

THE NECESSARY DEATH OF ISLAMIC ECONOMICS

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The trouble with Dr. Asad Zaman's paper is that it is written in the spirit of Don Quixote. But windmills are not giants and Islamic economics is not what Dr. Zaman conceives it to be.

Islamic Economics is a Saudi sub-imperialist project. Its purpose is to incorporate Islamic movements in the Saudi strategy for achieving hegemony within the Muslim world. From the early 1970s Saudi Arabia recruited ambitious status seeking cadres from the Islamic movements. The task assigned to them was to reshape the policy perspectives of Islamic parties so that these policies could become instruments legitimating Saudi hegemony.

All leading Islamic economists have Saudi connections — Prof Khurshid Ahmed visiting professor at the King Abdul Aziz University, Dr. Nejatullah Siddiqui at the same university Umar Charpra at SAMA, Fahim Khan and Monzer Kahf at the Research Institute of the IDB. Islamic Economics was to be the bridge linking Saudi interests to the policies of the Islamic parties.

Dr. Nejatullah Siddiqui and Prof. Khurshid Ahmad have built brilliant careers and won the Faisal Award but at the terrible cost of integrating the international initiatives of the Islamic parties with Saudi foreign policy. As post 9/11 editorials of the Tarjuman-ul-Quran show this work continues with Prof. Khurshid emphasizing month after month the foolishness and the great harm being done by those confronting America. This, of course, is the main thrust of Saudi Arabia's foreign policy doctrine.

An important first step in incorporating Islamic party policies within the Saudi agenda was the establishment of Maulana Maududi's credentials as an Islamic economist. This slander has been popularized by the Saudi retainer Timur Kuran and it is interesting to note that Prof. Khurshid repeats this slander in his response to Dr. Zaman.

Nothing could in fact be further from the truth. Maulana Maududi wrote extensively on issues related to finance, consumption, production and exchange, but he never employed economic methodology. His work on ma'ash was strictly within the epistemic traditions of Kalam and Fiqh. As a reading of Tanqihat, Insan ka ma'ashi masa'la aur uska Islami hal and Sood shows Maulana Maududi was familiar with both neo classical and Keynesian methodologies. His refusal to use these methodologies in his analysis of production, exchange and business cycles arises from his principled rejection of capitalist epistemology and of the capitalist way of life.

Islamic economics – like all other economics — seeks to legitimate capitalist order and to provide a particular technology for capitalist governance. This is the *raison d'être* of all economics. Economics is a science legitimating and operationalising capitalist governmentality. It addresses issues of production, consumption and exchange within the context of a 'this worldly' epistemological and ontological domain seeking 'transcendence from within'. Production, consumption and exchange are economic processes only when they are instruments for the achievement of human self-determination and equal freedom. When the purpose of production, exchange and consumption is not 'transcendence from within' but genuine transcendence (*mara'fa*, *fana*, *jihad*, *dawah*) they are not economic processes. They are religious processes and both the value and the conceptual frameworks provided by economics are entirely inappropriate for the analysis of such production, consumption and exchange.

Dr. Zaman's proposed definition of Islamic economics is inherently incoherent. He defines Islamic economics as "the effort to realize the orders of Allah pertaining to economic affairs in the lives of Muslims". This can be written as "the effort to realize the orders of Allah pertaining to the legitimating and governance of capitalist order in the lives of Muslim". Since capitalist order is premised on equal freedom and human self-determination it necessarily rejects the legitimacy of "the effort to realize Allah's orders". Production, consumption and exchange must necessarily be addressed in anti-economic ways if the purpose of organizing production, consumption and exchange is to "realize the orders of Allah". i.e. reject equal freedom and human self-determination.

