

## The objectives of Islamic economics and their role in building an authentic and coherent economy

GASMII khadidja<sup>1</sup>,BOUALLALA Aicha<sup>2</sup>

<sup>1</sup>University Ahmed Deraya, (Adrar), [gasmi.khadidja@univ-adrar.edu.dz](mailto:gasmi.khadidja@univ-adrar.edu.dz).

<sup>2</sup>University Ahmed Deraya, (Adrar), [aicha.bouallala@univ-adrar.edu.dz](mailto:aicha.bouallala@univ-adrar.edu.dz)

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### ABSTRACT

The activation of objectives in contemporary jurisprudence has become necessary because of the impossibility of literal understanding of the legal texts of all the developments of the era, especially in a vital and rapidly changing field, such as the economy, to be characterized by an Islamic character.

Through our study of this subject, we concluded that activating the objectives in the economic field is of importance that is reflected in the outcomes of Islamic economic research, this is based on controlling the objectives in the mind of the researcher from their sources and arranging them according to priorities, then arbitration the existing economic transactions on its basis, or in evoking economic ones from the Islamic jurisprudential heritage or creating new transactions, and based on the activation of the objectives in this field, we can build a solid economy whose parts serve its general objectives, to serve Muslims and humanity in general.

### 1. Introduction

In the name of Allah the Merciful, praise be to God, Lord of the worlds, and prayers and peace be upon the most honorable of the prophets and messengers Muhammad and his pure family.

And yet

Some Islamic financial products and Islamic economic policies suffer from structural imbalances and contradictions that arise at both the micro and macro levels, due to the lack of authenticity of these products, it is necessary to activate the objectives of the Islamic religion in this vital and rapidly changing field, in which Islamic intellectual activities in the field of knowledge are considered as reaction, especially those related to economic transactions, Islamic finance, in particular, as it is today, is nothing more than the Islamic version of the contemporary economic financing formulas, each of which bears the principles of the premises and conditions of the societies that established them, it was necessary to talk about building an authentic Islamic economy based on authentic Islamic principles in order to achieve its general objectives, whether in the financing aspect, or macro and micro planning, and the goals and objectives of Islamic privatization.

Based on the foregoing, the following forms can be put forward:

What are the objectives of Islamic economics and what is its role in building an authentic and coherent economy?

By answering the question, we aim to know the fundamental role that the objectives play in the Islamization of the economy, not only outwardly, The study method came with an inductive approach first to control the concepts, then the analytical method to show the importance of activating the objectives in the economy.

## **2. General concepts about the objectives and Islamic economics**

In order to be able to study the subject objectively, we proceed from controlling the initial concepts of objectives, and Islamic economics as the variables around which the study revolves.

### **2.1. Defining objectives and their ranks :**

What is meant by the objectives of the Sharia is its objective and the secrets that the legislator placed in each of its rulings, as defined by Allal al-Faci (Alla, El Fassi, 1993, p. 3) and Dr. Ahmed Raissouni defined the objectives as: "The goals that the Shariah was established in order to achieve them for the benefit of the servants, they are from the position of the Lawgiver, but they are not devoid of the interests of the servants." (Raissouni, 1992, p. 7) both definitions clearly show the divine origin of the intentions"<sup>1</sup>, determining it is not subject to human whims, and it also shows that it aims for the benefit of the people, even if it is sometimes in an indirect way because of the hardship of abandonment or action contained in some rulings.

And because the interests and the evils often overlap, Imam Al-Shatibi studied the ranks of the objectives in terms of the priority of observing the provisions, starting with the necessities, the needs, the improvements, and he says in the distinction between them: as for necessity, its meaning is that it is necessary for the interests of the religion and the world to be established, so that if they are lost, the interests of this world are not made upright, but rather to corruption and the loss of life, and in the Hereafter the loss of salvation and bliss and return with clear loss, this type of intents is carried out in worship and transactions, and among these essential intents in transactions are the transfer of property, whether or not for consideration, as for the essential objectives, it lacks them in terms of expansion and lifting the narrowness that often leads to embarrassment and hardship that follows by missing what is required, if it is not observed, the taxpayers will be subject to the critical sentence, and it is ongoing in worship and transactions, and examples of it in transactions include lending, giving and peace, as for the third and final type of objectives, it is the improvements, which mean taking what befits the virtues of habits and avoiding situations that are not worthy of preponderant minds, it is collected in the section of good morals, and it came in worship and transactions, and its examples in transactions are the prohibition of selling surplus water and pasture, (Shatby, 1997, pp. 2/18-19)

### **2.2. Definition of Islamic economics and its characteristics**

#### **Definition of Islamic economics**

Jacques Austry, one of the eminent French scholars in economics, says: The path of economic development is not limited to the two well-known systems (capitalist and socialist), but there is a third economic doctrine, which is the Islamic economic doctrine, this doctrine will prevail in the world of the future, because it is a complete way of contemporary life (Khalidi., 1998, pp. 28-29) through this title, we try to define this type of economy and its most important characteristics.

