

Economic Integration in Islam III

By: Lotfi Ali Sultan, B.A. (Hons.), M.Ed., M.A.

The economic doctrines in Islamic law are all basically regulated and conditioned by Divine Ordinances that are specified in optimized precision and exactness in the text of the Holy Quran. The divine nature of these doctrines stipulates them as mandatory to every Muslim to observe them as the "Right of Allah. Any infringement or violation of these doctrines is a sacrilege committed against one's belief. The ethical moral conscience of belief is the only real control on individual actions. State laws are only of regulatory and judicial nature. Two most important aspects of these doctrines are the system of inheritance and the monetary system of Al-Zakah.

The laws of inheritance in Islam are determined according to a Divine System of social economic equilibrium wherein wealth is justly distributed among several individuals. These individuals are the immediate members of the family of the deceased. This expansion in distribution prevents the ownership of large amounts of wealth by a selected minority in continuity of inheritance. Inheritance is a right to sons, daughters, fathers, mothers, grandfathers, grandmothers, 'husbands, wives, brothers, sisters, uncles and their sons, Sons of brothers and the children of sons. In certain circumstances, even distant relatives may become within the scale of inheritance. The exact system of inheritance scales and proportions is very intricate and precise and subject to exact circumstantial conditions. The most important aspect of concern is that it is a very highly justified system by which wealth is divided very fairly among several individuals. This in itself is an exemplary way which eliminates financial class distinctions, establishes economic equilibrium and maintains financial balance within the various elements of the society.

Islam prohibits any interference in the system of inheritance because it is divine and absolute. Those who deviate and transgress are warned of serious reprimands. The Holy Quran very specifically and with precision defines the exact mathematical values for each person of rightful inheritance. It also cautions every Muslim against any transgression.

Muslim jurists do not permit an individual owner of property to make a testament of will. This they believe may go contrary' to the already set laws of inheritance and thereby may prejudice the case of some who may be offered lesser than others. The teachings of The Prophet (peace and blessings of Allah be upon him) has advised that Allah has prescribed for each his rightful share and therefore let no Muslim leave behind any testament of will related to inheritance".

Even those who allow a testament of will are specific that it could be done only in The one third of the individuals property. It is permitted to leave a testament of will in favor of a non-relative, somebody who is not of the kith or kin. This must be inacted only in one third of the property of the individual, it is reported that the Prophet said just after the verses concerning inheritance were revealed to him: "In the obligatory duties of Allah, no one can withhold any ordinance", (from its natural course). This in fact means that no property can be withheld from being distributed in accordance with the laws of

inheritance. The property must be investigated in the light of the laws pertaining to the Islamic doctrines of inheritance

These laws and ordinances as instituted by Islam introduce to the human society a noble pattern of rightful distribution of wealth, most of the western systems, which transfer the bulk property of the deceased person to his eldest son, allow the full freedom to dispose property at free will and create a situation where capitale in its entirety remains in the hands of a few. This results in a condition of financial stagnation and great imbalance.

It will also help extravagant and destructive systems to flourish. This financial stagnation deletes and discourages endeavours and efforts aiming at economic social stability. On the other hand, distribution of wealth according to the just laws of inheritance will certainly promote and energize economic activity on a wider social scale of interaction. Islam stipulates many conditions to establish social justice, eliminate class distinctions and respects freedom of private ownership. These conditions must ensure the general interest of the public and prevent injury or injustice to others.

This is why it is prohibited for the owner of a property to intact or stipulate any condition or restriction that could lead to the general harm of the public or be responsible for injustice to particular person. Islam has dealt with this very seriously in that it allowed expropriation of property if the owner abused his rights. The doctrines and mandates of Islam aim at establishing social welfare, security and prosperity through ensuring individual freedom of action and ownership within the limits that would result ultimately into an integration of social economic security and financial satisfaction of the fundamental respectful living requirements.

Another aspect of the laws stated by Islam that have a socio—economic impact are those concerning the right of preemption (Al-shuf'ah). The neighbor has the right to demand the rejection of any sale of property in his immediate neighborhood to be for his own favor, if such a sale to another party would bring him harm or cause him any inconvenience. The neighbor in such a case has greeter right than a newcomer. Islam does not allow anybody to keep his land without making good use of it.

