sunnah*, however; it "comprises injunctions emanating from Islam's world view and its social outlook. . . . The provisions of the *shari'ah* are purposive, the purposes relating to the welfare of man himself. They relate to both phases of man's life, the immediate earthly phase and that of the Hereafter. . . . The objectives of the *shari'ah* have two aspects: It lays down the proper rules of conduct enabling moral and spiritual growth, and protects the basic interests of man."<sup>24</sup> Every facet of man's behaviour, including his economic activities, should therefore follow the principles of the *shari'ah*. As the majority of these comprise rather general pronouncements and few detailed regulations, there is nevertheless considerable scope for interpretation.<sup>25</sup>

To anticipate a frequent question, let it be said at this point that a comprehensive Islamic theory of economics with detailed guidelines for the pattern of an Islamic economic system cannot be derived from the Koran and the *Sunnah*.<sup>26</sup> With regard to economic behaviour and the organisation of business activities there are relatively few binding regulations alongside the various fundamental provisions and guiding principles. However, these form the basis for the economic concepts of both the orthodox neo-fundamentalists and the modern revivalists.

According to the Islamic view, in the revelations of the Koran God gave man an ethical basis for all his actions in order to neutralise the selfish basic traits inherent in every individual.<sup>27</sup> Although in the Koran man is

<sup>19</sup> "The general requirement is that both the ends and the means must be Islamically legitimate. Even though the objectives and the means for achieving them are not always explicitly laid down, these can be deduced readily once we agree on a minimum set of ethical axioms, which adequately summarize Islam's ethical philosophy"; Naqvi: Ethics and Economics – An Islamic Synthesis, London 1981, pp. 37f.

<sup>20</sup> "The concept of unity . . . integrates . . . the political, economic, social and religious aspects of man's life into a homogenous whole"; Naqvi: Ethics and Economics, op. cit., p. 48. This concept also finds expression in the "Framework of an Islamic State – A Draft Constitution" drafted by a committee of scholars of the Islamic Research Academy of Al-Azhar in Cairo; see: The Muslim World League Journal, April 1982, pp. 29-34.

<sup>21</sup> Although the values and principles involved are largely uncontested, parts of the interpretation given here may reflect more the manner of thinking of the modern revivalists; their ideas have been more accessible to me through literature and personal conversations than the positions adopted by orthodox neo-fundamentalists; however, the latter differ from the modern revivalists less in their reference to the Koran and the *Sunnah* than, at most, in the degree of *ijtihad* for the development of Islamic development strategies.

<sup>22</sup> *Shari'ah* (road, path) is the term for the Islamic legal code, whereas the term *fiqh*, which is sometimes used synonymously, more properly means the legal system. The *shari'ah* lays down ritual duties and rules for various fields of human interaction, in particular commercial, personal and criminal law.

<sup>23</sup> Other sources of law recognised by the *shari'ah* are *ijma'*, i.e. the consensus of all believers, represented by the *ulema*, and *qiyas*, the drawing of analogies, in which current questions are settled by analogy with comparable cases previously settled definitively. However, as only the Koran and the *Sunnah* are the primarily religious sources whereas *ijma'* and *qiyas* can only claim historical legitimation, even for believing Moslems a dissenting view on their legal provisions is also possible, for example through *ijtihad*.

<sup>24</sup> Muhammad Nejatullah Siddiqi: Some Aspects of the Islamic Economy, Lahore 1978, pp. 75f.

<sup>25</sup> The modern revivalists in particular interpret this as meaning that in his revelations God deliberately took account of the fact that by no means all matters in life can be settled validly once and for all. He therefore calls upon believers to fashion their permanently changing political and socio-economic circumstances freely and responsibly; see Siddiqi: Tawhid, op. cit., p. 24.

<sup>26</sup> Occasionally the economic system built up during the ten-year reign of the second Caliph, 'Umar, and which continued for a further thirty years is cited as the model for an Islamic economic order that is still valid today. The essential elements of the system are described in Irfan Muhmud Ra'ana: Economic System under 'Umar The Great, Lahore 1977.

accorded an exalted estate as God's vice-gerent on earth,<sup>28</sup> he is nevertheless "at the same time . . . prone to avarice and given to love for material possessions."<sup>29</sup> In the Islamic ethical system, it is argued, these contradictory destinies of man are taken equally into consideration, so that the individual must not feel oppressed by impossible religious obligations.<sup>30</sup> Hence, an economic concept based on this principle would truly have "a comprehensive character and include moral, spiritual and material aspects"<sup>31</sup> of a man's life.

