



**THE ECONOMY OF MU'ĀMALAH
AND THE MAKĀSIB TEXTS
AN INTRODUCTORY 8-MODULE INTENSIVE COURSE¹**

AUGUST—SEPTEMBER 2022

*

DESIGNED & TAUGHT BY
DR. ADI SETIA²

INTRODUCTION

This course is a very condensed version of the standard 54-hour, 12-module IGE-PEARL³ certificate course that has been regularly offered quarterly online for the past three years or so since October 2020. A full description of the course content, curriculum and purpose can be found on the website of the Institute for Regenerative Livelihoods (IRL).⁴

An earlier shortened, 10-module version of this standard course was offered and taught online to students under the auspices of Wasat, Seattle in January-March 2022.⁵ A similar short version was also taught online in three separate offerings to mostly French Muslims in France through 2021-2022 on the platform of Muamalah Impact.

The main objectives of this condensed course is to guide students with some background in Islamic Studies in (1) drawing out coherently in some detail the socio-economic vision of Islam that is largely implicit or tacit in the *ādāb*, *fiqh* & *maqāṣid* of *mu'āmalah*⁶ & in the *makāsib* texts,⁷ (2) applying this vision in engaging the current hegemonic economics & economy of financial capitalism,⁸ & (3) structuralizing & operationalizing this Islamic socio-economic vision in revitalizing Muslim communities.⁹

The two main source texts of the course is *Kitāb al-Kasb* of Imām Muḥammad al-Shaybānī,¹⁰ & *Kitāb Ādāb al-Kasb wa al-Ma'āsh* of Imām al-Ghazālī.¹¹ Other relevant classical texts will also be cited and discussed,¹² together with cross-references to modern western texts¹³ bearing on the vibrant counter-economics discourse taking place today since the past few decades, especially post-2008 global economic financial crash.¹⁴

¹ Specially commissioned by Sanad Foundation, www.sanad.org.au.

² Co-founder with Rhamis Kent, Institute for Regenerative Livelihoods (IRL), <https://www.igepearl.org/>.

³ Islamic Gift Economy-Program for Ethical, Appropriate & Regenerative Livelihoods (IGE-PEARL), <https://www.igepearl.org/>.

⁴ www.igepearl.org/course/.

⁵ <https://www.waarewasat.org/wasat-programs-calendar/2022/1/17/introduction-to-islamic-gift-economy-course-with-dr-adi-setia-and-rhamis-kent-5e35y-8ghzw>.

⁶ As in the section on "Trade" in Keller, *Reliance of the Traveller*.

⁷ Classical texts such as al-Muḥasibī, *al-Makāsib wa al-Wara'*; al-Jāhīz, *al-Tabaṣṣur bi al-Tijārah*; al-Ḥākim al-Tirmidhī, *Bayān al-Kasb*; al-Shaybānī, *Kitāb al-Kasb*; al-Khallāl, *al-Hathth 'alā al-Tijārah*; Ibn Abī al-Dunyā, *Iṣlāḥ al-Māl*; al-Ghazālī, *Kitāb Ādāb al-Kasb wa al-Ma'āsh*; al-Dimashqī, *al-Ishārat ilā Maḥāsīn al-Tijārah*; al-Suyūṭī, *Ḥuṣūl al-Riḥq bi Usūl al-Riḥq*; al-Lubūdī, *Faḍl al-Iktisāb*; al-Nabhānī, *Dalīl al-Tujjār*; and many others, including classical texts on *aḥkām al-ṣulṭāniyyah*, *siyāsāt al-madīnah*, *tadbīr al-manzil*, as well as the various *kitāb al-kharāj* and *kitāb al-amwāl* texts.

⁸ Eg, in Adi Setia, "Mu'āmalah and the Revival of the Islamic Gift Economy," in *Islam and Science* (Summer 2011).

⁹ Eg, in Adi Setia, "Integrating the Legal into the Social," in *Law and Development Review*, 11:1 (2018).