Dr. Asad Zaman does not situate economics in enlightenment / post enlightenment theoretical discourses and legitimated social practices. His critique of Islamic economics is essentially concerned with its development as a sub discipline of neo classical economics. Islamic economics has not concerned itself with operationalising solutions to problems posed by injustice, inequality, inefficient human development and (above all) poverty. It has failed to participate in research projects similar to those sponsored by Marxists and Behavioral and Experimental economists. The implicit assumption is that the tangency and overlap in the objectives of Muslims, Marxists and Behavioralists is sufficiently salient to sustain dialogue and collaboration.

Dr. Asad Zaman does not seem to recognize that the research agenda of Islamic economists was determined by their Saudi financiers. Today also those who seek to broaden the research agenda of Islamic economics are encouraged to participate in

imperialist funded projects. — such as the “Faith and Development” project led by the University of Birmingham. Imperialism needs a vibrant religious segment with in the ‘globalisation from below, movements. This is specially necessary in the Muslim world where such religious groups can play a pivotal role in delegitimizing Islamic resistance to imperialism.

Dr. Asad Zaman’s proposed changes in the content and orientation of Islamic Economics are essentially social democratic. He laments that many themes appropriated later by Marxists and social democratic researchers were initially introduced by Islamic economists who failed to operationalise them. This reflects an implicit acceptance of the metaphysical presumptions underlying such proposals. Dr. Zaman does not appreciate that the Muslims who put forward these proposals did so as Muslim nationalists, Muslim liberals, Islamic socialists etc. The purpose of such policies, then and now, is the subordinate incorporation of Islam within capitalist order — the nationalisation, liberalisation, socialization of Islam through a piece meal conjunction and appendixation of Islamic rules of taxation, administration and conduct to holistic capitalist practices.

Socialism and social democracy are the most morally debased and spiritually corrupt and obscene life systems spawned by Enlightenment philosophy. Lenin called Allah “ an unthinkable vileness”. Mosques were turned into pigsties during the Cultural Revolution in China and the torturers of Guantenamo Bay and Abu Gharib imitate Stalinist agit-prop squads who used to urinate on the Quran in Tashkent. Social democratic Denmark and Italy insist on their right to curse the Prophet (Peace be upon him).

Nobody hates Islam more than the socialists. Moreover as Maulana Maududi printed out six decades ago socialism, like fascism, is merely a collectivist version of capitalist order. It seeks the deification not of the human individual but of a chosen representative. (‘Specie being’) of the human race. Thus the ‘spirituality’ underlying the concept of the Human Development Index. (which Dr. Zaman extols) articulates the same debased morality of freedom equally acceptable to liberals and socialists. since both seek the deification of humanity.

The over whelming influence of socialist ideology on Dr. Zaman’s thought is reflected in his conclusion. “The most urgent problem we face as economists is ... the phenomenal concentration of wealth into a few hands together with large scale hunger and poverty. We should join hands with efforts to solve these global problems We have to show the world what Islam can do”. This may be necessary for the maximization of profit and welfare (maximization of a discounted flow of consumerables over a defined time period). It may be necessary in other words, for the promotion of equal freedom and human self determination. Historically it is this quest for equal freedom and human self determination which has destroyed religious consciousness and created an unjust and exploitative world order.

Justice is not the proportional equation of marginal productivity and costs in the alternative uses of resources, nor is it, the operationalisation of the principle “From each according to his ability, to each according to his need”. Justice is the establishment of Shariah Exploitation is not the monopolistic / oligopolistic formation of prices nor is it the extraction of surplus product in the form of surplus value. Exploitation is the violation of Allah’s commands.

Liberals and socialists hate Islam because Islam rejects equal freedom and human self determination. This becomes evident when we compare the liberal / socialist and the Islamic attitude to poverty. In Islamic civilization (as in Christianity and Buddhism) poverty is a cherished virtue and all the major schools of fiqh regard a state of faqr (poverty) as morally superior to a state of ghina (affluence). The Prophet (Peace be upon him) always led a life of extreme poverty even after the conquest of Khyber and the victory at Hunain. Imam Ghazali (may Allah bless him) has narrated no less than 37 Ahadith in the Ihya extolling the virtues of hunger and the wearing of patched and coarse cloth and going barefoot. Islam like Christianity seeks not the maximization of welfare but the limitation of need and the widespread social acceptance of poverty as an ideal.