Individual striving for economic success is therefore advocated, as it not only satisfies the material and spiritual needs of the individual and of society but is also the prerequisite for the fulfilment of religious obligations towards God and of social responsibility towards fellow men. If these duties are taken seriously, a just social order is possible.<sup>32</sup>

### Basic Ethical Values

The basic ethical values that apply to all fields including economic activity are:

□ *Unity*: The immutable "interrelatedness of all that exists . . . Universe, life on earth and man all relate to all-embracing unity."<sup>33</sup> This implies the unity of life on earth and in the hereafter and the unconditional surrender by all to God's will, for "it is he whom God guides, that is on true guidance".<sup>34</sup>

□ *Equilibrium*: Man's perpetual striving for harmony and balance within himself, with his natural and social environment and with God "to reproduce in human life that harmony which already exists in Nature."<sup>35</sup> Ecological balance, social balance in the sense of social justice and economic balance are different aspects of this concept.

<sup>27</sup> "It was We Who created man, and We know what dark suggestions his soul makes to him: for We are nearer to him than (his) jugular vein."; Surah 50, verse 16 of the Holy Koran (Text, Translation and Commentary by A. Yusuf Ali, published in Leicester 1975; passages from the Koran will be quoted below as follows: Surah, verse; for example, 50,16).

<sup>28</sup> "When I have fashioned him (in due proportion) and breathed into him of spirit." (15,29); also 6,165 or 7,10.

<sup>29</sup> Naqvi: *Ethical Foundations*, op. cit., p. 109; the Koran says "And violent is he in his love of wealth." (100,8) or " . . . for man is (ever) niggardly." (17,100).

<sup>30</sup> The Koran says: "He hath chosen you and hath not laid upon you in religion any hardship." (22,78) and "Allah desireth for you ease, He desireth not hardship for you." (2,185).

<sup>31</sup> Ahmad: *Economic Development in an Islamic Framework*, op. cit., p. 179.

<sup>32</sup> See in this connection Naqvi: *Ethics and Economics*, op. cit., p. 28; similarly Muhammad Abdul-Rauf: *The Islamic Doctrine of Economics and Contemporary Economic Thought*, Washington, D.C. 1978, p. 8.

<sup>33</sup> Naqvi: *Ethics and Economics*, op. cit., p. 48.

<sup>34</sup> 17,97.

□ *Free Will*: The relative freedom of man – within the limits of God's scheme of Creation – "to accept or reject whatever is on Earth",<sup>36</sup> to choose between good and evil in each of his deeds and thoughts. In no circumstances can man be denied this God-given right to freedom of will and freedom of decision; it also forms the basis for mutual respect between personalities equal to each other.

□ *Responsibility*: A counter-balancing ethical constraint on man's social behaviour to set "limits to what man is free to do by making him responsible for all that he does"<sup>37</sup>, and to prevent unbridled individualism. The individual is held responsible not only for his own actions but also for the errors of fellow beings in his vicinity.<sup>38</sup> The modern revivalists' interpretations also point to the obligation incumbent upon each individual continually to improve both his own circumstances and the condition of the society in which he lives.<sup>39</sup>

### General Principles and Provisions

These basic ethical values form the normative framework for every individual action and for the shaping of an Islamic society, including the economic sphere. In addition, or deriving from these, there are numerous *general principles and provisions*, of which the following should be of particular interest.

□ *God as sole owner*: God created nature and all the resources on earth,<sup>40</sup> which should therefore all be regarded as a loan from God to man to satisfy his material and spiritual needs. The same applies to the wealth an individual or an entire society derives therefrom. Man is so to speak the vassal of God.<sup>41</sup> Recently the duty to protect the natural environment and to make moderate use of the resources, means of

<sup>35</sup> Naqvi: *Ethics and Economics*, op. cit., p. 51; reference in the Koran: "It is He Who created all things, and ordered them in due proportions." (25,2), similarly 54,49. This principle, by the way, produces interesting parallels with the socio-ecological thinking that underlies the current social movements in Western industrial countries.