Another outstanding socio-economic system introduced by Islamic doctrines is that of Al—Zakah. The exact meaning of the word Zakah is purification and the process and means of purification. The basic concept of wealth in Islam, is that Allah deputizes mankind for the ownership of certain amounts of wealth, and is provided by Divine codes of practice how to obtain the wealth, how to administer that wealth and promote it for public benefit. Allah also instructs that part of that wealth is the Divine Right of Allah to be given according to Divine specifications of amounts and channels of expenditure. The channels of expenditure are all directed to the social and economic security of the less fortunate individuals of the society. This system of Al-Zakah has proved to be the most practical and dignified methodology by which the poor elements of the society possess a right in the wealth or the affluent elements at all grades of affluence. Zakah is not a charity, it is a right by Divine *sanction*.

The Zakah has been prescribed on various types of wealth which are active in the different fields of social economy. Every religion has preached charity. However, the canonization of Al—Zakah in the Islamic law of economic hierarchy has given philanthropy and charity altruism an exact dimension of mandatory rights and a statute of regularity. Al—Zakah has assumed a permanence of optimal system analysis that is not encountered in any other socioeconomic structure. Islam has introduced an integrated model of obligatory monetary transfer from the high to the low according to very specified exact mathematical-calculations .

The monetary transfer results in a generalized financial moderation, and prevents the formation of the critical gap between the wealthy and the Poor. This system of monetary transfer Al—Zakah” is very rigorously organized in a proper Islamic Society. The process of Al-Zakah is a sanctification of the individual, and a purification of his wealth. It is an institution of Islam founded on an express command in the Holy Quran as one of the foundations of the practical religion.

Al'-Zakah is a religious commitment incumbent upon any person who is free, sane, adult, and a Muslim. That individual should be in possession of property of such estate or effects as are termed in the language of the Islamic Law "the Nisab"". The “Nisab” is a fixed amount of property or wealth that has been in possession of the same for the period of one complete year. The “Nisab” or fixed amount of property upon which Zakah is due varies with reference to ‘the different kinds of property in possession. The one complete year in which the property is held in possession is termed the "Hawl"”, i.e. the return of duration.

The Zakah is not incumbent upon a man against whom there are debts equal or exceeding the, amount of his whole property. It is also not due upon the necessities of life, such as dwelling, houses, articles of clothing, household furniture, cattle kept for immediate use, professional articles, books used by scholars and ‘tools used by craftsmen. The Zakah is incumbent upon the “Nisab” of such possessions as all forms of cattle, silver, gold, precious stones, cash money and Banknotes, articles of merchandize, mines, treasures and fruits of the earth.

The Zakah is received by collectors appointed by the State, although it is lawful for the possessor to distribute his Zakah among individuals that comply with the specified channels of expenditure of the Zakah money. In an Islamic State, however, the technical and administrative institutions of the State will utilize the total funds of the Zakah to finance the requirements and needs of the poorer elements of the society to provide their economic security and maintain dignified living conditions. The exact channels of expenditure of the Zakah funds are very well indicated by Divine command in the Holy Quran. The total funds of the Zakah per year in a Muslim society reaches one fortieth of the capital wealth of all individuals subject to the “Nisab’ and “Hawl”. This should bring about the "society of sufficiency and security, which is the ultimate aspiration humanity as a whole.

Islam makes of "work"" and ""need"" the basis of the whole monetary system. Hence, it

ensures the suitable standard of living to all; emphasizing the human value of work while building up the Islamic society. It then makes “work” the main reason for the rise of the individual income as a result of labor and effort.

The scope of Zakah is clearly set forth by Divine Ordinances in the Holy Quran, and therefore, must not be confounded with other forms of compulsory taxes imposed by the State on its Muslim and non-Muslim citizens alike. In the first place, Zakah is not a tax imposed by the State; nor is Zakah a tax destined to the State as such. The very nature of the institution of Zakah requires that the part, which the State is to play in the function thereof, is merely one of “supervision” and not of control, as is the case where government taxes are concerned. Only to enforce observance of the Divine Law as directed by the precepts of the Quran and the instructions of the Prophet. In some Muslim States, special cabinet is appointed the responsibility of all Islamic legislations including the funds of the Zakah and its social institutions. Besides the optimized system of Zakah, Islamic teachings highly encourage charity and benevolence as an act of humanitarianism.