

Islamic Economists in The Early 21st Century View's on Business Ethics

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ABSTRACT

The focus of this study is to determine several thoughts of Islamic Economist of the early 21st Century related on business ethics through their works in Islamic Economics, especially in business ethics. In order to find the deeper and more comprehensive research, The researcher limited this research only to four Islamic Economists of the early 21st Century, such as; M. Umer Chapra, Syed Nawab Haider Naqvi, Mohamed Ariff, Akram Khan. The conclusion of this study are as follows: *first*, the Muslim economists trying to solve problems that occur particularly in the case of dichotomies in the fulfillment of material needs and non-material need, although there are some flaws. *Second*, Muslim economists at least try to realize human well-being based on Islamic principles. *Third*, the Muslim economists are also tried to build the Islamic ethics as a discipline that was not present before.

Keywords: *Islamic Economist, Business Ethics, Islamic Business*

1. Introduction

Over the centuries, as state and church separated, particularly in western societies, religion became a private matter. The so-called 'value-free society' developed and economists focused exclusively on the mechanics of economics. There is a growing realization that value-free economics is a misnomer (Rice, 1999: 345).

Ethics and social values are inseparable from economics and finance, moreover these are as foundation of the economic theory as well as the system. The movement for Islamic economics and finance, which has been gaining momentum since last thirty or forty years, can be seen in this light as a move to bring ethics and social justice into the core, as an effort to represent an Islamic ethics as a discipline which does not exist before (Chapra, 2008: 1). Perhaps, Islamic economics and finance are the two fields that have generated substantially important new ideas and applications in the recent past than any of other social sciences. This progress entails a need to periodically take stock of the achievements

and identify the gaps in its development (Chapra, 2008: 1). This study tries to determine several thoughts of Economist as the effort to establish a discipline of Islamic ethics at present.

2. Definition of Ethics

Ethics is the branch of philosophy in which mean attempt to evaluate and decide upon particular courses of moral action or general theories of conduct. Literally the term 'ethics' or 'ethic' derived from the Greek 'ethikos' means moral, 'ethos' means character. Tecnically, ethics is concerned eith the nature of morality which attempts to define what is good and bad, right or wrong (Encyclopedia Britannica, 1989: 578). This term is often used interchangeably with 'morality', derived from the Latin 'mores' means character or custom and habit. Even tought this term used interchangeably, the philosophers find it convenient to distinguish between them. While Ethics refers to the systematic general science of right and wrong conduct. Morals or Morality refers to the actual patterns of conduct and the direct working rules of moral actions (The World Book Encyclopedia, 1993: 339).

Eventough Ethics and Moral, are often used interchangeably with '*Akhlaq*',¹ but theoretically, it is quite different, because the term of '*Akhlaq*' wider than 'moral' or 'ethics', moreover '*Akhlaq* is based on revelation, while 'moral or ethics' is based on reason, it is happen because ethics of Western civilization based on secular foundations (Al-Attas in Gauhar, ed, 1978: 59), (Beekun, 1996: 11).

Islamic Ethics has been discussed by many Muslim scholars, with different perspectives; scriptual, theological, philosophical, and religious, such us; Ahmad Ibn Muhammad Miskawayh (d.1030), Nasir al-Din al-Tusi (d.1274), Jalal al-Din al-Dawwani (d.1501), Abu I Hasan al-Mawardi (d.1058), Ali Ibn Hazm (d.1064), Raghil al-Asfahani (d. 1108), Fakhr al-Din al-Razi (d.1209) Imam al-Ghazali (d.1111).

In contemporary age, the studies of Islamic Ethics has done by several scholars, such as ; Abdallah Draz, Abd. Haq al-Anshari, Toshihiko Izutsu, Fazlur Rahman, Hourani, Madjid Fakhry, Ahmed Abd al-Rahman Ibrahim, Ahmed Mahmud Subhi, Rafiq Issa Beekun, and Danniell H. Frank (Zarough: 56).