Islam is incompatible with economics because Islam rejects both the liberal and the socialist variants of capitalist order in its entirety. Capitalist rationality is jahiliya, capitalist life practices are munkar and ma 'asiya. There is no space in the "globalisation from below" movements or other movements seeking the promotion of capitalist justice for Muslims because Islam regards capitalist justice — in both its liberal and socialist varmint — as zulm.

All of Dr. Zaman's policy concerns relate to problems faced by Muslim countries. He adopts a tone of sweet reasonableness in addressing Muslim governments advising them to take account of peoples' needs in formulation of policies. He advocates regional investment of oil income, a common currency, increased trade co operation etc. This is much in the spirit of the conventional Islamic economists whose natural constituency (like that of Dr. Zaman) is that of Muslim governing elites. While scriptural texts may in the most general sense be interpreted to legitimate specific trade and investment policy initiatives no one can doubt that it is capitalist efficiency and equity which is the driving force of such advocacy.

The danger of course is that an isolated Quranic verse or a Hadith can be invoked without reference to its legitimate interpretation as for mulated by the user to justify almost anything. The Sarhad MMA government pays and takes interest on its fiscal accounts, its finance minister goes cap in hand begging from one European capital to another, IMF, World Bank and ADB priorities determine it's provincial development expenditure Co education is tolerated, all on the basis of Musliha (with appropriate scriptural citations). As Asfandiyar Wali remarked during his 2006 visit to America "Islam has been made into such a shapeless hat by the MMA that almost anyone can wear it". No doubt that is why the ANP supported the Shariah Bill in the Sarhad Assembly.

As long as Muslims adopt an economic approach — neo classical, Marxist Behaviorist, Institutional what ever — to the conduct and organization of production exchange and consumption, they will come up with analysis and conclusions that non Islamic economists will find to be reasonable and respectable. This is because Islamic economists are just that — Islamic (adjective) economists (noun). Like other economists they are necessarily committed to equal freedom, human autonomy and self determination, maximisation of welfare and of capital accumulation. They cannot remain economists if they abandon these commitments.

Economics is a form of 'Itizal (though not in the Neo Platonic tradition). We must destroy economics as an episteme and return to Imam Ghazali, who addressed all problems of ma'ash (production, consumption and exchange) in the context of and in subjugation to ma'ad. Dr. Zaman's definition of Islamic Economics can represent (an unrealized) ghazalian move — an addressing of issues related to production, consumption and exchange within the paradigm of fiqh, usul, kalam, tassuwuf, and (Dr. Zaman emphasizes this) tareekh. What is needed is a widening of the scope of these Ulum, so that problems related to present day conceptualization and organization of production, consumption and exchange can be addressed within their context. This requires what our lord and master Sheikh al mashaikh Hazrat Imdadullah Muhajir Makki (may Allah bless him) used to call "taqlidi ijtihad". — the sort of ijtihad which through elaboration confirms and validates our traditions and is an instrument for the universalisation of Sunnah.

This task can be undertaken only by the ulema who are well versed in the ulum. People trained in the Enlightenment Jahili tradition can serve the ulema by providing information about this tradition and its epistemes so that appropriate ahkam can be derived by the fuqaha and discourses developed by the mutakalameen. Moreover Imam Ghazali (may Allah bless him) wrote Ihya only after he had written Tahafa and Tahafa contains a definitive methodology for unearthing the internal contradictions of Jahili epistemologies. We must apply this methodology for demonstrating the inherent incoherence of economics both as discourse and practice. This can play an important part in our world wide struggle for the total and final destruction of global capitalist order.