

## **Islamic economy**

### **The Characteristics**

#### **1- Dual property**

It means realizing a balance between the individual's interest and the community's interest, if there is no contradiction between them.

#### **2- Restricted economic liberty**

It means finding the legitimate regulations in earning and spending money. The prophet , peace and grace be upon him(Peace be upon him) said : "The feet of the slave of Allah shall not move [on the Day of Judgement] until he is asked about five things: about his life and what he did with it, about his knowledge and what he did with it, about his wealth and how he earned it and where he spent it on, about his body and for what did he wear it out."

#### **3-Social Solidarity**

The obligation of fulfilling the Alms (Zakat), charities and benevolences.

## **The Capitalism Economy**

**Definition:** It is an economic system based on the idea that the person is the sole owner of the money he earns, and he has the full discretion to do whatever he wants with this money.

### **The Characteristics:**

- 1-It considers the person as the core and main purpose of the existence of the whole universe.
- 2- Realizing the most of the individual interest, as the public interest is realized upon the achievement of the individual's interest.
- 3- Imposition of the economic absolute liberty and full competition

### **The disadvantages**

- 1- Imbalance in wealth distribution among people.
- 2- Occurrence of crises and unemployment.
- 3- Merchandise monopoly
- 4- Absolute freedom in earning and expenditure.

### **The Socialist Economy**

**Definition:** It is an economic system based on the idea that wealth and production means are property of the whole community. Individuals have no rights to them and they only take rewards for the services they provide to the community.

### **The Characteristics:**

- 1-The government owns all the production tools and their revenues.
- 2-The individuals have no right in their jobs revenues, unless what is allocated for them by the government.

### **The disadvantages:**

1. Fighting human instinct which is the ownership preference.
2. The human being becomes like a slave or a machine, the issue which demolishes his productivity motives.
3. Socialist nations often live in hard poverty.

**Fig 1:** Economic Doctrines of life and Main theme of Rationalism

<b>Economic Doctrines of life and Main theme of Rationalism</b>		
<b>Conventional Rationalism</b>		<b>Islamic Rationalism</b>
<b>Capitalism</b>	<b>Communism</b>	<b>Islam</b>
Worldly life & confused about Hereafter life	worldly life is the only life & no Hereafter life	Worldly life & Hereafter life
Self-satisfaction	Self-satisfaction through state intervention	Satisfaction of ALLAH
Self-interest & Rationalism is the sole authority of decision making	Rationalism and state is the sole authority of decision making	Individualism & Rationalism through moral filtering is a part of decision making
Competitive market: survival for the fittest	State control the market	Combination of competition and state intervention: Humanity & Philanthropy
No value judgment	No value judgment	Value judgment, social, national, cultural values
Independent of revealed religion, Religion is unreliable	No religion	Religion is key determinant
Earning at any way	Earning at any way	Earning at honest way