

Developing the Ethical Foundations of Islamic Economics: Benefitting from Toshihiko Izutsu

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Abstract: Toshihiko Izutsu (1914-1993) is among the few 20th Century scholars who attempt to derive ethical principles of Islam from the Qur'ān by applying semantic analysis of Qur'ānic terms/concepts. Can his approach contribute to the development of an Islamic science in general, and of Islamic economics in particular, especially in the endeavour to establish the ethical principles of Islamic economics? In this paper, we scrutinise Izutsu's two works on *God and Man in the Qur'an* (2002) and *Ethico-Religious Concepts in the Qur'an* (2004) to derive relevant Islamic values from the Qur'ān that could form the ethical base of Islamic economic theories as well as policy prescriptions. In particular, the concept of man as *khalīfah-'abd* is seen as having significant ethical implications on how economics and economic decision-making would be developed.

Keyword: Islamic economics, ethics, semantic analysis, Qur'ānic *weltanschauung*

Modern economics is often claimed to be a value-neutral “positive” science in the sense that it is “scientifically” designed to be objective and neutral from any value judgment, ethics, interpersonal and inter-temporal comparisons, including religious normative insights that are considered to exceed the scientific realm.¹ Rather than focusing on what constitutes “good” and “bad” ends, economics as a science focuses on explaining the relationship and correlation between economic variables. Economics in this regard only concerns itself

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with “means” and considers “ends” as a matter of political or personal decision-making.

Values or ethics in conventional economics are considered as *exogenous* phenomena that affect economic life indirectly and cannot be quantified scientifically. Hence it should not be incorporated in the scientific method of appraising theories as well as policy prescriptions since it could be misleading in establishing cause-effect linkage of the economic phenomena and in empirical verification and interpretation of results.

However, there has been a considerable increase in research in modern economics to consider values/ethics as endogenous phenomena that must be explicitly incorporated to appraise theories as well as to prescribe policies. Interestingly, Islamic economics as a nascent discipline, explicitly asserts its view to incorporate values in scientific methods, economic analysis, theory appraisal, as well as in policy prescription. As Nienhaus observes:

While Western economists have tended to withhold value judgments and have only begun to return to the treatment of normative questions in the last few years, Islamic economics, in contrast, has always defined itself as a science which makes explicit value judgments and links them to the findings of positive economics.²

Islamic economics is argued to be a self-conscious value-oriented discipline which rejects the idea that economic theories and policies can take place in a climate of positivistic objectivity and of complete value neutrality.³ Islamic economics aims at incorporating ethics and religious insights into its theory as well as policy by placing religion as the source of its ethical values.⁴ Despite this claim, very few works in contemporary Islamic economics attempt to derive and then incorporate these ethical values into economic analysis.

This paper attempts to focus primarily on the former task, i.e., by investigating the works of Toshihiko Izutsu and his use of semantic analysis of the Qur’ān in developing the general structure of ethics. To a lesser degree, the paper will try to apply the selected ethical concepts derived in developing the ethical foundation of Islamic economics. The paper scrutinises Izutsu’s two works on *God and Man in the Qur’ān*⁵ and *Ethico-Religious Concepts in the Qur’ān*⁶

to derive relevant Islamic values from the Qur'ān that could form the ethical base of Islamic economic theories as well as its policy prescriptions.

Using the works of Izutsu, this paper attempts to answer two main questions: what are the principles of ethics in Islamic economics and how are we to derive ethical values from the sources of knowledge in Islam?, and how do we incorporate those values in appraising Islamic economic theories as well as policy prescriptions in an Islamic economy? The paper proceeds as follows. The first section discusses the relationship of economics, ethics and worldview. The next section examines Izutsu's approach in deriving ethical principles based on the Qur'ānic *weltanschauung* and the application of this approach to Islamic economics. The final section contains concluding remarks.

Economics, Ethics and Worldview

Central to Izutsu's works is the view that principles of ethics or values are basically derived from worldviews. Therefore, every economic system, i.e., capitalism, socialism, and Islam, has a particular set of values which are unique to the system derived from its particular worldview. These ethical principles are implicitly incorporated in the notions, concepts, assumptions, ideals and even theories of economics.⁷

Izutsu, while acknowledging that there is a common high level of abstraction in humanity on a number of very general rules of morality, in the realm of its conceptualisation of the notion, empirical facts and practical experience admits that divergence which demonstrate differences are found. So while societies may all agree on the need to "do good," what it means and implies "to do good" varies from society to society. The semantic structure of the word "good" itself must, of necessity, be different in each case. This is because the semantic content of every ethical term is formed in the midst of "concrete reality of human life in society," which is not identical to one another.⁸ In addition, it might be a case of *ishtirāk lafzī*, i.e., homonymy, in which one single word is in reality two different words in terms of what they mean.⁹

Hence, although capitalism, socialism and Islamic economic system may agree to consider “justice” as one of the goals pursued in the economic system, each will have a different interpretation of what justice is, as well as in what scope and dimensions of justice it is in. Capitalism, for example, delineates justice more from the eyes of individual interest where the individual is the measure of everything. Socialism defines justice as concerned with people’s (society’s) interest which might make an individual’s interest as subordinate. Islamic economics, on the other hand, considers justice as a condition that is not exploitative to both - individual and society or the state - whereby no domination should be allowed to individuals over society and state, or to states over individual and society (*lā tazlimunā wa-lā tuzlamunā*).

Another example is the notion of “self-interest” that is at the base of modern economics. While no economic system rejects its existence and significance, what it means as well as its scope/limitation differ significantly across various systems. Capitalism considers individual self-interest as the fundamental value of the system, resulting in all economic theories being based on a very “individualistic” view of self-interest, whereas socialism considers individual self-interest as being subservient to social interest so that social justice can be achieved. The Islamic conception of justice in economics also sees some integration of self-interest with social-interest guided by prescribed Islamic norms and ethics.

The above examples show that ethical concepts that are translated into economic goals and social-realities of a society are shaped by the particular worldview that underlies it. In the words of Izutsu, “a moral code is actually part of an ideology where each vocabulary, or connotative system, represents and embodies a particular worldview (*Weltanschauung*) which transforms the raw material of experience into a meaningful, ‘interpreted’ world.”¹⁰

Izutsu’s opinion is shared by Schumpeter and Heilbroner who view modern economics as being preceded by what is called a “vision” or an “ideology.”¹¹ Economic Capitalism, according to Spengler, is essentially “a product of European civilisation with some of its origin dating back to the Greco-Roman and medieval worlds.”¹² Furthermore, Heilbroner in his classic book *The Worldly Philosophers*, argues that contemporary economics is not a science

of society (void of any ideological underpinnings, parenthesis added), its purpose is to help us better understand the capitalist setting in which we will most likely have to shape our collective destiny for the foreseeable future.¹³ This implies that the economics that has dominated academia and been practiced for the last 300 years has been an economics that is immersed in the “Western worldview,” especially that of renaissance Europe. Economic theories appraised in conventional economics are not free from capitalist values as being propagated. Modern economic theories are actually value-laden by *capitalist-western-secular values*, some of which are not inline with Islamic values.

