

The Role of The Islamic Economy in Rationalizing Consumer Behavior

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Abstract

Our current world is prevailed by sharp tendencies towards consumption, produced by conditions and developments in the fields of production, distribution, monopoly, communication, and advertising. Consumerism is no longer confined to the developed industrial world. But has affected many other parts of the poor and developing the world, it has become the subject of scientific research in different knowledge systems, foremost among them economics, psychology and sociology. However, the researchers agree that this behavior is no longer a purely individual behavior for an independent person. But has become multiple external factors contribute to the formation, and exert various effects on the individual consumer. In our contemporary Islamic world, patterns of abuse of consumer behavior had been spread, the consumption of things harmful to health, morals or the natural environment, the disregard of some individuals for consumption priorities, the lack of commitment to moderation in spending, the tendency to extravagance and luxury, These behavioral imbalances have a very negative effect on the national economy and the economies of the individual. it entails a waste of natural and economic resources, the disruption of the productive structure, the waste of human energies, this deviant consumerism reality is confirmed by the presence of factors that have shaped its current image, and by addressing them we can restore consumer behavior to its rightful place. Therefore, this study aims to study the role of the Islamic economy in rationalizing consumer behavior, in addition to giving some suggestions.

A. INTRODUCTION

It should be noted that the subject of rationalization of consumption occupies an important position in the Islamic economy. It first notes that the provisions of the Islamic Shariah came for purpose, meaning that they were not absurd when they set general rules to achieve certain ends that meet the interests of the nation; The rationalization of the use of resources and the avoidance of harm to others in the Islamic economy require not only the interests of the present generation of people but also the generations to come, entitled them to benefit from its resources, provided that he complies with the rational use of these resources, and is not liable to waste (Aboush,2017).

There are factors that determine the food of Muslim consumers, but religion is at the top of these factors. Islam is a complete system of life to control the behavior of Muslim consumers and restrict it to achieve happiness and satisfaction in this life and the hereafter (Mustafar and Borhan,2013)The subject of rationalization in the Islamic economy has not received much attention in terms of research, analysis and study at the academic level due to the absence of the use of the mechanisms of the Islamic economy today about market transactions and exchange in the working life, after the capitalist economy dominated dealing in the market in all areas of contemporary life, It also restricted the movement of economic activities in the market under its laws (Aboush,2017)

B. THEORITICAL

1. Islamic Economics

1.1 Definition of Islamic Economics:

Islamic economics is a term used to refer to Islamic business jurisprudence. Islamic business jurisprudence requires rules of financial or other economic activity in a manner consistent with the provisions of Sharia Islamic, i.e. in a manner consistent with the Islamic book. In addition, Islamic economics is a basic theory or laws that describe behavior among economic variables by incorporating elements of particular or rules (divine element) (Rais, 2010). Mannan (1986) described Islamic economics as a social study that examines the economic problems of people who have been

inspired by Islamic values. Islamic economics is not the science that prevents Muslims from studying economic problems based on non-Muslim rules (traditional)

1.2 Characteristics of Islamic Economics:

1.2.1 Alliance with Shariah

The essence of the Islamic economic system lies in the rule established by the Shari'a and specifically in the codification of the injunction approved by the Holy Qur'an and the orders of the Prophet Muhammad. Economic policy schemes are the rule of Shari'a compliance (Supercool, 2010).

1.2.2 Based on Equality

The role of the state in securing the Islamic Economy. first, everyone has equal access to natural resources and livelihoods. second, everyone has equal access to resources that include education, skills, and technology. third, the market depends on the judges' rule, which is the authority that guarantees an equal share of the exchange (Jamal,2011).

1.2.3 Property Rights

Property rights are based on three principles. First, Allah is the owner of the whole land, and the individual has been given the rights of possession as a trust. Second, the property is only a means to achieve higher goals and all members of society share natural resources at the disposal of human (Supercool, 2010).