Islamic economics, from a jurisprudential perspective, is defined as: Knowledge of practical legal rulings from their detailed evidence regarding the regulation of earning and spending money and aspects of its development; it is the study of what is stated in Islamic Sharia related to economics in its three sections, belief, jurisprudence and ethics (Yahya bin Omar, 2017, p. 120) Islamic economics is the jurisprudence of financial transactions considering the broad meaning of money (cash, in-kind and benefits), and by activating the overall aspect of it.

The provisions of Islamic economics are characterized by being fixed and variable, and in this Muhammad Qutb says: "there are changing matters, which the legislator gave permission to strive for, but he restricted them - in their constant change - to fixed axes or fixed assets, it is not permissible to deviate from it during its change and growth in a way that suits what is found in people's lives" (Qutb, 1988, p. 469)

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<sup>1</sup>Which we consider an advantage because it guarantees consistency and non-contradiction in contrast to the positivist source, which is the position of humans based on human experiences.

## The Major Tenets of the Islamic Economics

The Islamic economy is based on principles that distinguish it from other economies, which are:(ÖKTE, 2010, pp. 181-188).

- **multi-faceted ownership :**

Islamic economic doctrine acknowledges different forms of ownership: the individual ownership, state ownership, and public ownership.

- **economic freedom with in a defined limit :**

The second basic component of the Islamic economy is to allow individuals, at the economic level, a certain freedom, within the limits of the spiritual and moral values of Islam.

The implementation of this principle in Islam is performed as follows:

. Islamic law provides the textual stipulation to forbid a group of social and economic activities such as usury, monopoly, and so on. Because they hinder the realization of the ideals and values adopted by Islam.

. Islamic law in principle lays down the supervision of the ruler over general activities and the intervention of the state to protect and safeguard public interest through the limitation of freedom of individuals in their actions.

- **social justice :**

The third basic component of Islamic economy is social justice. It is the most prominent one among the others. Social justice is embodied in Islam by the elements and guarantees, which Islam provided for the system of distribution of wealth in the society.

The Islamic image of social justice contains two general principles, each of which has its own lines and peculiarities. One is the principle of general mutual responsibility and the other is the principle of social balance. Islam permits divergence in wealth within a reasonable limit but does not tolerate this divergence growing so wide that some people spend their life in luxury and comfort, whereas the great majority of people are left to lead to a life of misery. Social justice can only be achieved through the establishment of two institutional reforms namely the zakat and the prohibition of interest

### 3. the objectives of the economy

To build an authentic and homogeneous Islamic economy, it is necessary to proceed from the public to the particular in order to ensure consistency between policies and products, starting with the general objectives of Sharia, and then specializing in the objectives of economic activity, until we reach the objectives of the economic provisions contained in Islamic Sharia, in order not to prolong it, we suffice with reference to the general objectives of Sharia, which is the cradle of all sciences, as mentioned by Sheikh Al-Tahir bin Ashour in his saying: “general objectives: Preserving order, bringing interests, warding off evil, establishing equality among people, making Sharia dignified and effective obedience, and making the nation strong, fearful and reassuring.”(Raissouni, 1992, p. 5) and then we separate the general objectives of the economy, and then the objectives of its provisions. We point out here that the objectives derive its strength from the Islamic Sharia as previously explained, and we cannot talk about the economic objectives or other fields; Except after the confirmation of the specialists, then these aims must be clear, disciplined, fixed and steady”(Mohamed, Mansour, 2017, pp. 298-301); this means that what we will mention about the objectives of economics is a result of the induction of specialists and the application of controls, so that we do not imagine that what we mention is only a matter of collection

#### 3.1. General objectives of economic activity

The Islamic economy has a philosophy that stems from it, as is the case in the capitalist economy and the socialist economy, and this philosophy includes the general objectives of the economy, which are represented in: (Ali Qardaghi, 2010).