¹⁰ Adi Setia, trans., *The Book of Earning a Livelihood* (Kuala Lumpur: IBFIM); see Adi Setia, "al-Shaybani on Earning a Livelihood," in *Islam & Science* (Winter 2012).

¹¹ Adi Setia, trans., *The Book of the Proprieties of Earning and Living* (Kuala Lumpur: IBFIM); see Adi Setia, "al-Ghazali on the Proprieties of Earning & Living," in *Islamic Sciences* (Summer 2013).

¹² For various relevant papers the websites www.igepearl.org, www.cis-ca.org and www.islamicgifteconomy.org.

¹³ Especially E. F. Schumacher, *Small is Beautiful, Good Work and Guide for the Perplexed*; Herman Daly on Ecological Economics and Steady State Economics; Bill Mollison on the socio-economic aspects, or invisible structures of permaculture; Margrit Kennedy, Bernard Lietaer and Greco on reforming the monetary system, including cross-references to traditional economic thought in African Ubuntu philosophy, Neo-Thomist social theory, as well as Gandhian, Hindu and Bhuddhist economics.

¹⁴ Many of these discussions are documented in the IGE papers published in the *Canadian Journal of Islamic Sciences*, www.cis-ca.org.

COURSE SYNOPSIS

Module 1

RIGHT LIVELIHOOD IN THE *MAKĀSIB* TEXTS

Overview of the *makāsib* texts; al-Shaybānī & al-Ghazālī on virtues of right livelihood (*kasb tayyib*) in relation to equity (‘*adl*), liberality (*ihsān*); relation between devotion (‘*ibādah*) & transaction (*mu‘āmalah*); al-Iṣfahānī on the cultivation of the earth (‘*imārat al-ard*); relation between right livelihood (*kasb tayyib*), communal duty (*fard al-kifāyah*) & common good (*maṣāliḥ al-‘ibād*); on the ranks of the occupations & vocations (*marātib al-makāsib*); psychology & eschatology of *mu‘āmalah* in al-Muḥāsibī and al-Ghazālī; explicating the socio-economic vision implicated in the *makāsib* texts as expressed in the Ghazalian dictum: the well-ordering of the affairs of all is by the cooperation of all (*intizām amr al-kull bi ta‘āwun al-kull*); the moral in relation to the material economy as expressed in the Ghazalian dictum: *al-dunyā mazra‘at al-ākhirah* (worldly life is the seed bed of the Afterlife); general reflections.

Module 2

THE MEANING & PURPOSE OF THE ECONOMY

On the meanings of economy (*iqtisād*), household management (*tadbīr al-manzil*), politics (*siyāsat al-madīnah*), objectives (*maqāsid*), transactions (*mu‘āmalah*) & their mutual relations; ethics (*ādāb*) in relation to law (*fiqh*) and wellbeing (*maṣlahah*); relation between cultivation of the earth (‘*imārat al-ard*) & stewardship of the earth (*khilāfat al-ard*); relation between the city (*madīnah*) and the community (*ummah*); economics as the science of earning & provisioning (‘*ilm al-iqtisād huwa ‘ilm al-iktisāb wa al-infāq*); defining the Islamic Gift Economy (IGE) discourse as a science and discursive strategy for reviving the socio-economic vision of *mu‘āmalah*; general reflections on *The Economy of Purpose*.

Module 3

MU‘ĀMALAH CONTRACTS & THE IMPERATIVE OF COMMUTATIVE JUSTICE & LIBERALITY

Al-Ghazālī on the science of contracts (‘*ilm al-‘uqūd*) in relation to the science of trade (‘*ilm al-tijārah*), science of transaction (‘*ilm al-mu‘āmalah*) & the science of earning (‘*ilm al-kasb*); what is a contract (‘*aqd*)?; function, scope & objective of a contract; ensuring socio-economic harmony (*mizān*) in communities through preempting coercion & seizure (*karh*, *ghasb*), usury (*ribā*), oppression (*ẓulm*), ambiguities, uncertainties & unreasonable risks (*gharār*), aleatory deals (*maysir*, *qimar*), and disputes (*khuṣūmah*); contracts as binding invisible structures; contractual bond as self-governance & self-rule; imperative of contractual literacy & proactive contracting; ethico-moral & socio-economic analyses of common *mu‘āmalah* contracts; contractual bonds in relation to community-based socio-economic self-governance (*hukm dhātī*, *dhatiyyat al-idārah*) & the revival of *mu‘āmalah*; importance of a holistic, integrative outlook in relating the various *mu‘āmalah* contractual forms; general reflections.