3. Ethical view of Umer Chapra

The question of what the non-material and spiritual needs are that a rise in income may not necessarily be able to satisfy. One of the most important non-material or spiritual needs is mental peace, happiness, justice and human

¹ Imam al-Ghazali defines '*Akhlaq* as an established state (of the soul) from which action proceeds easily, without any need for reflection and deliberation. According to Ibn Maskawayh, '*Akhlaq* is a state of the soul which causes it to perform its action without thought or deliberation, thus '*Akhlaq* is general sense of man.

brotherhood, which demand that all individuals be considered as equals and treated with dignity and respect, and that the fruits of development be shared equitably by all, irrespective of their race, colour, age, sex or nationality.

Some of the other equally important and generally recognized requirements for sustained well-being are nearness to God, spiritual and moral uplift, security of life and property, individual freedom, proper upbringing of children, family and social solidarity, and minimization of crime, tensions and anomie.

Historical experience indicates that the material and non-material needs are both interdependent and reinforce each other. It may not be possible to sustain even the long-term economic development of a society without ensuring the fulfillment of both these needs. This raises the question of how the non-material and spiritual needs may be satisfied if a rise in income and wealth cannot by itself satisfy them (Chapra, 2008: 1).

3.1. Problems of Ethics

The Enlightenment Movement of the 17th and 18th centuries has influenced almost all societies around the world in different degrees by its secular and materialist worldview. It denied any role for Revelation in the management of human affairs and placed great emphasis on the ability and power of reason to distinguish right from wrong and to manage all aspects of human life in a manner that would ensure human well-being. This removed the sanctity that religion assigns to moral values. These, therefore, became relative and got shoved to the private domain of individuals.

Secularism succeeded, in driving a wedge between the moral and the material and in segregating these into two separate unrelated compartments. This had two very adverse effects on human society. *First*, it removed the religious and moral education from schools, caused to declining of the moral quality of the new generation, particularly when the TV and the worldwide Web are constantly promoting consumerism along with an overdose of pornography and violence. *Secondly*, severed the close link between reason and revelation, which were essentially interdependent and absolutely necessary for reinforcing each other in contributing to human well-being. Without guidance from revelation, reason can lead to more and more ways of deceiving and exploiting people and creating weapons of mass destruction. Similarly, without an important role for reason, religious values may be misinterpreted and misused and make it difficult to realize the humanitarian goals of religion.

This raises the question of why are moral uplift and social solidarity not possible without the aid of faith?. Of how to arrive at rules which are unconditionally accepted and observed by everyone?. Is it possible to arrive at such rules by means of 'social contract' as suggested by some secular modern philosophers and political scientists? (Chapra, 2008: 4-6).

3.2. The Islamic Worldview

Spiritual and non-material needs may be difficult to satisfy unless the society has a proper worldview.² However, if the worldview is founded on the belief that human beings and what they possess have been created by the Supreme Being and that they are accountable to Him, then they may not consider themselves either absolutely free to behave as they please or helpless pawns on the chessboard of history, unconcerned about how their behavior affects the well-being of others and the direction in which history is moving (Chapra, 2008: 2).

The Islamic worldview tries to complement the filter mechanism and motivating system by socio-economic and political reform which was one of the primary missions of all God's Messengers. The reform aims at making individuals, families, society and the government use the resources and cooperate with each other in such a way that general well-being gets promoted. In an environment of human brotherhood everyone is individually and collectively responsible for not just his own well-being but also that of others. All need to cooperate not only in promoting good behaviour but also curbing 'nasty' behaviour that hurts others and frustrates the realization of general well-being (Chapra, 2008: 18).

The Islamic worldview introduces three mechanisms into the market system to make it more effective in realizing both efficiency and equity. These mechanisms are Moral filter, motivation, and socio-economic and political restructuring.

(i) Moral Filter

The necessity of using the moral filter in this paradigm for allocation and distribution of resources does not imply a rejection of the important role played by prices and markets. The moral filter only complements the market mechanism by making the allocation and distribution of resources subject to a double layer of filters. The first (moral) filter attacks the problem of unlimited claims on resources at the very source- the inner consciousness of individuals- by changing their preference scale in keeping with the demands of normative goals. Claims on resources are passed through this filter before they are exposed to the second filter of market prices.