1.2.4 Possession of Wealth

Wealth can be legitimately obtained through labor and inheritance. It may not be used for luxury or lavish consumption; the use of social purposes is encouraged.

1.2.5 System of Zakat

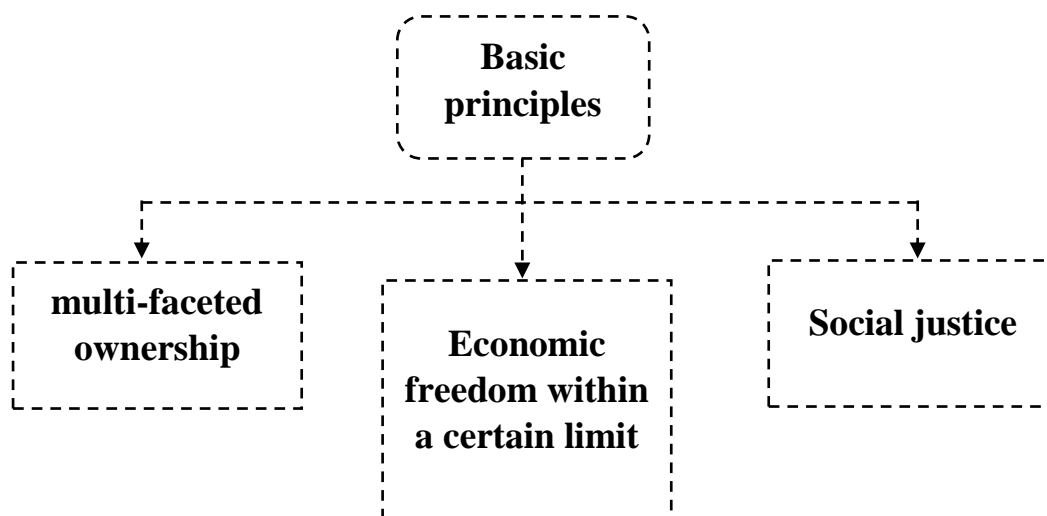
The needy and the poor claim to be supported by society, institutionalized on the claim in the zakat system (sometimes translated into tax or due taxes), a mandatory tax of 2.5% on assets, 5% or 10% on agricultural products and earmarked for a list of purposes initially identified by the Prophet Muhammad. and further Specified by the adult caliphs

2. Principles and Rules of Islamic Economics:

Mohammed B. Sadr explained there are three primary principles of Islamic economy are multi-

faceted ownership, economic freedom within a certain limit, and social justice (Es-Sadr, 1980).

These are the three primary ingredients of Islamic economic doctrine:



2.1 Multi-Faceted Ownership

Accepting various forms of ownership as private and public ownership and state ownership (Romagnoli, & Mengoni, 2013). Islamic economic doctrine recognizes various forms of ownership at the same time. Property is accepted in a variety of models rather than just one type of property such as private ownership, public ownership, and state ownership. Therefore, it espouses the principle of multi-faceted ownership (Okte, 2010).

2.2 Economic Freedom Within A Certain Limit

The second essential element of the Islamic economy is to allow individuals, at the economic level, some freedom, within the limits of the moral and spiritual values of Islam (Okte, 2010). This principle is implemented in Islam as follows: (a) Islamic law prohibits a range of social and economic activities such as usury, monopolization, and so forth. Because they impede the realization of values and ideas adopted by Islam. (b) Islamic law defines in principle the supervision of the ruler over public activities and the intervention of the state to protect the public interest by limiting the freedom of individuals in their actions.

2.3 Social Justice

The third essential component of the Islamic economy is social justice. Is the most famous among others. Social justice is embodied in Islam

through the elements and guarantees offered by Islam to the system of wealth distribution in society. The Islamic image of social justice contains two general principles, each with its own characteristics (Okte, 2010).

