

Economic System of Europe and Economic Teachings of Islam: A Special Study in the Context of the Views of Mufti Taqi Usmani

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Abstract

Islam provides humanity with a smooth path to a successful life and provides the guiding principles of worship and society as well as economy. Humanity can continue on the path of development by following them. In the development of any nation, its economy plays a very important role. Therefore, a peaceful society grows with the stability of the economy. And in this field, the personality of Mufti Taqi Usmani is being valued in the Islamic world and his opinions are being valued in solving the problems faced by the Islamic economy. In this article, the four basic problems of economy in the context of European economic system: (1) determination of priorities (2) distribution of resources (3) distribution of income and (4) development by presenting the views expressed by Mufti Muhammad Taqi Usmani, Islamic economic system has been introduced.

Since Mufti Taqi Usmani is a well-known figure in Europe and the whole world, his ideas are popular in the Western world as well as in the Islamic world. We dare to try to cover as much as possible in this paper, so that people can easily transact according to Islamic teachings and meet the requirements of religion.

Key Words: Humanity, Successful, Economy, Development, Determination, Distribution, Principles, Peaceful, Society.

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INTRODUCTON

Mufti Taqi Usmani Sahib is a great researcher, thinker, commentator, Muhaddith and thinker of the present era. He holds a high position in the ranks of scholars and is a beloved figure for all great scholars. He is a famous Islamic scholar and juridic jurist. He is one of the famous scholars of the Islamic world. From 1980 to 1982, he was a judge of the Federal Sharia Court and from 1982 to 2002, the Sharia Appellate Bench of the Supreme Court of Pakistan. He is the current President of Wafaq Al-Madaris al-Arabiya, Vice President of International Islamic Fiqh Academy, Jeddah and Vice President of Darul Uloom Karachi. Apart from this, he is working as a Shariah advisor in eight Islamic banks and is also the editor-in-chief of Al-Balagh Journal.

Allama Shabbir Ahmad Usmani, may Allah have mercy on him, wrote a Sharah on Sahih Muslim called "Fateh-ul-Mulham", which was only up to Kitab-ul-Nikah, from Kitab-ur-Rza'ah to the end of book, Hazrat Maulana Mufti Taqi Usmani completed it with the name of "Takmilah Fateh-ul-Mulham". This rate is an example of the ancient and modern rates of important scientific debates, especially those related to modern cases. In this rate, one can find historical and research materials that only this one work can be considered as the place of a library in any related discussions. In this way, this work has become a precious gift for the Students and teachers of Hadith and discussions, information, benefits and rare researches, which has become a treasure of hundreds of books. The foil protects it from rotation. The article is related to the

Features and specifications of "Takmilah Fateh-ul-Mulham".

Islamic Authentic researchers have also acknowledged the greatness of "Takmilah Fateh-ul-Mulham".

1- Allama Yusuf Qaradawi Takmulah writes about this ⁽¹⁾.

"There is a lack of knowledge in this interpretation: Hass al-Muhadith, wa Malik al-Faqih, wa al-Qaliyyah al-Mu'lim, the courage of the judge, and the view of the modern world, side by side." ⁽²⁾

I have found in this rate, the sense of this Sharah the perfect jurist, the wisdom of the teacher, the courage of the judge, and the thoughtfulness of the scholar of his time, side by side. Among other features of this rate, an important feature is that at the beginning of each chapter, the author has presented an analysis of the main findings related to the chapter in a research style. One of them is Bab al-Bayu, in the beginning of which Hazrat has shed light on the economic teachings of Islam by presenting the introduction and analysis of European economic systems. In this paper, Hazrat's research will be summarized and analyzed.

We can divide this discussion into three parts:

- 1-Introduction to the capitalist system, and its philosophy (capitalism)
- 2-Introduction to Socialism, and its philosophy (socialism)
- 3-Islamic rules of economy

Introduction to capitalist system:

Before introducing the capitalist system, we will mention the basic problems of economics, what are the basic problems of economics? And which system solved these problems in the best way, or offered the best solution?

The four basic problems of economics are:

- (1) Determination of priorities.
- (2) Allocation of resources.
- (3) Distribution of income.
- (4) Development.