The moral filter is needed because harmony does not necessarily exist between self-interest and social interest, as erroneously assumed by conventional economics. The moral filter tries to create such harmony by changing individual preferences in accordance with social priorities and eliminating or minimizing the use of resources for purposes that do not contribute to the realization of normative

² The worldview discusses the nature of existence and tries to answer questions about how the universe came into existence, the meaning and purpose of human life, the ultimate ownership and objective of the limited resources at the disposal of human beings, and the relationship of human beings to each other and to their environment.

goals. If claims on resources are the passed through the second filter of market prices, the prices filter may be more effective in creating a market equilibrium that is consistent with normative goals. this may be more so if financial intermediation is also restructured in confirmity with the Islamic value system so as to play a complementary role. the influence that wealth and power are able to exercise in the allocation and distribution of resources may then be substantially reduced. The moral-filter would tend to minimize the built-in bias that the absence of background conditions creates in the allocations of resources against the realization of normative goals (Chapra, 2001: 28).

The moral filter may, however, be of little use if there is no mechanism to motivate people to faithfully observe its values. This is because, as already discussed, faithful observance of moral values demands sacrifice of self-interest on the part of individuals. The moral filter needs, therefore, to be complemented by belief in the Hereafter to ensure its effectiveness (Chapra, 2008: 14-19).

(ii) Motivating System

Even when we have the values that command wide and unconditional acceptance, there arises the question of how to ensure the observance of these values by everyone. Since these values try to create a balance between self-interest and social interest, living up to these values requires a certain degree of sacrifice of self-interest on the part of all individuals. Secularism which preaches liberalism and individualism and provides sanctity to the serving of primarily self-interest, has no mechanism to motivate individuals to make this sacrifice. This raises the question of how does faith help motivate an individual to live up to these values and to fulfill all his or her social, economic and political obligations that involve a sacrifice of self-interest. Faith tries to accomplish this by giving self-interest a long-term perspective stretching it beyond the span of this world, which is finite, to the Hereafter, which is eternal (Chapra, 2008: 6).

Hereafter, which has the potential of motivating individuals and groups to faithfully fulfill their obligations even when this tends to hurt their short-term self-interest. It would be highly irrational for a person to sacrifice his long-term eternal well-being for the sake of a relatively short-term this-worldly benefit. This dimension of self-interest has been ignored by Conventional Economics after being cast in its secularist Enlightenment worldview.

(iii) Socio-economic and political restructuring

Both the filter mechanism and the motivating system may become blunted if the socio-economic environment is not geared to goal realization. Hence the first two ingredients of the strategy need to be third ingredient-socio-economic and

financial restructuring to create a proper socio-economic environment. Such an environment may be created by properly educating the public, creating an effective framework of checks and balances, and reforming the existing socio-economic, legal and political institutions or building new ones. Congregational prayers, fasting in ramadhan, pilgrimage and zakat as a part, but not the whole, of the Islamic program to create such an environment. They tend to make the individuals and groups conscious of their social obligations and more motivated towards the observance of values even when these tend to hurt their short-term self-interest. The existence of a proper enabling environment may help complement the price system in creating greater efficiency in the use of human and material resources. promoting simple living, and reducing wasteful and conspicuous consumption. This may help realize higher saving, investment, employment and growth. The absence of such restructuring may not only frustrate goal realization, but also exacerbate the existing macroeconomic and external imbalances through greater resort to deficit financing, credit expansion, and external debt. the role of the state is needed to actualize this socio-economic restructure.

4. Ethical view of Syed Nawab Haider Naqvi

Economic activity is linked through Unity with man's ethical environment. According to Naqvi constitutes the vertical dimension of economic activity and has 'far-reaching consequences on economic behaviour'. The character of economic man will be completely transformed, and his utility maximizing behavior will be completely transformed, and his utility maximizing behavior will be constrained by not only the usual 'feasibility constraint', but also the 'allowability constraint' of Islam. This of course, affects the concept of 'rationality' of the individual.