Discerning Islamic economists, in their attempt to establish Islamic economics, are fully aware of this ideological content of conventional economics. Therefore, since its first appearance, Islamic economics is declared explicitly to be a social science that has an “*is dimension*” (positive dimension) that is based on its “*ought to dimension*” (normative dimension). Islamic economics (very much like the modern economics of the past that was called moral philosophy) then concerns itself with ethics and ethical behaviour where human action should be *purposive* by following the guidelines of Islamic ethics in economic pursuits.

This is actually the essence of what makes Islamic economics different from modern economics. While the latter claims to be purposively designed by the scientific method to be free of any value judgment, the former attempts to incorporate Qur’ānic values or *sharī’ah*’s ethical considerations to the body of analytical thought as well as economic policy prescriptions. Its religious-based ethical foundations provide a framework for a unique contemporary economics that has the potential to create a society that has all the hallmarks of justice and equity, sharing and cooperating, as well as economic dynamism and growth. Those values which are initially derived from Islamic religious teachings are then embedded in institutions and play a leading role as the determinants of evolving institutions and of consequent economic performance in an Islamic economic system.

Developing the Ethical Foundation of Islamic Economics: Izutsu's Contribution

Having said that the ethical system is rooted in particular worldviews and that no economics is value-free, the question now is how to derive the ethical foundations for Islamic economics from the main sources in Islamic epistemology, and how to incorporate those values in Islamic economic theories, policies and institutions. In his works, Izutsu has elaborated on these questions by utilising semantic analysis. Here, we would like to analyse Izutsu's approach in establishing this ethical foundation, and to apply it in the case of Islamic economics.

Izutsu' Approach to Semantic Analysis

Izutsu starts with the argument that the Qur'ān is capable of being approached from a number of different points of view such as theological, philosophical, sociological, grammatical, exegetical, semantical, etc.¹⁴ However, Izutsu focuses on the last, i.e., on the "semantics of the Qur'ān." Semantics, in its etymology would suggest a science concerned with the phenomenon of *meaning* in the widest sense of the word, where almost anything that may be considered to have any meaning is fully entitled to constitute an object of semantics.¹⁵ Izutsu defines semantics as an analytic study of the key-terms of a language with a view to arriving eventually at a conceptual grasp of the *weltanschauung* or worldview of the people who use that language as a tool not only of speaking and thinking, but, more importantly, of conceptualizing and interpreting the world that surrounds them.¹⁶ That is semantic structure and category of a word in terms of the conditions in which it is used. The fundamental question in the semantic study will be "what features of the environment are necessary if the word is to be used properly to designate a given event?" By attempting to answer such a question we can arrive at the correct meaning of a given word.¹⁷

Therefore, "semantics of the Qur'ān," according to Izutsu, should be understood in the sense of the Qur'ānic *weltanschauung*, or Qur'ānic worldview, i.e., the Qur'ānic vision of the universe.¹⁸ The semantics of the Qur'ān would deal mainly with the problem of how, in the view of the Qur'ān, the world of *Being* is structured, what the major constituents of the world are, and how they are related

to each other. His argument to choose this method is because language in its connotative aspect is “an important manifestation of that tendency to categorise the characteristic of the human mind.”¹⁹ By examining analytically key “ethico-religious” terms in a language, we may gradually come to know “the basic structure of the system” through which all events involving moral judgment are filtered before appearing in an accessible form to members of that language.²⁰

In semantic analysis, the formal structure of a word has a “basic” meaning as well as a “relational” meaning. Basic meaning is the original meaning attached to the word-form, i.e., etymology. Meanwhile, the relational meaning of a word is a concrete manifestation or crystallisation of the spirit of the culture - and a most faithful reflection of the general tendency, psychology and otherwise - of the people who use the word as part of their vocabulary.²¹ The semantic analysis of the Qur’ānic term is done by the combination of these two aspects of meaning since all the words in the Qur’ān do not exist independently of each other but are connected with one another in a most intricate way and in diverse directions.²² Here, vocabulary is not a single homogenous plain but a multi-strata structure which are formed linguistically by groups of key-words which he calls “semantic fields.” One semantic field is related to another semantic field. They are internally structured, organised and integrated into the largest multi-strata system, i.e., that of the whole Qur’ān.²³

For example, take the word *īmān* (belief) - and all other words derived directly from the same root, in this case *āmana* (to believe), *mu’min* (believer) - as the “focus-word.”²⁴ Subsequently, we begin to see a certain number of other important words clustering about it as the conceptual article, thus forming together a significant conceptual sphere, either positively or negatively with reference to the whole vocabulary of the Qur’ān. On the positive side, we have among others, words like *shukr* (thankfulness), *Islām* (the giving over of one’s self to God), *taṣḍīq* (considering the revealed words truthful), *Allah* (as the object of belief), etc. while the negative side of this conceptual network consists of words like *kufr* (disbelief), *takdhīb* (giving the lie to the revealed words), *‘iṣyān* (disobedience), and *nifāq* (making a false show of belief). All these words are

gathered in one “semantic field” for the purpose of analysis. These words are connected and form a “general structure” of the Qur’ānic *weltanschauung* of the structure of Beings, i.e., God, man and universe and how they are related.²⁵

In this paper, we have applied Izutsu’s semantic analysis of key Qur’ānic “ethico-religious” terms by investigating the term *khalīfah* and *‘abd* in order to know the nature of man, the characteristics of his self as well as the purpose of his life. This approach is justified since the subject matter of economics and also Islamic economics is the behaviour of man in making decisions related to his economic life. The concept *khalīfah* and *‘abd* can better explain the concept of Islamic man who is the economic agent in Islamic economics.²⁶ The *khalīfah-‘abd*, unlike the rational economic man of modern economics, is not only interested in maximizing his own utility and preserving his self-interest but also in building an intimate relationship with God, his fellow human beings and the universe. Izutsu has eloquently explored “the basic structure of the system” and the “general framework” of the “ethical structure” of the Qur’ān based on this relationship of Man and God, Man and Man and Man and Universe.²⁷ We used this Qur’ānic ethical structure as the ethical foundation of Islamic economics which we then applied as the principle of Islamic economics in analysing the *subject matter* of economics, i.e., the “behaviour” of man related to the economic problem of scarcity, resource allocation, and decision making in consumption, production, distribution, exchange, etc.