1- Determination of priorities:

Human needs are countless, and compared to them, the resources are limited and less, these limited resources. It is not difficult but impossible to fulfill all these desires. Therefore, some needs and desires will have to be prioritized and some will have to be postponed. As this problem happens to a person, it also happens to the whole country and the entire state. For example, Pakistan has some natural resources, some human resources, all these resources are limited, and in contrast, the desires and needs are endless and countless. should be given? And which products should be manufactured? This problem is called "preference determination".

2- Allocation of resources:

The second problem is "resource allocation". We have the resources of production, such as: land, capital and labor, how should we use them and in what quantity? How much land should we cultivate wheat? How much land should we cultivate rice? , can also make shoes, and can also make food and drink items, now how many factories should be used to make cloth? And how many factories should be used to make shoes? The explanation and determination of this question is called "resource allocation" in economics

3- Distribution of income:

The third problem is "distribution of production". After putting the above resources to work, how should the production and income obtained as a result be distributed in the society? And on what basis should it be distributed? This is called "income distribution" in economics.

4- Development:

The fourth problem is "development". How to develop economic gains? So that the products and production being achieved are better than before in terms of quality, and how to bring new inventions and products into existence so that society develops and people have economic and livelihood resources and people have more sources of income.

Analysis:

These are the four basic problems that are absolutely necessary for every economic system to solve, and it is impossible to solve them without any system being able to run without them, i.e. determination of priorities, allocation of resources, distribution of income and

development. It became more and more and as a result two competing ideologies came before us, one is capitalism and the other is socialism.

Capitalism:

On what basis did the capitalist system solve these four problems?

M. Taqi Usmani wrote:

"So Capitalism says that economic organization is not possible unless we give each individual of the community complete freedom to earn a living."⁽³⁾

The capitalist system says that there is only one way to solve these four problems, that every human being should be left completely free for industrial activities, and he should choose whatever method is appropriate to get the most profit. will be resolved automatically; because every person will try to earn more profit, then everyone will do the same work in the field of economics that will be the main needs of the society, and as a result, these four problems will automatically be solved with a certain balance. Now the question arises here, how to solve these four problems automatically. shall be?

There are many natural laws in this universe, and one of them is the law of "supply and demand".⁽⁴⁾ Now the natural law of supply and demand is that the price of the thing that is more than the supply in the market goes down, and the price of the thing that increases compared to the supply goes up. For example: In the winter season, when it gets colder, the price of warm clothes increases. The demand increases. This means that its demand will increase. Now, if the overall quantity of this cloth in the market is less compared to its demand, then its price will increase. Yes, if the quantity of cloth increases as much as its demand has increased, then the price of this cloth will not increase. In contrast, the demand for warm cloth in summer. Now if the total quantity of clothes in the market increases against this demand, then its price will decrease, and it will decrease. This is a natural law, which is called the law of supply and demand.⁽⁵⁾

2- The philosophy of the capitalist system says that this natural law of supply and demand determines for the industrialists and traders what they should bring to the market and how much they should bring to the market? appropriation, revenue distribution and development) will be resolved automatically.

3- Determination of preferences by the law of supply and demand:

The law of supply and demand will determine preferences in such a way that when we leave each person completely free to earn more profit, each person will bring to the market the thing that will be in greater demand and need for the sake of making profit or for the sake of their own profit. Everyone is working for himself, but the law of supply and demand has forced them to bring to the society the things that the society needs. Even if the production of something comes to the market to meet the demand, then it will not be profitable for the manufacturer to produce that thing, so he will stop making the same things in the society. It will be born which is the main need of the society, and that name is the determination of priorities.

4- Allocation of resources by the law of supply and demand:

Just as the laws of supply and demand determine priorities, they also perform the task of allocation of resources at the same time. As a result, each person invests his resources, i.e. land, capital and labor, in order to produce and bring to the market such things that are in high demand and need, and get more profit. Therefore, the law of supply and demand automatically solves the problem of allocation of resources.

5-Distribution of income:

On what basis should the income obtained as a result of the process of birth be distributed in society? The capitalist system says that this income will be distributed among the factors that participated at the time of birth. According to the philosophy of the capitalist system, these factors are total four: land, labor, capital and organization. The Capitalism system says that whatever income is obtained as a result of the birth process, it will be distributed in such a way that the rent is given to the one who provides the land, the laborer is given a wage, the capital provider is given interest, the main driver of the birth process, who is called the employer, is given a profit. Should laborers be paid wages and capitalists be given interest? In response to this question, the philosophy of the capitalist system presents supply and demand, and says that the compensation of these factors will be determined based on supply and demand.