Although man is naturally self-indulgent, as the vicegerent of Allah on earth, and in order to realize his theomorphic character, man is endowed with '*aql*' (intellect), freewill and guidance to establish *al-'adl* (justice). Man should not only think him self, but consistent with the responsibility axiom, he should realize social objectives as well. Thus, 'Islam is too realistic a religion to ignore that man is basically egoistic. however such behavior is not justified, much less glorified' (Haneef, 1995)

4.1. Islamic Ethical Axioms and the Economic System

In elaborating his axiomatic approach to Islamic economics, naqvi proposes four axioms which to him summarize the 'integrated, balanced and realistic view of man's nature and role' i.e. Equilibrium, free will and responsibility. These four axioms constitute the pillars upon which his Islamic economic system is built.

4.2. Equilibrium

The equilibrium axiom according to Naqvi, represents the horizontal dimension of Islam. Justice must be established in all facets of the social order through commitment and effort, i.e. through *jihad* (striving). It denotes a binding moral commitment of the individuals in society to uphold a balance in all aspects of their lives, and hence differs from the purely mechanical concept used in conventional positive economics, which assumes this Axiom has several implications for the structure of the Islamic economic system;

- (i) Consumption, production, and distribution relations will have to avoid concentration of economic power in the hands of few, thus implying the abolition of exploitation. State enterprises, which are able to contain these problems, may become economically essential from both the efficiency and welfare points of view.
- (ii) “States” of the economy not consistent with the Islamically ‘first-best’ distribution of income and wealth will be ruled out. Ideally, according to Naqvi, this ‘first best’ distribution will be ‘absolute income equality’, a position rejected by most Muslim Economists. Initial distribution of income and wealth must be just, as ‘the Islamic system would insist on maximizing total welfare’, and not just (*pareto optimal*) marginal welfare. It follows that gross inequalities of income and wealth are also contrary to the Islamic Ideal.
- (iii) Islam’s heavy egalitarian bias curtails unlimited individual rights to property. This is necessary, because no economic aiming at social justice can succeed without substantially limiting private property. Instead, property rights should be based on the concept of trusteeship. Therefore, although private property rights are acknowledged, they are limited, giving way to collective or public property, in line with ‘mankind as a whole’, being the trustee of Allah.

4.3. Freewill

Freewill and human freedom are seen as the basis for all socio-economic activity. According to Naqvi the concept of trusteeship denotes a constrained individual freedom. In Islam, although free will and individual freedom must be guaranteed, it can only be achieved by ‘the conscious act of discharging one’s (social) responsibility to help the poor in society’. The acceptance of such constrained individual freedom will lead to altruism and the promotion of *al-‘adl*, rather than a *laissez faire* system. However Naqvi does not rely on the individual to act on his own, but rather sees a substantial role for the state in reconciling ‘possible conflicts between man’s ethical and economic behaviours’. Also explicit

recognition of externalities in consumption and production will necessitate greater, but less coercive (than the socialist system) state intervention.

4.3. Responsibility

The responsibility axiom, which is an extension of the previous (Free will) axiom, is translated by Naqvi into a distinctive behavior pattern of the economic agents in an Islamic Society. It acts to curtail individual freedom, as may be necessary to establish *al-'adl*. It involves more than just the interdependence of individual utility (welfare) functions, and 'not merely enlightened self-interest or sympathy for the suffering of others but a definite commitment and genuine sacrifice to improve the lot of the least privileged in society. Accordingly, 'rational' social behavior consists in abnegation on the part of the individual for the sake of those in need. This axiom has three implications for economic behavior;

- (i) In calculating profit margins, wage costs must correspond to 'socially acceptable minimum' levels, thereby setting an upper bound on profit margins.
- (ii) The economic return to lenders of capital cannot be fixed in advance, implying that an explicit rule of economic behavior should be laid down to regulate the magnitude and frequency of uncertainty in an Islamic economy
- (iii) Islam prohibits all aleatory deals, called *gharar* in which the buyer is not always in a position to predict the full financial consequences of a transaction (which) can easily be extended to cover most speculative deals.