<sup>36</sup> Naqvi, *ibid.*, p. 51, cf. also pp. 52f; similarly Siddiqi: *Some Aspects of the Islamic Economy*, op. cit., p. 16.

<sup>37</sup> Naqvi, *ibid.*, p. 54 relating to 74,38: "Every soul will be (held) in pledge for its deeds." Similarly 4,85, for instance.

<sup>38</sup> "And fear tumult and oppression, which affecteth not in particular (only) those of you who do wrong". (8,25.)

<sup>39</sup> By reference to 13,11: "Verily never will God change the condition of a people until they change it themselves (with their own souls)" with reference to the Koran's express condemnation of blind imitation of traditional customs and habits (see 31,21); see also Siddiqi: *Tawhīd*, op. cit., p. 24.

<sup>40</sup> Cf. 50,6-11, similarly 78,6-16; 30,8 or 25,2.

<sup>41</sup> In this connection, e.g., 7,10: "It is We Who have placed you with authority on earth, and provided you therein with means for the fulfilment of your life."

production and consumer goods placed at man's disposal has been derived from this principle.<sup>42</sup>

□ *Equality of men along with diversity*: All men have the same basic rights, because they were created equal; these include the right to life, personal freedom, humane treatment and possessions resulting from the individual's own labours, inheritance and alms.<sup>43</sup> On the other hand, in this world God provides men with different abilities and distinct social positions<sup>44</sup> and these diversities should be accepted. As a personality, however, each individual is equal to any other and even the poorest deserves to be treated with respect.

□ *Modesty and a moderate way of living*: This is one of the highest guiding principles for a Moslem,<sup>45</sup> and not only in the light of his social and religious obligations; the striving for excessive luxury even stands in the way of his continued individual contentment, for it always leads to further, ultimately unattainable desires.

□ *Individual responsibility for the well-being of one's neighbours*: The needs of the individual and of the society in which he lives cannot be separated one from the other. Hence those with adequate possessions have a duty to support the needy even if they do not ask, for respecting the dignity of the individual also entails protecting him from poverty.<sup>46</sup> Furthermore, in striving to satisfy his own needs no-one may harm another or do him wrong.<sup>47</sup>

□ *Individual responsibility for the fulfilment of societal obligations*: There are duties, so-called "*fard kifayah*", that are the responsibility of a society as a whole – such

as the support of the needy – and which are considered to have been fulfilled if a sufficient number of members of that society perform the necessary tasks. However, every individual remains responsible before God if the obligations are not fulfilled adequately or if no-one takes them upon himself.<sup>48</sup>

□ *Individual and social justice*: Justice is another essential guiding principle for all actions and also sets criteria for fair dealing. It should govern both the behaviour of individual members of a society towards one another and the relations between the state and its citizens.<sup>49</sup>

### Concrete Requirements and Prohibitions

Finally, various *concrete requirements and prohibitions with regard to economic behaviour* can be drawn directly from the Koran and the *Sunnah*, the observance of which would have to be part of an Islamic economic order.

These binding provisions include the following:

□ *earning one's livelihood through one's own labours* and an endeavour to perform tasks entrusted to the individual as perfectly as possible in accordance with individual knowledge and ability;<sup>50</sup>

□ the *duty to support* members of the family, neighbours and orphans and to approach those one is assisting with respect and courtesy;<sup>51</sup>

□ the payment of *zakāt*, a tax on certain parts of wealth and income in fixed amounts<sup>52</sup> as one of the five main religious duties, for support of the needy and at the

<sup>42</sup> Cf. in this connection S. Waqar Ahmed Husaini: *Islamic Environmental Thought: An Overview on Recent Developments*, IIES – pre 83-13 (Papers from the International Institute for Environment and Society of the Science Center Berlin).

<sup>43</sup> Some of these rights are derived from the basic ethical values and others are laid down by precise provisions, such as the inheritance rules or the obligation to pay *zakāt*; see also Abdul-Rauf, op. cit., pp. 5f.

<sup>44</sup> "It is We Who portion out between them their livelihood. In the life of this world: and We raise some of them in ranks, so that some may command work from others." (43,32); similarly 6,165; 11,118; 4,32.