6- Development:

Every economy needs to develop its production, and increase its production. According to the capitalist system, this problem will also be solved on the basis that when everyone is freed to earn more profit, then the natural laws of demand will automatically induce him to bring new innovations and new quality to the market. When they bring new inventions to the market, the demand for the new thing will be high, so when the demand is high, the profit will be more on the basis of it.

Now we will mention the principles of the capitalist system in a few lines, which are the principles on which the entire structure of the capitalist system is based, and the capitalist system is based on these principles.

Principles of capitalist system:

The basic principles of capitalism are three:

- (1) Personal property.
- (2) Personal profit motive.
- (3) Non-interference of the government.

1-Personal property:

The first principle of this system is that in this system, a person can keep personal items in his personal ownership, and he can also keep production resources. Production resources mean land, factory, etc. In the capitalist system, a person can keep this land and factory in his personal ownership. Humans cannot keep the means of production in their personal ownership. We will work on this in the future. However, in the capitalist system, everything, be it consumables or production items, can be kept in personal ownership and can come into private ownership.

2-Personal profit motive:

The second principle of the capitalist system is that the profit will be for the person who has worked hard in the birth of this thing, endured all the problems from the beginning to the end of this thing, the profit will also be for him, the government will have no part in this profit, and the determination of this profit is also through supply and demand. Supply and demand will determine whether the incentive in the production process is worth the profit.

3-Non-interference of the government:

The third principle of the capitalist system is that the government and those in power will not interfere in the business activities of the businessmen, no obstacle should be placed in the way they are working, no restrictions should be imposed by the government. The government cannot interfere.

2-Introduction of Communism and its philosophy:

Communism actually came into existence as a reaction to the capitalist system. The essence of the capitalist system was that each person is free to get more profit, and every problem of the economy is basically solved on the basis of supply and demand, and in the race to earn more profit, there were many incidents of poor people sweating, on the basis of which the distance between the poor and the rich increased. Lekar came to the fore, challenging the basic philosophy of the capitalist system, denying that these four fundamental problems of the economy could be solved solely on the basis of personal profit motive, private ownership, and market forces.

Communism says that the basic problems of the economy in the capitalist system have been handed over to the blind and deaf forces of supply and demand, which act as a driver of private profit, and they have no concern or understanding of the problems of public welfare. In this, the rich get richer, and there are many incidents of poverty among the poor. Therefore, the capitalist system is a waste instead of being beneficial to the society.

Now the question is that what is the method to solve these four problems, and on what basis these problems should be solved? In response to this, Communism presented the philosophy that the problem arose from the fact that the resources of production were declared the individual property of the people. It should have been that the resources of production were in the collective ownership of the state instead of the personal ownership of the people. When they are with the government, the government will know how many total resources they have? What are they? As if all these things will be done by the government under planning, and it will be decided which needs of the society will be promoted, and which things will be produced in what quantity, and according to which resources will be arranged, and in which tasks they will be done. It can be done under the planning of the government. What remains here is the distribution of income, and the factors of production in the partnership are two, one is land and the other is labor. Since the land is not owned individually by anyone, but is owned collectively, there is no need to pay rent for this land. Only labor remains, the government will also determine the wages of the workers under planning, and will keep in mind that this laborer will be adequately

rewarded for his labor. found Just as the capitalist system wanted to solve these four problems only on the basis of supply and demand, in the same way, communism has also proposed a single proposal to solve these problems, that is, planning that these four problems will be solved only under planning.

Basic Principles of Communism:

Basic Principles of Communism Total Four:

1- Collective ownership

2-Planning

3- Collective interest

4- Fair distribution of income.⁽⁶⁾

Mufti Muhammad Taqi usmani did not talk about these four principles of communalism in his commentary on the other three in his planning, and did not explain it in much detail. Therefore, we will not go into detail about it. However, it is important to keep in mind such a principle that this system used planning to solve the four basic problems of the economy, so in his view, instead of private ownership, the ownership of goods would be government and the government would plan to allocate resources and determine priorities. Collective interest will also be achieved and development will also be achieved and as a result fair distribution of income will also come out.