5. Ethical view of Mohammed Ariff

Economics and religion have long been kept in water-tight compartments so that economist and theologians could hardly see eye to eye. Man has learned to lead a dual existence, secular and spiritual, neatly divorce from each other. There is no room for such a "dualism" in Islam. There is no conflict between religion and economics insofar as Islam is concerned, for Islam does not call for the renunciation of the world and denial of material welfare. Islam is not just a religion but a complete way of life and has a system which given the entire spectrum of human existence, of which economics forms an integral part. Economic activities as an Islamic society is therefore not free from moral considerations (Ariff, 1996: 98).

In an Islamic system, ethics and economics are not only compatible but also inseparable. For, Islam is not just a religion. It projects a complete way of life. A human behavior in an Islamic society cannot be adequately explained without reference to the Islamic ethics which govern it (Ariff, 1996: 96).

5.1. Critics on Ethics in Economics

M. Ariff criticizing the ethical of conventional economic as follows;

(i) The concept of “economic man”

Economics, in an extreme narrow sense, is a study not of man in general but economic man in particular. To more specific, it is a study of rational economic man which is abstract shadowy being who is a self-seeking individualist and who will maximize ruthlessly to get the what he wants. Thus to be sure, rational economic man is not an actual man. Nor is he a pure fiction. He is perhaps best described as a caricature of the real man (Ariff, 1996: 96)

In contrast, the Islamic man of course is very different from the economic man as he is understood in modern times. The Islamic man draws upon his moral resources and acts in accordance with the ultimate ethical values, whereas the economic man indulges in his preferences motivated by self-interest. But, the Islamic man is no less rational than the economic man. For, he is consistent in his economic pursuit in harmony with Islamic perception of human existence and mission in life, to which he wholeheartedly subscribes (Ariff, 1996: 97).

(ii) “Value Free” in Economics

Economics has been made “neutral” by extricating it from all ethical values. To be “scientific” or legitimate as “the science” of economics, it must confine itself to the universe of the “is” by steering away carefully from that of the “ought”.

The rational economic man belongs not the world of the “is” as the economist tend to believe, but to the world of the “ought”. Economic theorizing is apparently aimed at this rational economic man who is as unreal as the altruistic man in a secular society (Ariff, 1996: 97).

Economics in a broader sense is social science dealing with human beings as the actually are. Economics is also a behavioral science in that it constitutes a study of the behavior of the people as agents for consumption and production. And, ethical content of the human behavior is significant. It is in this sense that economics and ethics are interwoven. Thus economics, strictly speaking, is not really value-free. This detachment, of economics from ethics, is perhaps most difficult in the realm of welfare economics where value judgments and interpersonal comparisons are somewhat indispensable.

(iii) The concept of Scarcity

Economic is often defined fundamentally as a study of scarcity and of the problems to which scarcity given rise. If goods are readily available in unlimited amounts, there would be no need for an economic system to share out these goods among individuals, and consequently there would be no need for economics as a discipline. Economic goods are accordingly defined as those which are scarce, and

by the same token those which are available in unlimited quantities are referred to as non-economic or free goods (Ariff, 1996: 104). Thus, the distinction between economic and non-economic goods is based on the presence or absence of human involvement in the production process. Where human efforts are called for to bring certain goods into existence, the problem of scarcity arises owing to the fact that the capacity of man is limited.

Obviously, God has provided enough resources to last until the end of the world. Resources of Nature are indeed in “infinite” supply in the sense that they are immeasurable. So the question is, How do we reconcile the unlimited bounties of God and the concept of scarcity which forms the basis of economics? (Ariff, 1996: 105). To address this question, It may be noted that the definition of economic good is not inconsistent with the concept of scarcity as found in standard text books of economics. The Qur’anic explanation that, “*And man can have nothing but what he strives for*” (53:39).

All resources on the earth and in the heavens are of course God-given, and man cannot create anything for himself. That man does is to add his own efforts in the utilization of God-given resources. Several problems, such as; material shortages, economic misery, and social suffering arise out of man’s mismanagement of God-given bounties. It is caused by man who inflicts injuries upon himself by derivating away from the right path as laid down by the Qur’an and the Hadits.