The Foundations of Modern Economics

We would like to begin with the very foundation of economics, i.e., on the “nature and behaviour of the economic agent,” the *subject matter* of economics.²⁸ Mainstream economics has established “*homo economicus*” or “economic man” as the ideal type of economic agent who will apply all assumptions of economics in real life. *Homo economicus* is a term used for an approximation or model of *homo sapiens* who act to obtain the highest possible well-being for himself given available information about opportunities and other constraints, both natural and institutional, on his ability to achieve his predetermined goals.²⁹

Homo economicus is conceived as an individual who acts rationally by pursuing his own self interest and maximising his own utility. A person is seen as maximising his utility function, which depends only on his own consumption, and which determines all his choices. He is characterised by an individualistic self-interested, utility-maximising, “rational” characterisation, while any ethical consideration is an exogenous variable in his preference. This notion of individual behaviour constitutes the ethical foundation as well as micro-foundations of economics as a discipline where all economic theories and analyses are based on this concept of man. Prof. Amartya Sen describes this complex structure of “self-interested behaviour” as having three distinct and essentially independent features:³⁰

1. *Self-centred welfare*: A person’s welfare depends only on his or her own consumption (and in particular it does not involve any sympathy or antipathy towards others). Formally, this is known as the assumption of independent individual utility functions.
2. *Self-welfare goals*: A person’s goal is to maximise his or her own welfare, and – given uncertainty – the probability weighted expected value of that welfare (and in particular, it does not involve indirectly attaching importance to the welfare of others).
3. *Self-goal choice*: Each act of choice of a person is guided immediately by the pursuit of one’s own goal (and in particular, it is not restrained or adapted by the recognition of mutual interdependence of respective successes, given other people’s pursuit of their goals).

The nature of human being in this regard is reduced to an autonomous/atomistic individual in all his activities where he measures value at the level of personal impulses, desires and preferences.³¹ He is independent of any external elements of society, environment, even God. This notion of an “anthropomorphic” nature of science comes from the principle of secularism and materialism that is at the base of modern Western worldview, where the human being is the centre of everything, and the measure of all things. The human being is considered as a purely earthly creature,

divorced and cut off from the Divine source, master of nature and responsible to no one but himself.³²

In addition, religious/spiritual insight is considered irrelevant. The materialist and secular view of the ultimate nature of the human being sees human action as being motivated merely by the materialistic side of man. Increasing or maximising utility and satisfaction of all desires becomes a supreme goal in mainstream economics on which all economic theories, policies, regulations, and institutions are based, and should patronise. The concept of ethics *sine qua non* is also developed based on this notion.³³

Such a conception of the nature of man in economics is made in order to establish the scientific nature of the discipline. This generic and simplistic behaviour of *homo economicus* is argued to be very useful in generating successful predictions and leads to some verifiable conclusions of a theory that can easily be empirically tested and possibly rejected. Such an assumption is necessary to make possible the mathematical modelling of economic problems. Furthermore, this assumption of *homo economicus* behaviour is serviceable for a variety of agents, firms, individuals, government agencies, unions, clubs, organisations, and so on, hence touted for its universal applicability.³⁴

However, Kirzner rejects this idea by arguing that such a view of human nature in economics - instead of making it a credible science - leads to a “narrow” scope of economics, since a *homo economicus* endowed with only one aspect of human nature (greed, self interest), subsequently reduces the whole body of economic theory as the extended exposition of the consequences of this greed.³⁵ Sen further observes that such an idea only confirms critics’ views that see economics as an “unproductive science.”³⁶

Izutsu’s Approach and its Application to Islamic Economics

Islamic economics as a discipline is interested to study the behaviour of man in their economic life. This is obvious from the following definitions of Islamic economics: Arif defines Islamic economics as “the study of a Muslim’s behaviour who organizes the resources, which are a trust, to achieve *falāḥ*;³⁷ Naqvi defines Islamic economics as “a study of the representative Muslim’s behaviour in

a modern Muslim society;”³⁸ and Metwally defines Islamic economics as “the study of the economic behaviour of the true Muslim in a society which adheres to the Islamic doctrine derived from the Qur’ān, the *sunnah* of the Holy Prophet Muḥammad, the consensus (*ijmā’*) and the analogy (*qiyās*).”³⁹

In studying the behaviour of man, many Islamic economists see the economic agent as “*homo Islamicus*” or “Islamic man.” Mannan argues that the presence of homo Islamicus who will apply Islamic principles in economics is a necessary condition for the successful operation of the Islamic socio-economic system.⁴⁰ Without homo Islamicus, the Islamic socio-economic framework cannot evolve.

The Islamic concept of behaviour of the economic agent, however, is significantly different to conventional economics. The latter, influenced by the process of secularization, sees economics and other “worldly” activities as being devoid of the presence of God. In Islamic economics, the fundamental “vertical” relation between God (the Creator) and man (the created), *Allah* and *insān*, as well as the “horizontal” man-man relationship defines and guides human behaviour that will be applied in various economic related concepts. Two fundamental concepts in the Islamic worldview that would have significant implications on economic behaviour of the agent in Islamic economics are the concept of man as *khalīfah* (vicegerent) and *‘abd* (servant/slave). Man as *khalīfah-‘abd* is seen as a focus-word according to Izutsu’s approach and will be analysed in the coming paragraphs.

As Izutsu suggested, to obtain a clear meaning of a particular word/concept mentioned in the Qur’ān, one must also look at its relational meanings mentioned in various other places in the Qur’ān. We explored related terms in various *āyah* that could explain the concept of *khalīfah* or *istikhlāf* such as: *‘ilm*, *taskhīr*, *amānah*, *isti‘mār*, *iṣlāh*, *ifsād*, *ibādah*, and *ummah* that could meaningfully explain the relationship between man and God, man and nature as well as man and man. The word *khalīfah* itself means roughly “one who comes after,” “successor,” “deputy,” or “vicegerent.”⁴¹ However, this concept of *khalīfah* and why humankind was chosen to be *khalīfah*, and the tasks and destiny of the *khalīfah* have implications that are not clearly understood by ordinary believers.⁴²

The Qur'ān (*Sūrat al-Baqarah*, 2: 30) mentions that the human being has been created to be a *khalīfah*, a vicegerent on earth, a unique position (with a mission) not granted to other creations. To be a *khalīfah*, the human being is endowed with a delegation of authority from God to fulfill “consciously” (not by force) the divine patterns on earth. He is granted free will to either implement or annihilate these divine patterns through his actions. He is the only being that can act contrary to his nature (i.e., not fulfilling God’s primordial command), while no other creations be it animals, plants or angels are capable of doing so (*Sūrat ‘Abasa*, 80: 23).