3-Islamic rules of economy:

1-Islam is a complete system of life:

It should be clear that Islam is not an economic system, but rather a solid religion, whose rules are related to all areas of life, including economy and economics. Therefore, the Qur'an and the Hadith did not present any economic philosophy in the popular sense, which is called economic terminology of the present day. Therefore, these four issues, i.e. determination of priorities, allocation of resources, distribution of income and development, are not discussed directly, but like other areas of life, Islam has also given orders about the economy.

2-Islam and the law of demand and supply:

Allah Almighty says in the Qur'an: " We have divided the economy among them and have given some of them precedence over others in degrees so that one of them may work with the other" .⁽⁷⁾

It is obvious that work will be taken from each other only when there is a demand for work from those who take work, and there is a supply of work from those who work, and those who give work. A balanced economy comes into existence by the mutual combination of this supply and demand. In the same way, in the time of the Prophet (ﷺ), when the villager would bring his agricultural produce to the city for sale, the citizen would say to him, "Don't sow your own crops. You will thresh it and sell it in my sight at the right time: "Set people free so that Allah may provide sustenance to some of them through others".⁽⁸⁾

Similarly, when you were requested to determine the prices of the items sold in the market, on that occasion the Holy Prophet (peace and blessings of Allah be upon him) said:

“Verily, Allah is the one who determines the price, He is the one who decreases the supply of things and the one who increases them, and He is the one who gives sustenance”.⁽⁹⁾

It is very clear from these sayings of the Qur'an and Hadith that Islam has accepted the laws of supply and demand, and in the same way, the motivation of personal profit has been recognized in general. But the only difference is that the motivation of personal profit was completely omitted in the capitalist system, which caused many errors. We will mention these errors in the review.

3-Sharia restrictions:

Islam has imposed some restrictions while accepting the motivation of supply and demand and personal profit, as a result of which there will not be an imbalance in economic activities. The restrictions imposed by Islam on the motivation of personal profit can be divided into three types:

1-Divine restriction:

"Interference with religion: It is not permissible for a person to earn money in an illegal way from usury, gambling, guesswork, and other corruptions and corrupt or invalid transactions".⁽¹⁰⁾

First of all, Islam has imposed some prohibitions of haram and halal on economic and commercial activities, which are in force at all times and everywhere. For example: usury, gambling, gambling, usurpation and hoarding and all other false things are forbidden and impermissible in general, because they create inequality in the economy. What has been declared permissible by which the society becomes an immoral person. However, this makes it clear that God's restrictions are obligatory at all times, whether it is understood by the rational wisdom of man or not.

2- State Restrictions:

"Government Intervention: Islam does not allow the government to intervene in the market if it is feasible, Its normal course is as taught in Hadith al-Taseer, but if a person wants to dominate the market".⁽¹¹⁾

God's restrictions were of an eternal nature, along with them, the Islamic Shari'ah has given the authority of the government of the time that it can also impose a ban on any act under a general expediency which is not itself forbidden but within the realm of the permissible, but if it requires any collective disorder, it can ban the act, and this ban is eternal. It will not be of a nature that is in effect at all times and everywhere, rather it will be a ban of temporary expediency, when the expediency is removed, the government can remove this ban.

Under this principle, the government will monitor the economic activities, and the government of the time may impose appropriate restrictions on those activities that are suspected of creating inequality in the economy. Hazrat Umar Farooq, may Allah be pleased with him, once visited the market and saw a person who was selling something at a price much lower than its known price. You said this sentence to him:

"Either you increase the price, or you raise the price".⁽¹²⁾

Either increase the price or get out of our market.

It is not clear in the hadith why Hazrat Umar imposed a ban on this, it may be that this person is stopping the legitimate profit of traders by setting a price much lower than the balanced price of the market. But Hazrat Umar imposed a ban on the basis of a public expediency, that it was making a big difference to the general price of the market, and the legitimate profit of the traders was being blocked. Seeing this expediency, Hazrat Umar (pbuh) said to this person, "Increase the price, or else get out of our market". It says: "O you who believe, obey Allah and obey the Messenger and the one who is in command among you".⁽¹³⁾

It is also important to clarify here that the authority of the government to impose prohibitions is not unlimited, but there are some rules and regulations for it. It is found that when a public interest is dying, then the government can impose a ban."The behavior of the imam is directed towards salvation".⁽¹⁴⁾

The powers of the government over the people are tied to expediency.

Therefore, if the government imposes a ban without any collective expediency, then it is not necessary for the government to comply with this ban, and it is not permissible for the government to impose this kind of ban, and this ban can be revoked by the Supreme Court.