<sup>45</sup> Extravagance and dissipated living are expressly condemned, as in 11,15; modesty, on the other hand, is encouraged, as in 7,31: "Wear your beautiful apparel at every time and place of prayer. But waste not by excess, for God loveth not the wasters"; in a similar vein 28,76; the Prophet expressed himself several times in like manner, such as: "Eat and drink. Dress yourself well and give away in charity. But there should be no extravagance or arrogance." Muhammad Ibn Isma'il al-Bukhārī: *Sahīh*, Cairo, Halabī Press, (no date), Vol. 4, p. 15 (*hadīth*).

<sup>46</sup> "And in their wealth and possessions (was remembered) the right of the (needy,) him who asked, and him who (for some reason) was prevented (from asking)." (51,19) and also interesting remarks on the "reasons which prevent a man from asking for help" in the associated commentary No. 5001.

<sup>47</sup> The Prophet is quoted thus with the warning that "A Muslim is he who causes no harm to another, neither by hand nor by tongue."; Al-Bukhārī: *Sahīh*, op. cit., Vol. 1, pp. 6f.

<sup>48</sup> According to Ismail R. al-Faruqi one such "*fard kifayah*" is the provision of sufficient and suitable job opportunities for all members of a society in accordance with their different abilities; cf. Ismail R. al-Faruqi: *Islam and Labour*, in: International Institute for Labour Studies (ed.): *Islam and a New International Economic Order. The Social Dimension*. Geneva 1980, pp. 79-101, here p. 83; on the responsibility of each individual for the errors of others, cf. 8,25.

<sup>49</sup> "And when ye judge between man and man, that ye judge with justice." (4,58); cf. also Ijaz Shafi Gilani: *The Political Context of Islamic Economics: High and Low Road Strategies*, in: Ahmad (ed.): *Studies in Islamic Economics*, op. cit., pp. 131-141, who argues that a successful Islamic economic strategy should "give a special place to the notion of economic and socio-political justice", for we live in an "Age of Justice (which) does not imply that justice prevails in our age . . . , but it appears to be most needed." (p. 138).

<sup>50</sup> Numerous sayings of the Prophet on this issue have been reported, particularly in al-Bukhārī, op. cit., pp. 79-86, where he develops the elements of a contemporary Islamic work ethic with reference to the Koran and the *Sunnah*.

<sup>51</sup> Cf. footnote 46.

<sup>52</sup> For a portrayal of the *zakāt* principle from an economic viewpoint cf. Nicolas P. Aghnides: *Mohammedan Theories of Finance*, New York 1969, pp. 199-295; F. R. Faridi: *Zakāt and Fiscal Policy*, in: Ahmad (ed.): *Studies in Islamic Economics*, op. cit., pp. 119-130; M. A. Zaki Badawi: *Zakāt and Social Justice*, in: Islamic Council of Europe (ed.): *The Muslim World and the Future Economic Order*, London 1979, pp. 112-122.



same time as an economic regulator to prevent the unproductive accumulation of riches;<sup>53</sup>

□ the *prohibition of the unproductive use of property* through hoarding or extravagance, including a prohibition on enrichment through unproductive activities;<sup>54</sup> closely connected with this,

□ the *prohibition of ribā*<sup>55</sup> to prevent capital speculation and earning without effort or risk. The inclination to save is viewed independently of this and is expressly advocated, simply as provision for oneself and one's heirs;<sup>56</sup>

□ the observance of the *conditions for business and financial transactions* such as the conclusion of contracts in writing, the honouring of contracts and guarantees and the restitution of loans or valuables given in trust;<sup>57</sup> also the prohibition of the production of or trade in goods not permitted for consumption, such as pork or alcoholic beverages;

□ adherence to the *inheritance provisions* of the Koran.<sup>58</sup>

According to Islamic understanding, the motivation to observe and apply such principles and provisions stems less from regard for secular legislation than from the worship of God. As life in this world and the next form a unity, reward and punishment for one's behaviour in this world is also possible after death, and indeed more probable: "Those who desire the life of the Present and its glitter, to them we shall pay (the price of) their deeds therein – without diminution".<sup>59</sup>

If one attempts to make out the contours of an economic order based on Islamic values and principles of the *shari'ah* in the facts portrayed, one sees

<sup>53</sup> Numerous passages in the Koran refer to the obligation to pay *zakāt* (translated as "charity" or "alms"), often in connection with another major religious duty, prayer; for example, in 2,110: "And be steadfast in prayer and regular in charity"; or 9,103: "Of their goods take alms that so thou mightest purify and sanctify them"; similarly 57,7 and 10; 24,56 or 4,77.