To support this mission of *khalīfah*, humankind has been endowed with the highest intellectual capacity among all creations. The Qur'ān (*Sūrat al-Baqarah*, 2: 31-33) informs that once man was created, God taught him the names (*al-asmā’*), i.e., knowledge (*‘ilm*) which sets another special quality in man to support his mission of *khalīfah* on earth. With knowledge and the intellectual ability to think, the human being is able to discover the basic laws of the universe and at the same time employ different resources of the universe for their purposes.

In addition, all earthly blessings, and also all that is in the heavens, have also been created for the sake of human beings in managing their role as *khalīfah*. “*He it is who created for you all that is on earth...*” (*Sūrat al-Baqarah*, 2: 29), “*He has subjected to you all that is in the heavens and all that is in the earth...*” (*Sūrat al-Jāthiyah*, 45: 13). Human beings are free to use the bounties and blessings conferred upon them (*taskhīr*), but at the same time, they must carry out their duty towards God mainly as an *‘abd* (who serve and worship Him) and *khalīfah* (who holds *amānah* as God’s representative on the earth) to *isti‘mār*; i.e., to prosper the earth and to create a moral social order on earth.

The role of *khalīfah* (vicegerent) is essentially a trust (*amānah*). God has invested man His trust, a trust which the heavens and the earth were incapable of carrying out (*Sūrat al-Aḥzāb*, 33: 72). As a *khalīfah* (God’s vicegerent), man is entrusted with an *amānah* to establish responsibility on earth by means of virtues and bounties endowed to him by God, his initiative, creativity and labour (*isti‘mār*). “*He brought You forth from the earth and settled You therein*” (*Sūrat Hūd*, 11: 61) to fulfill God’s creative work in the

universe (*isti'mar*). Nature has been created for human beings but man is also required to establish a moral social order on earth. The concept of *amānah* implies that in all his actions, man should choose to prosper the earth (*iṣlāḥ*) by making the best use of resources and to fully utilise the virtues inherent in him to *isti'mār* the earth. *Iṣād* (*fasād*) or adversity or corruption, is to be avoided in managing one's role as a *khalīfah*. The acceptance, as implied, is not by any force, but a voluntary choice and based on man's own will (*Sūrat al-Insān*, 76: 2-3). This will to accept and do or to choose not to do is another "virtue" and superiority that man has over all other beings in the universe.

This role of *khalīfah* enables man to realise all ethical ideals in his actions, because only he has the capacity and facility to do so. The divine pattern (will) is required to be fulfilled by man via his conscious ethical actions. Life on earth is about implementing the ethical "ideals" as outlined by God through His revelation into real action and "practices." In this perspective, as contended by Eaton "the human will is perfected only when it reflects the Divine Will."⁴³ He is the only creature that may pursue the totality of values as he has the mind and vision requisites for such pursuits. Al-Faruqi contends that *khalīfah* is essentially "a sort of cosmic bridge through which the divine will, in its totality, can enter space-time and become actual."⁴⁴ Al-Attas likewise describes that "while Islam is the epitome of the Divine cosmic order, the man of Islam who is conscious of his destiny realises that he is himself, as physical being, also an epitome of the cosmos, a microcosmic representation, *'ālam ṣaghīr*; of the macocosmos, *'ālam kabīr*. Hence in the manner that Islam is like a kingdom, a social order, so the man of Islam knows that he is a kingdom in miniature, for in him, as in all mankind, is manifested the Attributes of the Creator."⁴⁵ Al-Faruqi also adds that "every action of individuals is therefore capable of adding, however little, to the total value of the cosmos, as an act of worship, of service to God."⁴⁶

However, the human being's efforts to realise values is inseparable from the tragedies that characterise his existence, namely, the real possibility of moral evil which comes from either internal self-desire (*hawā*, *shahwah*) - his inclination to the earthly dimension of his self (*Sūrat al-Mā'idah*, 5: 124-5) - or externally from his everlasting enemy the *shayṭān* (*Sūrat al-Mā'idah*, 5: 118-120; *Sūrat*

al-Isrā', 17: 61-65). This is also reflected in the Qur'ān where the angels doubted the capability of man to be *khalīfah* (*Surat al-Baqarah*, 2: 31). The human choice of evil in fact violates the primordial covenant and the purpose of creation (*Sūrat al-Dhāriyāt*, 51: 56) since man's inherent nature (*fiṭrah*) is originally good and pure (*Sūrat al-Tīn*, 95: 4-5) and free from any spiritual and moral flaws *as long as he does not corrupt it during his life* (*Sūrat al-Rūm*, 30:30). His creation has been perfected by endowing him with a "soul (*rūh*)" which is "of the breath of God" (*Sūrat al-Hijr*, 15: 29; *Sūrat al-Sajdah*, 32: 9, *Sūrat Ṣād*, 38: 72). Therefore, God has also revealed religion (*dīn*) in order to foster consciousness in human self (*īmān*) so that he is able to manage those facilities for self-realisation and transformation. *Dīn* is functionally regarded to induce the believer to transcend his animal nature to a higher spiritual aspect that will separate him from the animal species, unto which the Qur'ān puts it as *khayrun wa-abqā*, better and external.⁴⁷

His life is about striving, not to "gravitate down to the earth" but to transcend his self to a higher order of being, to the heights of purity, to the spiritual, to the Divine where is his origin.⁴⁸ Here, the choice of good (*khayr*) is in fact the true growth or self-realisation to attain the higher levels of spiritual attainment (*taqwā*). The Qur'ān in 11: 90 asserts "*and ask forgiveness of your Lord, then turn to Him.*" Choice should be made within the matrix of a religious consciousness to opt for the higher level of spirituality which the Qur'ān describes as "the straight path" (*al-sirāṭ al-mustaqīm*). The Qur'ān repeatedly warns the human being to always have God's consciousness in himself that would ensure all human activities are properly integrated and synthesised inline with God's patterns. "*God loves those who are patient*" (*Sūrat Āl 'Imrān*, 3: 145); "*those who trust in Him*" (*Sūrat Āl 'Imrān*, 3: 158); "*those who are just*" (*Sūrat al-Mā'idah*, 5: 42); "*those who are able to control his selfishness and saved from his own covetousness*" (*Sūrat al-Taghābun*, 64:16); "*the muttaqīn (those who control themselves and do not allow false inducement to abjure the path prescribed by God for them to follow)*" (*Sūrah Āl 'Imrān*, 3: 55; *Sūrat al-Tawbah*, 9: 4). The Qur'ān describes humans who reach this level as achieving *al-naḥs al-muṭma'innah* (the satisfied soul), the soul that "keeps intact their primordial nature (*fiṭrah*) upon which God created man."⁴⁹ The self that removes God from his consciousness means he removes the true meaning and

purpose of his life. Forgetting God means fragmented existence of human self, secularised life, unintegrated and eventually disintegrated personality.⁵⁰