Economics indeed has a legitimate place in the Islamic thinking. For, economic “wastes” are forbidden in Islam and “economizing” is an Islamic virtue. Accordingly, such economic concepts as “optimal allocation of resources”, “maximization of utility” and “maximization of cost” is irrelevant in the Islamic context. Because, the economic principles of Islam are unique and different from those propagated by other social systems. The perception of the economic problems, the mode of analysis and the solutions to those problems within the Islamic framework will therefore depart considerably from those without (Ariff, 1996: 105-106).

(iv) Problem of “wants”

Economics, as it stands today, teaches man ho to maximize his satisfaction with minimum resources, and the ultimate objective is then perceived as the satisfaction of possible wants (Ariff, 1996: 115).

The capitalist system exploits the painful phenomenon of want, the satisfaction of which relieves man of the pain. The system is geared not only to meet as much of man’s wants as possible but also to sreated additional wants through innovation, product differentiation, persuasive advertisements, etc. to which the craving mind reacts positively and man succumbs to it by going all out to satisfy these wants. This briefly is the mechanism by which capitalist system generates rapid economic growth. But economic growth is not an end itself; it is

only a means to an end, namely the satisfaction of maximum possible wants (Ariff, 1996: 116). It follows that maximum satisfaction that man seeks is only a means to an end and not an end itself. Man attempts to reach the state of wantlessness by his maximizing behavior, but in vain. The act of satisfying want is really an act of submission to the wanting mind (*nafsul ammarah*).

This process makes man selfish, ruthless, unscrupulous and arrogant; man becomes so preoccupied with material pursuits and so engrossed in the worldly matters that he loses sight of the very purpose of his existence in the present world. The state of wantlessness which promises perfect bliss, happiness and peace remains a mirage forever. The more man strives to reach it by his maximizing behavior, the farther it gets away from him (Ariff, 1996: 117).

The Islamic prescription that man should fill his stomach with food one-third and water one-third, leaving the other one-third empty is a classic illustration of the Islamic moderation which ensures not only the physical and mental health of the individuals but also the economic well-being of the community by striking at the root of the problem of scarcity. Moderation in consumption causes the marginal utility to diminish so rapidly that demand for goods does not easily outstrip supply. By minimizing his wants and satisfying them, the man learns to exercise a control over the wanting mind and therefore leads a life of contentment, free from tension and pressure. Wants become insatiable only when man attempts to minimize satisfaction; they become satiable when man learns to keep them within limits.

The middle course recommended by Islam ensures that man does not cater for the needs of the mortal self at the cost of the eternal self of man. In the Islamic society, virtues grow by exercise so that theory and practice need not diverge significantly. In contrast, in the capitalist system, which relies heavily on self-interest and rugged individualism for its smooth functioning, the best that human beings are capable of becoming cannot be brought out, whereas in the totalitarian regime the environment is too sterile for the development of the nobler side of man. At this juncture, it is important to point out that Islamic ethics are not heroic ethics. For Islam is down-to-earth and practical and strikes an operational balance between crude materialism and ultra-spiritualism. If the "economic man" is a cold and "the heroic man" is a fool, "the Islamic man", lying between these two extremes, is human (Ariff, 1996: 118-119).

6. Ethical view of Akram Khan

The conventional economics goes to some extent to explain these events but beyond a certain limit it cannot tell why it happened or who made it happen. It is at this point that we find some guidance from the Qur'an (Khan, 1995: 85).

The basis of Islamic economic laws is quite often ethical than material. Islam integrates ethical values into economic behavior. (al-Ma'idah [5]:1) The Qur'an has not prohibited them for physical or

material reasons. The reasons are mostly spiritual and moral. It suggest that general criterion for allocation of resources and public policy should be guided by ethical norms rather than by mere cost-benefit analysis in the contemporary sense (Khan, 1995: 147).