<sup>54</sup> Derived from 9,34; 2,188.

<sup>55</sup> The prohibition of *ribā* is based on the following passages in the Koran: 3,130; 30,39; 4,160-161 and 2,275-280; for example: "God will deprive usury of all blessing." (2,276). The controversy whether the term "*ribā*" means only usury or every kind of interest remains unresolved; cf. Ziauddin Ahmad: The Theory of Ribā, in: Islamic Studies, Vol. XVII, No. 4, 1978, pp. 171-185; for an opinion contrary to the prevalent Islamic view see Fazlur Rahman: Ribā and Interest, in: Islamic Studies, Vol. III, No. 1, 1964, pp. 1-43, and especially pp. 40f.; for the concept of interest-free banking see Muhammad Uzair: Some Conceptual and Practical Aspects of Interest-free Banking, in: Ahmad (ed.): Studies in Islamic Economics, op. cit., pp. 37-58, or Muhammad Nejatullah Siddiqi: Banking without Interest, Lahore 1981.

<sup>56</sup> In the words of the Prophet: "To leave your heirs self-sufficient is better than letting them be a social liability – stretching their hands begging"; Muhammad Ibn Yazid Ibn Mājah: Sunan, Cairo 1952, Vol. 2, p. 904.

<sup>57</sup> "God doth command you to render back your trusts to those to whom they are due." (4,58); similarly 17,34; 2,283; 8,27 or 4,10.

something along the lines of a conservative welfare state with an ecological stamp in which

□ the encouragement of economic self-reliance would rank equal with efforts to achieve social justice, which could not, however, be equated with the removal of all social differences;

□ the right of each individual to work would be recognised, for work is the source of material, spiritual and moral contentment and social recognition;

□ the use of capital would be subject to restriction in that capital accumulation would only be permitted for the purposes of productive investment and capital speculation would be prevented by a strict prohibition of usury (prohibition of *ribā*);

□ protection of the environment and the sparing use of natural resources and goods produced from them would assume self-evident importance;

□ the function of the state would be to take corrective measures to ensure the political and institutional framework for balanced development towards prosperity in accordance with respect for Islamic values and principles.<sup>60</sup>

### Potential Force for Social Change

As this article has attempted to show, Islam is perceived by its adherents not only as a religion but as a more far-reaching concept embracing politics and economics as well. Hence these fields would also be affected by a broad-based, lasting resurgence of Islamic values.

In discussing the extent to which the present wave of Islamic revivalism could have tangible longer-term effects at the political level, such as unification and closer economic co-operation within the Islamic-Arab world or initiatives for independent development in that region, a number of aspects must be considered:

<sup>58</sup> On the very detailed inheritance rules see 4,11-12 and 4,176.

<sup>59</sup> 11,15 including commentary No. 1511; in a similar vein 6,70; 28,84 or 30,15-16.

<sup>60</sup> For more detailed information on the modern revivalists' ideas on an Islamic economic order see the contributions by various authors in: International Institute of Labour Studies (ed.), op. cit., particularly al-Faruqi: Islam and Labour, op. cit., and Muhammad Ahmad Sakr: The Role of the State in the Economic System of Islam, pp. 103-116, in Ahmad (ed.): Studies in Islamic Economics, op. cit., or Islamic Council of Europe (ed.), op. cit., in particular Khalid Ishaque: The Islamic Approach to Economic Activity and Development, pp. 74-100; M. Umar Chapra: The Islamic Welfare State and its Role in the Economy, Leicester 1979; Muhammad Nejatullah Siddiqi: The Economic Enterprise in Islam, Lahore 1972; for a more neo-fundamentalist view, see Sayyid Abdul 'la Maududi: The Economic Problem of Man and its Islamic Solution, 5th edition, Lahore 1978; for the concept of an Islamic economic theory see Monzer Kahf: Fiscal and Monetary Policy in an Islamic Economy, and: Saving and Investment Functions in a Two-Sector Model of Islamic Society (working papers), Macca 1978.