In this perspective, we could say that the mission of *khalīfah* on earth is actually part of a grand *raison d'être* of his creation, namely, *'ibādah*, i.e., the mission to serve God and to realize the divine will and patterns by being an *'abd*. "I (Allah) have not created jins and humans, but they should worship (serve) me (alone)" (*Sūrat al-Dhāriyāt*, 51: 56). The very purpose of man's creation, as well as the whole creation, is to serve God (*'ibādah*), both inwardly and outwardly. Internally by acknowledging God's magnificence and supremacy and by awareness of His presence, His magnificence, and His call for human progress and righteousness; externally by compliance with God's teachings pertaining to ritual and non-ritual activities.⁵¹ All man's actions, including his economic activities, should be viewed in this complete commitment to God by obeying the prescribed framework. His success in life on earth is also valued based on his level of commitment to God (*Sūrat al-Munāfiqūn*, 63: 9).⁵² This means that being a *khalīfah* is not an easy task. Humans must strive for it to be successful (*falāḥ*) as there is also possibility of failure (*khusrān*). The successful *khalīfah* will be granted heaven (*al-jannah*) while the failed *khalīfah* will be in hell (*al-nār*).

The concept of *khalīfah* can be applied to Islamic economics and be the foundation of Islamic economic analysis of the behaviour of the economic agent. This is justified especially if we look at the subject matter of Islamic economics which is the behaviour of the economic agent (i.e., Islamic man). This ontological position is in-line with the epistemological difference where the nature of Islamic man is based on the Qur'ān. In the Qur'ān, as we have shown, the central concept of human being is *khalīfah* and that reflects the *ontological relation* between God as the ultimate source of human existence, and man as the representative of earth owes his very existence to God.⁵³

From the intimate ontological relationship of man and God, as observed by Izutsu emerges another relationship, namely, (1) *Lord-servant relation* where God is the Lord (*rabb*) with all concepts relating to His majesty, sovereignty, absolute power, and man is His servant (*'abd*) with a whole set of concepts such as humility, modesty,

absolute obedience, and other properties that are demanded of a servant, (2) *communicative relation* where God and man are brought into a close correlation with each other through mutual communication in the forms of verbal and non-verbal type communication. The verbal type of communication from above to below is revelation while from below to above is prayer.⁵⁴ The non-verbal types of communication from above to below is the Divine act of sending down the signs while from below to above, the communication is in the form of worship in the specific and general meanings which are good deeds - in this case economic activity and behaviour; and (3) *ethical relation* where God is the fountain-head of the highest values and ideals that reveals itself in the Cosmic Order, the basis of all Existence and the Source of all Excellence.⁵⁵ God is of an ethical nature and acts upon man in an ethical way as reflected in the Names of God; such as “Merciful,” “Benevolent,” “Forgiving,” “Just” and “Majestic,” that describe particular aspects of God. Those are the “Divine Ethics” that will become the foundation of ethics of God to man and universe relationship, and man to man relationship (human ethics). Human ideal is to reflect the Divine Attributes or the mirror of his personality, in order to acquire perfection adequate to his nature.⁵⁶ Man is also expected to respond in an ethical way by showing thankfulness (*shukr*) and “God-fearing” attitude (*taqwā*) which are the cardinal virtues of his obedience as the servant (*‘abd*), rather than *kufṛ* both in the sense of “unthankfulness” and “disbelief” that proclaim disobedience as the servant to God.⁵⁷

Being a *khalīfah*, man has also been granted authority to freely manage nature/universe and to cooperate with his fellow beings to complete the task of *khalīfah*. This part Izutsu says, is in the realm of “human ethics” which should be guided by those “divine ethics.” This third category of ethico-religious concepts in the Qur’ān relates to the basic ethical attitude of man to his brethren living in the community. The social life of an individual is ruled and regulated by a certain set of moral principles with all their derivatives which constitute the system of social ethics.⁵⁸

While the “community” is classified in the Qur’ān into three categories, namely, the Muslim *ummah*, the *kuffār* and the *munāfiqūn*, the *ummah Muslimah* is a particular group of man who respond

positively to the *ontological relation* in acknowledging God as their creator. In the *communicative relations*, these people respond willingly and wholeheartedly to the Divine call and follow its guidance to the way of salvation. In the *Lord-servant relations*, this community discards from themselves, all anti-God attitudes and behaves to God in ways that truly befit a slave. Lastly, in the *ethical relations*, these people show “thankfulness” to God’s favours and fear Divine chastisement. *Ummah Muslimah* means a community (of people who have) surrendered (themselves to God). *Kuffār* is another community described in the Qur’ān as those who openly refuse to come into the Muslim *ummaḥ* by refusing all four relationships, the *munāfiqūn* is a subdivision of the *Kuffār*, people who pretend outwardly to belong to the Muslim community, but in reality, remain outside.⁵⁹

Based on the concept of *khalīfah, homo Islamicus* (Islamic man) who is an Islamic economic agent can be conceived as the one who is conscious of God’s guidance in his behaviour and follows the Qur’ānic injunctions. This consciousness personally affects man’s behaviour to his fellow man and nature, the goal of his economic life and the way he chooses or makes decision in resource allocation.

The discipline of Islamic economics itself will have a “theomorphic” characteristic rather than an “antrophomorphic” discipline as in conventional economics. In the former, God becomes the centre, the measure of all things, and any theories developed should reflect this principle as the basis, instead of making the individual man as the centre (i.e., *self-centred welfare, self-welfare goals, self-goal choice*). Islamic economics bases its principles on *tawḥīd* (unity of Allah). *Tawḥīd* is the fundamental core of Islam, the foundation of its ethics and philosophy of life, and the basis of its system and institutions. It is the primary determinant of one’s relationship to the natural and social order. Applications of *tawḥīd* embrace every facet of human activities at the individual and collective levels from both the natural and social perspectives that reflect unification.⁶⁰

It is clear then that Islamic economics in its theory and analysis does not separate an individual from God and society at large; neither will it integrate the individual, God and nature by making the individual the centre, and treating God and nature to serve man. His

economic action as well as decision or choices made fully reflect the ethical principles of Islam in his unique relationship to God and society in the consciousness of his intimate relationship to God. The nature of the human will be broadened in the Islamic perspective as not merely limited to the physical being with the goal of materialism *per se*. The human being is a physical-intellectual-spiritual being (*Sūrat al-Sajdah*, 32: 6-9).