6.1. Moral as the Purpose of the Universe

The Qur'an visualizes the moral purpose of this universe as a subprime value. The material prosperity and misery are subservient to this great purpose. They are only means to achieve the moral purpose. Seen in this perspective, material prosperity does not remain a goal for human endeavour. It is only a milestone on the way toward God-consciousness. And this milestone also does not necessarily falls on this way. There are other routes as well. It is possible to achieve this purpose even through a materially-deprived lifestyle (Khan, 1995: 85). This is, in fact, what the prophet (pbuh) said once;

“Strange are the ways of believer, for there is good in every affair of his and this is not the case with anyone else except in the case of a believer. For, if he has an occasion to feel delight, he thanks God. Thus there is good for him in it. And if he gets into trouble and endures it patiently there is a good for him in it”.

Prosperity or misery whatever is the human condition, it should lead to God-consciousness. It should not lead one to conclude that the Qur'an suggest fatalism. The Human beings should engage in material activities to fulfill their needs and to enjoy the resources of this earth. But they should never become oblivious of the ultimate purpose of this universe. Their effort should be directed to attain a higher and higher level of God-consciousness.

6.2. The Moral law of Prosperity and Misery

The Qur'an says that there are certain moral laws of prosperity and misery operating in this universe. The invisible hand of God guides, direct, influences and coordinates various events. It makes certain things happen at particular moments of history. It leads to prosperity or misery.

The moral laws of prosperity and misery only add to our understanding. They complete the 'big picture'. They supplement our knowledge of the economic events by adding a spiritual dimension. This dimension is not visible to human beings through five senses. Since conventional economics derives all its content through the five senses it is not aware of the spiritual dimension of human economics. It is in this sense that he conventional economics needs to open up its borders to other disciplines. Whatever understanding one can get from other branches of knowledge should be readily accepted. This will only add to the utility of economics as a human science (Khan, 90-92).

The Qur'an says that God bestows people with prosperity in several verse (Al-Maidah[5]:66), (Hud[11]:3) (Ibrahim[14]:7), (Ibrahim[14]:34). from these following verses, the moral law of prosperity can be conclude as follows (Khan, 90-92);

- 1) Material prosperity is not merely the result of human struggle and effort in the material sense. It is also a consequence on one's moral actions.
- 2) The implementation of the devine teachings in practical life surely leads to prosperity. It suggest that the public policies should institute such systems and procedures which facilitate following of God's commandements. Conversely, the public policies should discourage such actions which are prohibited.
- 3) Some of the desirable traits of character which lead to prosperity are;
 - Belief one God
 - Active participation in all positive acts
 - Honesty in performing one's duty –as self – propelling
 - Thanksgiving to God
 - Repretance on one's mistakes and willingness to make amends, readiness to learn from the past.
 - A process of continuous monitoring of one's behavior and willingness to improve
 - Kindness on others. It includes spending on others which stimulates the economy.

The traits of characters, once inculcated, lead to God's bounties. It implies that the societies should be transformed structurally to induce people to adopt faith in God and inculcate His consciousness. Such a structural transformation is a key to real prosperity. Material abundance without faith and God-consciousness is not prosperity in the Qur'anic sense.

In The moral law misery, The Qur'an says that God inflicts misery on a people in the following verses, (Al-An'am[6]:44), (Al-An'am[6]:6) (Tahaa[20]:124). Some conclusions flow from these verses:

- 1) misery is not caused merely by human neglect or inaction. It also befalls as a result of human indifference toward the devine message or human disobedience of God.
- 2) in case of human misery the right course of action, besides taking whatever material efforts are necessary, is to run toward God and seek His forgiveness.

The question arises: can we predict human misery in the light of this way ? the answer is that if people behave persistently in disobedience of God they will encounter misery in the long run ever though in the short run they rejoice in material abundance. Thus, misery can be predicted when majority of the people behave in disobedience to God persistently. The form of misery could be hunger,

deprivation, internal strife, internecine. Wars, ethic conflicts, crimes and any other form which causes a condition of restlessness among the people. Of course, the exact timing cannot be predicted as the Qur'an itself says that only God knows the timing of such an occurrence (6:67)

7. Conclusion

It can be concluded from this discussion that, the Muslim economists trying to solve problems that occur particularly in the case of dichotomies in the fulfillment of material needs and non-material need, although there are some flaws. Muslim economists at least try to realize human well-being based on Islamic principles. and also the Muslim economists are trying to build the Islamic ethics as a discipline that was not present before.

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