- **Achieving succession and empowerment on earth:** man is the successor of God Almighty in the earth with its capabilities and resources, and many verses that talk about succession have come, we mention:

“ And it is He who has made you successors upon the earth and has raised some of you above others in degrees [of rank] that He may try you through what He has given you. Indeed, your Lord is swift in penalty; but indeed, He is Forgiving and Merciful.” *Al-Imran (165)*

“Allāh has promised those who have believed among you and done righteous deeds that He will surely grant them succession [to authority] upon the earth just as He granted it to those before them and that He will surely establish for them [therein] their religion which He has preferred for them and that He will surely substitute for them, after their fear, security, [for] they worship Me, not associating anything with Me. But whoever disbelieves [1001] after that - then those are the defiantly disobedient.” *Al-An am (55)*

Succession requires the care and maintenance of it through various economic activities related to the exploitation of the natural resources that God has deposited in the earth with agriculture, industry, merchants, and services, and thus we are responsible for the trust, we must return to this general objective in the details of economic activities, investigate what serves this objective, and avoid what contradicts it, especially with regard to the issues of sustainable development, which are at the heart of succession and the preservation of the land and its resources; the succession also requires the application of the laws of the successor, the Mighty and Sublime, which is to take care of his limits in economic activity; By avoiding what he forbade, and striving for what he urged.

- **Achieving comprehensive human development:** by striving for his economic, social, cultural and intellectual well-being, focusing on economic activities that serve the human being, not wealth, and limiting the role of money to being a tool for measuring value, and a means of commercial exchange, not a commodity, intended for sale, purchase and rental.

- **Preserving and developing money:** Money is considered the backbone of the economy. The Qur’anic verses and Prophetic hadiths indicate the law’s intention to preserve it “And do not give the weak-minded your property,[163] which Allāh has made a means of sustenance for you, but provide for them with it and clothe them and speak to them words of appropriate kindness” (5)An-Nisaalso, the longest verse in the Qur’an came in the organization of preserving money and documenting dept.

From extrapolating legal rulings and transactions, we find that the legislator intended to preserve money in its jurisprudential rulings, whether related to the method of earning and developing it, or protecting it and documenting the rights related to it.

It should be noted that the protection of money in its monetary form and its ownership in Islam came within the framework of being a means of development, not a goal in itself, and the legal provisions regulating the chapter on loan and usury, and financing confirm this.

- **Achieving security and stability:** There are many legal evidences that indicate the intent of the Lawgiver to maintain security and stability, as in the Almighty’s saying: “*AndAllāh presents an example: a city [i.e., Makkah] which was safe and secure, its provision coming to it in abundance from every location, but it denied the favors of Allāh. So Allāh made it taste the envelopment of hunger and fear for what they had been doing.*” (112)**an-nahl**

And His saying :“*Let them worship the Lord of this House, Who has fed them, [saving them] from hunger and made them safe, [saving them] from fear*” (3-4) **kauriash**

It is noted that the Holy Qur’an links fear and hunger, in the sense of insecurity, to the causal relationship between them, and their tendency to instability.(Mohamed, Mansour, 2017, p. 306)

And because Islamic Sharia means stability and security, the Islamic economy was the means for this, by arranging the complementary and cooperative relations between the various sectors of society in economic activity with provisions that obligate them to be fair and avoid exploitation and unfairness, such as the provisions of leasing, partnership, and other transactions transmitted in the books of jurisprudence.

Also included in this section is the concept of food security, and what results from it. Islam intended to provide food abundance by encouraging production and agriculture, and trade that promote abundance in the markets, and the prohibition of extravagance in consumption, and damage to the land.

### 3.2. Microeconomics objectives of economic activity

We address the objectives of the tribute economy through the objectives of the most important elements of the economy, which are:

- **Production objectives:** The first ladder of economic success depends on success in the battle of production, because it is the tangible element in the economy, and its main goal in Islam is abundance; to meet the needs of individuals and societies, and to avoid scarcity and the resulting instability and security, whether in the agricultural, industrial, and service fields satisfying basic needs, along with abundance, in a sound planning of priorities in production. Islam intended to prioritize food in production, because it is linked to the most urgent human needs. (Waseem Awni Salah El-Din., 2021, p. 192)
- **The objectives of consumption:** consumption is considered the engine of the economy, since the demand and the needs intended to be satisfied originate from it and end in it, the objective of consumption is to preserve the soul in the first place, then the general objectives in general, by satisfying human needs in a legitimate way.
- **Distribution objectives:** Distribution is the process that ensures that production from the producer reaches the consumer, and the main objective of distribution is the popularity of goods, and the concept of trade is devoted to this objective, and the Islamic religion desires trade because it serves the objective of distribution, and it organizes its transactions to protect this objective for the benefit of the producer and the consumer; especially from monopoly, scarcity, high prices, and prohibition of actions that lead to this, such as receiving stirrups, and monopoly. Peace intended to prioritize food in distribution as well as in production, and it organized its transactions with special and strict principles that fall under the chapter of food selling provisions.
- **The objectives of financing:** the objective of financing in Islam is centered on developing money and advancing the wheel of production and development. Financing here is described as Islamic, so it must focus on goods and services that are beneficial to man, his environment and society, and support production in this field, popularity and consumption, in good things and avoiding evils. (Cahf, Mounthir.: , 2013, p. 3)

### 3.3. The objectives of the provisions of Islamic economics:

The economic rulings in Islamic jurisprudence came on general axes, especially in the field of setting limits. We find that taboos in economic transactions are justified by one of the following mentioned objectives:

- **The objective of prohibiting the unlawful consumption of people's money:** God Almighty has forbidden consuming people's money unjustly in His verse: *"O you who have believed, do not consume one another's wealth unjustly [179] but only [in lawful] business by mutual consent. And do not kill yourselves [or one another]. Indeed, Allāh is to you ever Merciful".* (29). **An-Nissa**, He also said: *"And do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful]."* (188) **Al-Baqara**

Islamic law kept the prohibition of consuming people's money unjustly, portrayed the danger of transgression against the adornment of worldly life, and made a martyr who is killed without his money, among the clearest reasons for consuming people's money unlawfully is usury, which the Almighty has expressly prohibited in His saying, Glory be to Him: *"Those who consume interest [110] cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allāh has permitted trade and has forbidden interest."* **baquara** (275), And in it is a reference to all types of usury, whether favor or credit, or what they include together, because of the consumption of people's money without return.

- **Prohibition of Gharar and deception:** Islamic Sharia is based on the establishment of fairness in society, equality and mitigation of disparities between people without separating the moral aspect from the legal and juridical aspect, in the economic aspect, we find that it focuses on prohibiting transactions that are prohibited, just as it forbids injustice against any of the parties, whether due to their weakness or lack of knowledge; by being clear during the contract and then adhering to the terms, we find that most of the prohibited sales in Islam are included in gharar. On the authority of Ibn Omar, may God be pleased with him, he said: *"The Messenger of God, may God bless him and grant him peace, forbade the sale of gharar."* (al-Bayhaqi, 2003, p. 5/552) Gharar, in the terminology of the jurists, is "what it's consequences are hidden." (Al-Sarkhassi, 1993, p. 13/68) such as Pebble sale, reciprocal sale, rope sale...etc. Among the contemporary transactions included in this section are the commercial insurance contract, future contracts, and good

deeds.(Shabeer, 1998, pp. 17-18)and because transactions are not free of gharar, the scholars studied the gharar that affects contracts and stipulated that:(Abu al-Walid Muhammad ibnRushd , 2004, pp. 3/174-176)

- It should be effective, so that it does not have the effect that one calls for, such as selling fruits after they are no longer considered good.

-Gharar must be original and not dependent. Such as selling fruits according to their trees before they become good.

As for unfairness and Islamic law, in addition to the moral and religious aspect that forbids it.

"So fulfill the measure and weight and do not deprive people of their due and cause".**Al-A'rāf**

(85)We find that the jurists have studied it from the judicial side, which is obligated to remove the outrageous injustice.

- **The block of pretexts:**The block of pretexts in the terminology "It is to prevent the means that appear to be permissible, and by which one can reach something forbidden, in order to put an end to the substance of corruption, and to ward off it."(Al-Qarafi., 1991 , p. 2/32)

And the one who studies the rulings of transactions, and financial transactions in particular, finds that they came to block pretexts, so the prohibition of usury is intended to close the door of the pretext of monopolizing capital and inequality in society;the researcher must activate this principle in his study of new products and their positive and negative effects, and balancing the effectsin the short and long term;and at the level of individuals and groups, what benefited it more than it's harm accept it, and Vice versa.