This practice, at the general level, will imply the establishment of the best quality of community (*khayru ummah*) for the people to be a living example, where all Qur'ānic ethical injunctions are applied in various dimensions of life. To be *khalifah* is indeed not merely a personal obligation, it is in fact a collective obligation of mankind. The Muslim community is the best community that could properly shoulder the role of *khalifah*, as it is characterised by this reality of strong consciousness to God and strong commitment to Islamic ethics that make them unique. This is what made H.A.R. Gibb once wrote: "the key word for everything that has to do with Islamic culture is *Ummah* community. It is in the historical development of this concept and its modalities that true significance of Islamic history and culture must be sought".⁶¹

Izutsu maintains that the Qur'ānic *weltanschauung* of ethics that is reflected in the main categories of ethical concepts and their relationship do not in any way stand aloof from one to another, but are most closely related.⁶² And this comes from the basic fact that the Qur'ānic worldview is essentially "theocentric," which means no major concept in the Qur'ān exists quite independently of the concept of God, and that in the sphere of human ethics, each one of its key concepts is a pale reflection of the divine nature itself. This response is in the form of absolute trust in God (*īmān*) and pious fear of Him (*taqwā*).

It would not be ethically possible to claim an ethical position as Islamic, without connecting all categories together, even in the most mundane activities. Here, Izutsu argues that human ethics is dependent on Divine ethics. Man should act with justice and righteousness towards his brethren because God's action is always absolutely just and right. Man should never do wrong (*zulm*) to others because God himself never does wrong to anyone. There is a strong

connection between God's nature and human ethics and this relationship is very dynamic in Islam which cannot be found in conventional economics teachings. The relationship of the various ethical foundations is very obvious in the Qur'ān, *Sūrat al-Baqarah*, 2: 117 where the explanation of the concept of *birr* is explained:

“The *birr* does not consist in your turning your faces towards the East or the West, but [true *birr*] is this, that one believes in God, and the Last Day, and the Angels, and the Scripture, and the Prophets; that one gives one's own wealth, howsoever cherished it may be, to kinsfolk, orphans, the needy, the wayfarer, and beggars, and also for the sake of [the liberation of] slaves: that one performs the ritual prayer, pays the alms [i.e., the poor-rate]. And those who keep their covenant when they have once covenanted and are patient in distress and hardship: these are they who are sincere (*alladhīna ṣadaqū*); these are they who are godfearing (*muttaqīn*).”

The passage declares most emphatically that *birr* or “piety” in the true sense does not only consist of observing outwardly the rules of religious formalism, but also in the kind of “social righteousness” that naturally arises from a “deep monotheistic faith in God.” The concept of *birr* is explicitly put in close relationship with the concept of *ṣidq* “sincerity” in belief and that of *taqwā* “pious fear of God” to demonstrate that even in economic actions, there is an ethical dimension that integrates the Divine with the human.

Another example that shapes the relationship of the ethical concepts that make up the ethical foundation of Islam is the belief of the connection of *dunyā* (the present world) and *ākhirah* (the hereafter). The Qur'ān is very conscious of this correlation whenever it uses either of the words, for example, in *Sūrat al-Anfāl* (8: 68) “*You desire the ephemeral goods of the present world (al-dunyā), while Allah desires (for you) the hereafter (al-ākhirah)*”. This part is missing in contemporary economics, where all economic goals are directed to the happiness of human beings in this world. A rational individual is free to maximise his utility as much as possible without any moral, social or religious commitment that involves a “hereafter” reward and punishment of the consequences of economic choices and decisions made. Those aspects, instead, are constraints that will restrict an individual to maximise his utility.

In Islam, the life of a human being in this world is temporary and is seen as a test to manifest the goodness in reality. Life does not end with physical death and indeed, is continued in the hereafter, where one's actions in this *dunyā* will be judged. The conceptual structure of *ākhirah* in the Qur'ān is based on the principle of dichotomy or a basic opposition of two major concepts: the Garden (*al-jannah*) and the Hell Fire (*al-jahannam*). The presence of *al-jannah* and *al-jahannam*, according to Izutsu, provides "the form of the moral conscience" whenever a man chooses to do anything in this world. It is the very source of moral values.⁶³ Man, as long as he lives as a member of the Muslim community, is morally required to always choose certain ways of acting that are connected with *jannah*, and to avoid those that are connected with *jahannam*. By this, definitely the behaviour of *homo Islamicus* will be different from his *homo economicus* counterpart in the economic agent's choice and decision in the economic sphere.

Concluding Remarks

In modern economics, including the dominant paradigm of neo-classical economics, there has been a growing interest among economists to re-link ethics into economics. There are possible approaches for that purposes, namely, introducing moral values as part of preference functions, introducing moral norms or rules as constraints, and introducing such norms as decision rules for coping with strategic interaction situations.⁶⁴ Modern economics, including neoclassical economics, however, in its attempt to infuse ethics into economics as preferences or constraints relies on its own conceptions of reason and rationality, devoid of revelation as an authentic source of values. Hence, from an Islamic perspective, all these ethical principles and approaches are not comprehensive as "divine ethics" as they are not seen in connection to the reality of human ethics. Islamic economics, on the other hand, utilises and integrates both reason with revelation in value selection and application.

The approach toward ethics is significantly influenced by the worldview that underlies an economic system. Mainstream economics derives its ethics based on the western worldview that is secularist and materialistic, and that eliminates religious insight into its scientific sphere. Islamic economics, on the other hand, derives

ethics based on the Islamic worldview and from the primary sources of Islam, i.e., the Qur'ān and *ḥadīth*. Hence, from an Islamic perspective, the Islamic worldview is more comprehensive as it does not dichotomise the divine and mundane, the secular and spiritual, body and soul, *dunyā* and *ākhirah*. This results in a more comprehensive nature of the economic agent in Islamic economics as it considers this economic agent as having all these integrated characteristics in his behaviour. Individual self-interest in Islamic economics is pursued in balance with social interest and in accordance with God's injunctions.

Islamic economics in this regard rejects the narrow concept of a rational economic man who pursues his self-interest by maximising satisfaction or utility or a firm's profit, excluding social interest and preference as in mainstream economics. Human action in Islamic economics is represented by *homo Islamicus* who is conscious of Islamic teachings in the Qur'ān and *sunnah*, as being conceived in the concept of man as *khalīfah-ʿabd*. He is rational if he maximises not only his own satisfaction but also religious spirituality, morality and social interest (altruism). Narrow self-interest (or selfishness) is no longer the supreme goal in one's action. His behaviour is directed to promote a culture with genuine self-interest together with the spirit of fellowship, mutual support, sacrifice, co-operation, equity and fair play as opposed to greed, injustice and exploitation. Furthermore, the Qur'ān as explained by Izutsu, describes an individual's interest as attached to the ethical values that are axiomatic to the Islamic system, and operating as endogenous variables in the economic mechanism and working as its main driving force.⁶⁵

In this light, Islamic economics could be better seen (for purposes of interaction and intellectual discourse) as a special case of social economics because it lays the foundation of a *non-homo economicus* society in which individuals would interact and social relationships would be established on the basis of ethical dealings thoroughly pervading the realm of economics.⁶⁶ Islamic economics studies the behaviour of man who responds positively to Islamic ethical values and teachings in their economic matters. Hence, economic analysis in Islamic economics should be based on this framework of the nature of human beings as envisaged by Islam in the Qur'ān.