3. Towards rationalizing consumer behavior in the Islamic economy:

3.1 Consumer Behavior

Consumer behavior is the manner of consumer behavior in the purchase and use of goods and services that are expected to meet their wants and needs (Jeraisy, 2008). In addition, Muslims are not allowed to surrender to their whims and desires by being profligate and stingy. Instead, must Muslims be able to control their consumption patterns according to Islamic law, (Ramli and Mirza, 2007).

3.2 Assumptions the Islamic consumer should not act against.

According to Hamid, (2009) there are a set of assumptions the Islamic consumer should not act against. These assumptions are explained as follows:

- 1- The main important assumptions of Islamic consumer behavior is the fear of Allah. The pattern of the total consumption of the consumer is to achieve the satisfaction of Allah.
- 2- His spending is not high, nor miser but he should be moderate for both.

- 3- The ability to control consumer desires and demands.
- 4- Allowed for them permissible to consume what is halal and to prevented what is haram
- 5- The ethical code of Conduct is the vital principle of the Islamic consumption model. We must distinguish between good and bad and right and wrong not only for the consumer himself but for society as a whole.

3.3 Factors Affecting Consumer Behavior.

From the determinants of consumer behavior in the positive economy are its material potential, financial expectations, directions, trends and interests, and some aspects character. Determining the pattern of consumption is necessary in laying the economic foundation of any society. The adequacy of the economic system in any society is measured by its ability to meet the needs of its members. As the choice of Muslim between the consumption of the Worldly and the reward of the Hereafter is one of the factors affecting the consumption of the Muslim (Abdul Manan,1990).

Among the factors influencing consumer behavior in the Islamic economy, belief, and ethics, as well as economic, social and psychological factors, such as the call for moderation, Islamic teachings urge the Muslim to reach enough and deprive him of excessive or wasteful spending(Iqbal, 1985)

C. METHODOLOGY

This study has adopted an exploratory descriptive approach to describe the role of the Islamic economy in rationalizing consumer behavior. Where it adopted the descriptive approach to obtaining sources, and also relied on the sources of books, scientific journals, research conferences, seminars, and the Internet.

D. RESULT AND DISCUSSION

This study showed the following main results (1)The Islamic Economy, through the controls it assumes on consumption patterns and consumer behavior has a direct impact on determining the quality of demand and the size and trends of its growth through the stages of the

progress of society. This affects the size of the resources required and allocates them to produce the needs of society within the framework of these controls; (2) There are controls of consumer behavior in terms of hatred of bragging and pretending, preference for austerity, simplicity, and moderation of living indirectly lead to the reduction of the production of luxury goods or goods with entertainment content, even if they are not haram. (3)The rules of consumption and ethics contribute to the rationalization of consumer spending, in regulating the commodity structure of actual demand in society, in favour of the necessary and semi-essential needs, then perfectionism; (4)The Islamic Economy stems from the principle of the comprehensive link between religious values and ethical standards and daily life decisions at the level of the individual or the state. It rejects the separation of these values from theoretical or applied analysis of economic problems.

E. CONCLUSION

The difference of principles of the Islamic economic system of consumer behavior on the principles of the capitalist system is due to the different view of both Islam and capitalism for life and human, Islam looking to human as a creature from body and spirit, they responsible and entrusted with the task of worshipping Allah And its successor in the ground, and seeks to achieve a balance between his life in the world and his life in the Hereafter, capitalism is care with the material aspect of human, and neglecting its spiritual aspects, So, seek to maximize material satisfaction in this life, considered it the purpose of human existence.

In accordance with the difference of Islamism and capitalism's view of man and life, their views of consumption varies, while Islam looking to it as a means by which the individual is able to achieve the supreme goal of his existence, capitalism looking to it as the ultimate goal of achieving prosperity and happiness for human in this life, The Muslim community should also seek to understand the concept of Islamic consumption based on Islam's comprehensive and integrated view of life and human beings. Therefore, this study sought to know the role of the Islamic economy toward rationalizing consumer behavior.

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