

Capitalism and Islam: what's the difference?

Is there any real difference between the Capitalist and the Islamic economic system? Both systems allow you to make money, but they are completely different in how money is accumulated and spent. The reasons for such great differences is the source and hence, the ultimate goal of each system.

Capitalism is based on the concept that economics is that which examines man's needs, which are unlimited, and how to satisfy these unlimited needs. The system depends upon the separation of church and state or in other words, the separation of the Creator from life's affairs. The concept of freedom plays a major role in the Capitalist ideology. Freedom is guaranteed by the state; therefore, man is totally free to satisfy his needs in any manner possible as long as he does not legally infringe on the freedom of others. One needs only to look onto the streets around us to see the devastating results of this form of system. It is because of the freedom of satisfying needs that the pornography and alcohol/drug industry are two of the biggest profit making businesses in the Capitalist system. Is this the type of society in which we want to live and raise our children?

The Islamic economic system is derived from the only source that is capable of satisfying the needs and desires of everyone, without resulting in chaos. The source of these rules is our Creator. Islam, coming from the Creator, does not deny the needs of humans, but instead, it sets guidelines on how these needs and desires are to be fulfilled. As human beings, we have the freedom to use our minds to prove that a Creator does exist, and that Islam is the Creator's mercy to us to guide our lives and live it with purpose. Once we accept Islam freely, we then follow the rules of Islam. This shows how Islam defines the freedom in our lives. Freedom is living by the best system possible, not creating a system that destroys the lives of human beings.

Capitalism is also based on the theory of relative scarcity. This means that there always has to be a real, or as in the majority of cases, a forced insufficiency of commodities to meet the needs of the people. This is not in keeping with the reality life. Today, there are more than enough goods and commodities to satisfy the needs of everyone; but this in fact contradicts the principle of relative scarcity: some people are left without the fulfillment of their basic needs of food, shelter, and clothing, while others seem to have too much of one or more. This theory divides the society such that a small percentage of people hoard almost all the wealth while the rest of society struggles to have a home and food.

Islam does not share this idea of relative scarcity. Islam does not allow this to happen. The basic needs are guaranteed to every Muslim and non-Muslim living under the rule of Islam. These needs include the tangible, such as adequate food, clothing, and shelter, as well as the intangible, such as medicine, education and security. The primary goal is to have everyone producing and everyone consuming.

The Islamic economic system is not based on price as the method of distribution of goods, but rather, how to distribute funds and benefits to all citizens. With the basic needs satisfied, everyone can live a happier life because people are allowed to search for the livelihood that

suits them best and makes them the happiest. The whole society prospers from this system because when people are doing what makes them happy instead of only what makes them money, they are more successful and productive.

There may be great economic differences among the people, but the means to have the basics for life will be provided for all. This takes into account the fact that people have different skills, motivational levels and entrepreneurial desires and there is no sin in high earnings. The Islamic economic system is just a part of Islam. It cannot be separated from it and discussed as an individual component.

Islam ordered the Muslims:

"Seek the abode of the Hereafter in that which Allah has given you, and neglect not your portion of the world, and be kind as Allah has been kind to you and seek not corruption in the earth. [TMQ in English]."

<http://www.sa.niu.edu/msa/articles/capitalism.htm>

This may be the idealized view of Islamic economics, but the reality of poverty in Islamic states paints a far different picture – one in which the extremes of wealth and poverty mirror or exceed the extremes in capitalist cultures. It would appear that, like capitalism, and like Christianity, Islam looks better on paper and in theory than it does in practice. That only means that the inherent and pervasive depravity of human nature can be found in every culture, every economy, and every religion. Until the human heart is changed, the human condition must remain. That's why Christ came into the world: to save sinners.

William H. Gross www.onthewing.org