Toshihiko Izutsu's works dealing with the Qur'ān are very relevant and significant in developing the ethical structure of Islam based on the Qur'ānic *weltanschauung*. He has investigated the God-Man as well as man-man relationships based on this Qur'ānic *weltanschauung*, which by implication, is an ethical foundation for Islam and Islamic economics. His works require further attention, and further research on these building blocks of the ethical foundations of Islamic economics needs to be undertaken. This ethical foundation, based on the concept of man as *khalīfah-‘abd*, would be the basis for the individual man as well as the community (*ummah*).

The present authors are of the opinion that the approach of Izutsu can be replicated in other sub-areas of economics to help develop ethical implications for these sub-areas. For example, *‘adl* (justice) may be regarded as an important focus word in discussing distributive justice in Islamic economics; its semantic field may include *zakāt*, *infāq*, *ṣadaqah*, *iḥsān*, *qisṭ*, etc. (on the positive side), while *ribā*, *bukhl*, *zulm*, *isrāf*, *tabdhīr*, etc (on the negative cluster).⁶⁷ One is reminded of the views by writers in the mid-1980s such as Sardar who also suggested building conceptual frameworks from the *shari‘ah* as ways of developing “Islamic Sciences.” Greater and more detail works need to be undertaken in this area and approach. The successful development of Islamic economics depends very much on these foundations being addressed adequately. An economic framework that is based on man as *khalīfah-‘abd* is seen as the key to developing an alternative economics that is not seen merely as a simple modification or branch of modern neoclassical economics, but one that can truly represent man's purpose or mission in life, a mission that sees life in this world as a test and resources as a trust.

Notes

1. James E. Alvey, “An Introduction to Economics as a Moral Science,” *International Journal of Social Economics*, 27, no. 12 (2000): 1231-1251.
2. Volker Nienhaus, “Islamic economics: Dogma or science,” in *The Islamic World and the West*, ed. Kay hafez, trans. Mary Ann Kenny (Leiden: Brill, 2000), 86.

3. Khurshid Ahmad, "Economic Development in an Islamic Framework," in *Islamic Perspective*, eds. Khurshid Ahmad and Zafar Ishaq Ansari (Leicester, England: The Islamic Foundation, 1979), 266.
4. Syed Nawab Haider Naqvi, *Islam, Economics and Society* (London: Kegan Paul International, 1994), 20.
5. Toshihiko Izutsu, *God and Man in the Qur'an: Semantics of the Qur'anic Weltanschauung* (Kuala Lumpur: Islamic Book Trust, 2002).
6. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur'an* (Kuala Lumpur: Islamic Book Trust, 2004). This book was originally published in Japan in 1959 as *The Structure of the Ethical Terms in the Koran*. We agree with the reviewer that a deeper look into the differences between these two works needs to be carried out. This was not possible in this revised paper. However, we have included references to Izutsu's *The Concept of Belief in Islamic Theology* and agree that the theological-ethical divide as found in modern scholarship may be unnatural in Islamic scholarship.
7. J. Joseph Spengler, *Origin of Economic Thought and Justice* (USA: Southern Illinois University Press, 1980); Murad Hofmann, *Islam: The Alternative* (UK: Garnet Publishing Ltd, 1993).
8. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur'an*, 6.
9. Toshihiko Izutsu, *Creation and the Timeless Order of Things: Essays in Islamic Mystical Philosophy* (Ashland, Oregon: White Cloud Press, 1994), 175.
10. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur'an*, 12.
11. J.A. Schumpeter, *History of Economic Analysis* (London: George Allen and Unwin, 1954); Robert Heilbroner, *Behind the Veil of Economics* (Ontario: W.W. Norton and Company, 1988); Mohamed Aslam Haneef, "Islam, its Worldview and Islamic Economics," *IJUM Journal of Economics and Management*, 5, no. 1 (1997): 39-65.
12. J. Joseph Spengler, *Origin of Economic Thought and Justice*, xii. This is not surprising since science and scientific activities are the result of specific ontology which relates the scientific endeavour of the individual to his environment and furnishes their motivational basis. Therefore, knowledge in Islam is not neutral, a position commonly argued in Western epistemology. As Al-Attas observes: "It seems to be important to emphasise that knowledge is not neutral, and can indeed be infused with a nature and content that masquerades as knowledge. Yet it is in fact, taken as a whole, not true knowledge but its interpretation through the prism, as it were, the world-view, the intellectual vision and psychological perception of the civilisation (Western)

that now plays the key role in its formulation and dissemination. What is formulated and disseminated is knowledge infused with the character and personality of that civilisation (Western).” Syed Muhammad Naquib Al-Attas, *Islam and Secularism* (Kuala Lumpur: ISTAC, 1993), 133.

13. Robert Heilbroner, *The Worldly Philosophers*, 7th ed. (New York: Simon and Schuster, 1999), 310. The statement reflects aspirations underlying the theories put together over nearly 200 years by the great economic thinkers that he reviews: Adam Smith, David Ricardo, Thomas Malthus, John Stuart Mill, Karl Marx, Alfred Marshall, Thorstein Veblen, John Maynard Keynes, and Joseph Schumpeter. Their legacy is a quest for “socially as well as economically successful capitalisms.” See Baghirathan et al., “Structuralist Economics: Worldly Philosophers, Models, and Methodology,” *Social Research*, 71, no. 2 (2004): 305-326.

14. Toshihiko Izutsu, *God and Man in the Qur’an*, 1.

15. *Ibid.*, 2.

16. *Ibid.*, 3.

17. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur’an*, 13.

18. Toshihiko Izutsu, *God and Man in the Qur’an*, 3.

19. *Ibid.*, 13.

20. *Ibid.*, 14.

21. *Ibid.*, 17.

22. *Ibid.*, 19.

23. *Ibid.*, 21.

24. Focus-word is a particularly important key-word which indicates and delimits a relatively independent and distinctive conceptual sphere, i.e., semantic field within the larger whole of vocabulary. See: *Ibid.*, 22.

25. Toshihiko Izutsu, *The Concept of Belief in Islamic Theology: A Semantic Analysis of Iman and Islam* (Tokyo: The Keio Institute of Cultural and Linguistic Studies, 1965).

26. See also Mohamed A. Haneef, “Islam, the Islamic Worldview and Islamic Economics,” *IIUM Journal of Economics and Management*, 5, no. 1 (1997): 39-65.