#### **4. Activating the objectives in the Islamic economy**

This is done by activating the following:

##### **4.1. Activating the General objectives:**

By considering each of the general objectives of Islamic legislation as mentioned by Sheikh Al-Taher bin Ashour - maintaining order, bringing interests, warding off evil, establishing equality among people, making Sharia a dread of obedience, and making the nation strong, fearful and reassuring -In addition to taking into account the general objectives of economics in planning and prioritizing on the basis of necessities, needs and complements, to ensure an optimal allocation of resources(11. Mohamed Abdel Moneim Omar, 1991, p. 10)

This section includes observing the protection of these general objectives, activating it for control and correcting the course accordingly, by avoiding simple, complex or cumulative activities that harm one of these general objectives.

##### **4.2. IdenActivate partial objectives:**

The activation of partial objectives guarantees the combination of the objectives of the legislator in the economy and the objectives of the taxpayers which gives relatively independent market autonomy; We cannot neglect the aspect of the objective of the taxpayer in his economic activity, which is dominated by the aspect of his own benefit, by activating the intentional view in the economics, a set of transactions and principles were established that guarantee agreement between the intent of the taxpayer and the intent of the legislator;-Which is what serves the benefit of society - in the economy by activating the goal of production and the goal of consumption, the goal of distribution and the goal of financing, and the protection of these objectives from individual and collective behaviors that harm these objectives, in a legitimate balance between priorities.

##### **4.3. The desired results from activating the objectives in the economy:**

The introduction of the objectives as a source of legislation, and authorship of it directly and independently, came at a stage in which the legal texts failed to absorb the developments of the era directly, which is exactly what we are talking about in the field of contemporary economics, both in terms of research methods and benefiting from the jurisprudential heritageof Islamic sects; as well as to judge the legitimacy of emerging transactions, or to create legitimate transactions that cover emerging economic needs, and serve the public and private objectives of Sharia.

- **Activating the objectives of the approach between the doctrines of thought and the weighting of the sayings:**

Most of the jurisprudential differences in the field of Islamic economics can be reconciled or weighted by referring them to the general objectives and the objectives of economics in particular.

The process of selectivity between the schools of jurisprudence and the sayings of scholars may not be homogeneous considering the collection of its parts from different premises, and here the objectives must be activated to unify the outlook, and achieve homogeneity to reach the specific goal intent.

- **Activating the objectives to avoid tricks, and halal copies of contemporary economic transactions:**

The Islamization of contemporary economic transactions has entered some economic researchers into a circle of circumvention of legal prohibitions, especially in the field of avoiding direct interest in loans and clear deception in insurances; therefore, it is necessary for the scholar of contemporary economic transactions from the legal point of view to bear in mind the objectives of these transactions, as well as their absence of the intentions of prevention. This is not limited to its apparent meaning, but rather it must be legally arbitrated based on its intended objective; and because the origin in the economy is the service of its parts to its faculties, as in all economic theories, after establishing the general and specific objectives of the economy, and the particulars of its transactions, we must take them into account, in studying the emerging transactions, and the extent of their legitimacy based on the extent of their homogeneity with the objectives of Islamic economics, their service to them.

- **Activating the objectives to build a solid and homogeneous Islamic economy:**

The general objectives of the Sharia and the partial objectives of the economic rulings must be present in the mind of the economic jurist, because the tendency towards specialization contributes to the possibility of structural imbalances, the objectives' work is to link the partial picture of the incident to the complete picture, and to ensure consistency between its provisions, as partial studies may reach results that do not achieve the goal, even if they are correct in terms of form; it is necessary to activate the observance of public and private outcomes and objectives, in order to build a solid and authentic economy based on the principles of Sharia, to avoid the economics of treatment theories, after the crisis and to learn from nearby mistakes, so that we move the Islamic economy from a reactionary position to a leadership position.

## **5. Conclusion**

The activation of objectives in the field of Islamic economics has become a necessary necessity to get out of the cycle of imitation and reaction. Through our study of activating objectives in Islamic economics, we concluded that it is necessary to build an Islamic economy from authentic Islamic premises in all its fields, starting with its goals and objectives - the economy - from the Islamic perspective, which of course differ from the goals of economic activity in the man-made theories that sanctify the material from its sanctification of the world; which the Muslim person considers to be merely a path to the Hereafter; in addition to activating the general objectives in building the economic policies of the individual and the state so that priorities are arranged on the basis of the arrangement of the objectives of Islam of necessities, needs and improvements, activating the partial objectives of economic activity and equalizing them in terms of offering and studying, especially the objectives of production and consumption, and giving them their right compared to financing activities and financial transactions.

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