3-Ethical restrictions:

"Interference with ethics: Then the rules of ethics are not separated in Islam from economics, for the acquisition of more than profit and wealth is not among the original goals of human beings as our predecessors".⁽¹⁵⁾

In the teachings of Islam, it is very clear that economic activities and the benefits derived from them are not the purpose of human life. The Qur'an and the Sunnah emphasize that this worldly life is for a few days, and after that there will be a life that is eternal and eternal, and the main task of man is this. He should give preference to the hereafter over this religious life and prepare for it. Therefore, the task of a person is not to earn two or four paise more than others, but to provide more and more luxury goods for his hereafter.

When this mentality of a person is born, it is not something that affects his economic decisions that in which case he will earn more profit, and in which case our pocket will be more full, rather, sometimes the economic decisions of a person are based on which work will benefit me more in the hereafter.

Analysis:

In this article, we have introduced the three systems, and explained the philosophy of each system. On what basis did the capitalist system solve these basic problems? And what philosophy was presented for it?

1. The capitalist system solved these four basic problems (determination of priorities, allocation of resources, distribution of income and development) on the basis of course and demand.

(a) But the error arose from the fact that this system left everyone absolutely free to take any path to earn the maximum profit, since there was no distinction between what was permissible and what was forbidden for profit, so many moral evils spread in the society,

and likewise when a certain moral There were no restrictions for obtaining personal profit, and the collective interest was not taken into account in the determination of priorities and the allocation of resources. That the profit in it is less compared to that.

(b) When personal profit motivation is not restricted to halal and haraam, gambling, usury and usury are reviewed, and these are the things that create distortions in the economy.

(c) Along with this, the concept of the capitalist system was that there should be no interference in trade, but after the passage of time, these rules and principles could not be maintained. Taxes have been encouraging some business and discouraging others, now there is no country that is not restricted by the government.

(d) One of the major causes of inequality and inequity in this system is usury, by which the wealth goes to the rich and not to the poor.

2. So much of participation was true that the capitalist system left the motive of personal profit completely free, as a result of which the concept of public welfare did not remain at all.

(a) The capitalist system left each individual so free to do what he wanted for his own benefit, while Communism gave the individual so much freedom that his natural freedom was lost. Communism completely rejected these natural laws, and in its place, government planning was the cure for all ills, while man's own creation This planning does not work everywhere, and in many places or places this connection turns out to be nothing more than an artificial shackle.

(b) Socialism has completely eliminated the motive of personal profit, so it has a great impact on people's actions and performance; because man thinks that whether he works smartly or cheaply, his income is the same in both cases, so why should he work harder. It is not only theoretical but it is fully proved by experience.

3. In contrast to these two systems, the solution offered by Islam is a moderate solution that does not leave any individual free to do whatever he wants for his personal profit, nor does it take away his natural freedom. However, some restrictions have been imposed to stabilize the economy and make it stronger. Ban has imposed certain restrictions on economic activities, halal and haraam, which are in force at all times, such as usury, gambling and hoarding, because the Shariat has closed the doors of hoarding and hoarding, and has left the door of spending open, and the wisdom therein is that which Allah the Almighty has indicated: "So that it may not circulate only between the rich among ypu".⁽¹⁶⁾

Other goods were declared invalid, because these things are usually the means of establishing monopolies. State restrictions: The government can impose some restrictions under the public interest of the time and in arguments, so that no one's rights are destroyed, and likewise moral restrictions: that the main goal of man is not to make money. Keep your future in mind in every work and action. When an individual does any work or any country with this determination, it will make the economy strong and stable both at the individual level and at the collective level.

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- ¹. The most prominent religious scholar in the world of Islam, the holder of Ikhwani thought, the president of the International Union of Islamic Scholars. Sheikh Yusuf Qaradawi was born on September 9, 1926 in Egypt. Yusuf Al-Qaradawi is the head of the UN Council Fatawa and Research. He was extremely popular in the Arab world. He has been working in the Egyptian ministry of religious affairs. He has published more than 50 books so far. Among them are "Islam and Sanctity", "Islam: Civilization of the Future", "Islamic Movement Priorities" and "Woman's Place and Status in Islam". (Essam Talima, Al-Sheikh Yusuf Qaradawi, p. 55/Publisher: Imam Hasan Bana Shaheed Institute, Bhatkal, India)
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