27. Toshihiko Izutsu, *God and Man in the Qur’an*; *idem*, *Ethico-Religious Concepts in the Qur’an*.

28. Economics as defined by Lionel Robbins is the science which studies *human behaviour* as a relationship between ends and scarce means which

have alternative uses. Economics according to Robbins is not concerned with production, exchange, distribution or consumption as such, see: Lionel Robbins, *An Essay on the Nature and Significance of Economic Science*, 2nd ed. (London: Macmillan, 1945), 16. It is instead concerned with an aspect of all human actions in those activities, see M. Daniel Hausman, *The Inexact and Separate Science of Economics* (Cambridge: Cambridge University Press, 1992), 3. But, in studying human behaviour, Robbins clarifies his position that “it does not seem logically possible to associate the two studies [ethics and economics] in any form but mere juxtaposition,” see: Robbins, *An Essay on the Nature and Significance of Economic Science*, 148.

29. See for example http://en.wikipedia.org/wiki/Homo_economicus

30. Amartya Sen, *On Ethics and Economics* (Oxford: Basil Blackwell, 1990), 80.

31. X. Frank Ryan “Values as of Transaction: Commentary on Reconciling *Homo Economicus* and John Dewey’s Ethics,” *Journal of Economic Methodology*, 10, no. 2 (2003): 249.

32. Seyyed Hossein Nasr, “Reflections on Islam and Modern Thought,” in *Islamika II*, eds. Lutpi Ibrahim, et al. (Kuala Lumpur: Jabatan Pengajian Islam University Malaya, 1982), 97-113.

33. Here, one should note that *homo economicus* is an ideological construction that comes in a package with a whole set of values that imposed on economic man although the proponents of positive economics claimed it as value-free. *Homo Islamicus*, on the other hand, is also an ideological construction of the Islamic economic system. *Homo Islamicus* is created based on the ideals of the nature of human behaviour that is envisaged in Islamic teachings. Both, *homo economicus* and *homo Islamicus* are conscious of the worldview/ideology in their actual economic behaviour.

34. B. John Davis, *The Theory of the Individual in Economics: Identity and Value* (London: Routledge, 2003), 96; F. John Tomer “Economic Man vs. Heterodox Man: The Concepts of Human Nature in Schools of Economic Thought,” *Journal of Socio-Economics*, 30 (2001): 282.

35. M. Israel Kirzner, *The Economic Point of View* (Kansas City: Sheed and Ward Inc, 1976), 53.

36. Amartya Sen, *On Ethics and Economics*, 9.

37. Muhammad Arif, “Towards a Definition of Islamic Economics: Some Scientific Considerations,” *Journal of Research in Islamic Economics*, 2, no. 2 (1985): 87-103.

38. Syed Nawab Haider Naqvi, *Islam, Economics and Society*, 20.

39. M.M. Metwally, *Essays on Islamic Economics* (Gujarat, India: Academic Publisher, 1993), 1.
40. M.A. Mannan, *The Making of Islamic Economic Society* (Jeddah, Saudi Arabia: Islamic Research and Training Institute & King Abdul Aziz University, 1984), 56.
41. Toshihiko Izutsu, *The Concept of Belief in Islamic Theology: A Semantic Analysis of Iman and Islam*, 2.
42. Ibid.
43. Charles Le Gai Eaton, "Man," in *Islamic Spirituality: Foundations*, ed. Seyyed Hossein Nasr (New York: The Crossroad, 1991), 362.
44. Ismail Raji Al-Faruqi, *Al-Tawhid: Its Implication for Thought and Life* (Herndon, USA: IIIT, 1992), 66.
45. Syed Muhammad Naquib Al-Attas, *Islam and Secularism*, 68.
46. Ismail Raji Al-Faruqi, *Al-Tawhid: Its Implication for Thought and Life*, 82.
47. Murtadha Mutahhari, *The Human Being in the Qur'ān* (Tehran: Islamic Propagation Organization, 1983), 25; A.K. Brohi, "The Spiritual Significance of the Qur'ān," in *Islamic Spirituality: the Foundations*, ed. Seyyed Hossein Nasr (New York: The Crossroads, 1991), 11.
48. Fazlur Rahman, *Major Themes of the Qur'ān*, 2nd ed. (Kuala Lumpur: Islamic Book Trust, 1999), 21.
49. Ibid., 18.
50. Ibid., 22.
51. Muhammad Abdul-Rauf, *Ummah and the Muslim Nation* (Kuala Lumpur, Malaysia: Dewan Bahasa dan Pustaka, 1991), 91.
52. "O you who have believed, let not (your occupation with) your wealth nor your children distract you from the remembrance of Allah. Whosoever can be distracted are indeed the loser" (*Sūrat al-Munāfiqūn*, 63: 9).
53. Toshihiko Izutsu, *God and Man in the Qur'an*, 77.
54. Ibid.
55. Muhammad Fazl-ur-Rahman Ansari, *The Qur'ānic Foundations and Structure of Muslim Society* (Kuala Lumpur: Islamic Book Trust, 2001), 102.
56. Ibid.
57. Toshihiko Izutsu, *God and Man in the Qur'an*.

58. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur'an*, 18.
59. Toshihiko Izutsu, *God and Man in the Qur'an*, 79.
60. A. Jamal Badawi, "The Application of Tawheed in the Natural and Social Order," *Humanomics*, 7, no. 1 (1991): 5-17.
61. See: H.A.R Gibb, "The Community in Islamic History," *Proceedings of the American Philosophical Society*, 108 (1963): 173. However, this is also the challenge currently, whereby conversely might be true in the economic sphere, claim that Islamic economics system is better than capitalism and socialism might be futile if we fail to project the best example of the two economic system of capitalism and socialism, as Hofmann puts that "an Islamic economic system in an ideal sense must be preceded by an *Ummah* in an ideal sense." See Murad Hofmann, *Islam: The Alternative*, 101.
62. Toshihiko Izutsu, *Ethico-Religious Concepts in the Qur'an*, 19.
63. Toshihiko Izutsu, *God and Man in the Qur'an*, 90.
64. S. Richard Dowell, S. Robert Goldfarb and B. William Griffith, "Economic Man as a Moral Individual," *Economic Inquiry*, 36 (1998): 645-653, 645.
65. Abdel Hamid El-Ghazali, "Man is the Basis of the Islamic Strategy for Economic Development," *Islamic Economics Translation Series No. 1* (Jeddah: IRTI, 1994), 13.
66. Masudul Alam Choudhury, *Contributions to Islamic Economic Theory: A Study in Social Economics* (New York: St. Martin's Press, 1986), 199.
67. We thank the reviewer for pointing out the importance of replicating this approach in sub-areas of Islamic economics. In this paper, we were only able to give added emphasis to the concept of *khalifah-'abd* but have added reference to Sardar (1985) in the bibliography for further reading. See his webpage at www.ziauddin.sardar.com for a complete listing and relevant links to this conceptual approach to developing Islamic science.