□ The Islamic basic values and principles of the *shari'ah* are the common ethical foundation for the outlook on life and customs of a large number of people, the vast majority of whom live in developing countries; there is much to suggest that the resurgence of Islamic values is not simply a superficial politico-intellectual phenomenon but coincides at many points with the sentiment and ideas of broad sections of the population.

□ A few Islamic states – in particular Libya and Saudi Arabia – are already using the increased economic and political influence they have gained in the past decade to support tendencies towards a resurgence of Islamic values – particularly in African developing countries, Pakistan and Bangladesh – but also to win greater respect for Islam in the occident.

□ An open interpretation of Islamic principles oriented towards the urgent problems of the present provides numerous starting points for a development strategy to escape from the blind alley in which most Islamic countries at present find themselves; this applies to poverty and mass unemployment, the defeat of which is seen not only as an economic necessity but as a central ethical obligation, or to a redistribution or more productive employment of wealth and income by reference to the social responsibility of the wealthy.

□ A stronger motivation to undertake independent development efforts rather than waiting for foreign or state aid can also be derived from Islam; this could have political significance to the extent that in future neither individual countries nor the international family of nations will be able or willing to provide aid on the scale experienced hitherto.

□ On the other hand, Islamic values and principles offer arguments for accepting economic and social disparities, in that distinct social positions and different abilities are accepted as self-evident since they are God-given, although at the same time Islam demands that each individual be treated respectfully and without discriminations; this is not unimportant, in view of the fact that the situation in developing countries is likely to continue to be marked by such disparities for a very long time to come.

In many respects the ideas of an Islamic development strategy, and particularly those of the modern

revivalists, reflect the situation in developing countries in general. To this extent their proposals are not necessarily specifically Islamic. Their originality and potential ability to change society lie rather in the fact that they offer a holistic development concept that aims to unite ethical values and economic considerations on the level of political action.

For the ideological dissemination of a concept of Islamic development it is not of primary importance, in my opinion, whether all the normative ideas actually do or even can become reality nor whether the underlying ethical values are unique. The essential point is that they are *Islamic* and hence offer the individual Moslem and Islamic communities as a whole the chance to discover their cultural identity and gain a new feeling of self-respect derived from their own cultural roots in spite of the confrontation with Western culture and technology. In this respect the present wave of Islamic revivalism is primarily a socio-cultural and socio-psychological phenomenon.

If this process of collective self-discovery succeeds, it is quite conceivable that a politico-cultural bloc built upon the unifying basis of Islam may emerge within the Third World, with influence chiefly in Africa and Asia.<sup>61</sup> The fact that the processes this would require are slow, self-contradictory and beset with difficulties does not necessarily mean that they will not have an impact in the long run.

At any event, it would be fallacy to assess the potential force for social change stemming from Islamic revivalism by measuring the underlying ideals and ideas against the present circumstances of the Islamic world and to attempt to dismiss it as insignificant in view of the discrepancy between ideal and reality. After all, Islamic revivalism itself aims first at a re-orientation within Islamic societies on the grounds that since gaining political independence they have grown economically and technologically more dependent on the West and strayed far from their own Islamic cultural tradition and the recognition of its basic values and principles. "Our recent past . . . , and our present, I submit, do little credit to the ideals of the Islam; still less they do reflect the civilisation that was once the pace-setter of humanity. Our future, if we are to reflect the essence of Islam, must mark a departure from our immediate past, as well as our present".<sup>62</sup>

<sup>61</sup> This will probably go hand in hand with greater self-confidence in dealings with the West, in many cases coloured by reproach for injustices received and unfulfilled expectations with regard to co-operation and aid. However, the reasons for this should be sought less in Islamic revivalism than in the errors made by Western industrial countries, not only during the colonial period but also during the last thirty years in the field of economic and technical development aid.

<sup>62</sup> Ziauddin Sardar: *The Future of Muslim Civilisation*, London 1979, p. 11, where he himself continues critically: "... but it is surprising to discover that the vast majority of Moslems, and in particular many of those involved in contemporary 'Islamic movements', ... know they want to achieve something but do not know quite what they want to achieve. They know they must go somewhere, but they do not know exactly where to."