Module 4

MONEY & TRADE IN ISLAM:

INTERRELATIONS BETWEEN BARTER, MONEY, CURRENCY, WEALTH & FINANCE

Al-Ghazālī on the imperative of learning the science of money (*ta'allum al-naqd*); *What is money?*: (i) measure of value, (ii) medium of exchange, (iii) unit of account, (iv) store of value, (v) standard of deferred payment; *What is Trade?*: (a) consensual & fair commercial exchange of goods & services between buyers & sellers; (b) barter exchange in relation to money exchange, (c) hybrid barter-money exchange; *How is Money related to Trade?*: (a) money as instrument of fair exchange between buyers & sellers, (b) money exchange & barter exchange in community economies, (c) *on community currencies*; *Interrelations between the Five Functions of Money*: money as *measure of value* (or *unit of account*) serving as *medium of exchange*, thus allowing it to serve as *store of value* & *purchasing power* (preservator of wealth = *ḥifẓ al-māl*), & thereby, as a *standard of deferred payment* for the the valuation & settlement of commercial & monetary debts (*duyūn*), and hence the function of *measure of value* as foundational to all the other functions; reflections on the Ghazālīan, Dimashqīan & Maqrīzīan theories of money in relation to modern theories of money; importance of not conflating *mu'āmalah* with modern finance; re-embedding the monetary into the real productive economy of goods & services; reviving Islamic Money (*al-nuqūd al-islāmiyyah*); general reflections.

Module 5

SOCIO-LEGAL STRATEGIES FOR REVIVING MU'ĀMALAH & REBUILDING MADĪNAHS

- the social & the legal, or Law embedded in Society;
- visible & invisible structures in ensuring civil societal autonomy;
- social enterprise; venture philanthropy;
- formal & substantive endowment (*waqf* & trust);
- community-supported businesses;
- alternative corporate structures; benefit companies;
- community land trusts; cooperatives, common-ownership;
- integrating charity (*ṣadāqah* & *zakāt*) & equity investment (*muḍārabah*) funding;
- *bayt al-māl* in relation to family and community investment funds;
- rethinking wealth, money, capital & investment;
- rethinking careers, employment, jobs, vocations & work;
- rethinking banking & finance;
- Islamic Gift Economy in relation to the Counter-Economics Discourse;
- general reflections.

Module 6

PERMACULTURE, INVISIBLE STRUCTURES & *‘IMĀRAT AL-ARD*

What is Permaculture?; Agro-Ecological Landscape Design (AELD) in relation to Socio-Ecological Landscape Design (SELD); *ādāb*, *fiqh*, *ahkām* & *maqāṣid* of *mu‘āmalah* as SELD strategies for applying *‘imārat al-ard*, re-establishing *madīnahs* & rebuilding resilient communities; some regenerative investment strategies; from the habit of demeaning beggary (*su‘āl*) & dependency (*iftiqār*) to the culture of dignified industry (*kasb*), autonomy & independence (*ghinā‘*, *istighnā‘*); al-Ḥabīb al-‘Adnī on the economy of self-reliance (*al-i‘timād bi al-dhāt*); urban-rural (*ḥadārah-badāwah*) dynamics; case studies in the socio-ecological agronomy (*filāḥah*) of Andalusia & Yaman; al-Isfahani on the three intertwined foundational callings of humankind on earth: *‘ibādah*, *‘imārah*, *khilāfah*; general reflections on the moral economy in relation to the material economy, & on the interrelations between ethics (*tadbīr al-naḥs*), economics (*tadbīr al-manzil*) & politics (*tadbīr al-madīnah*); general reflections on the conceptual, structural & operational relevance of Social Permaculture for reviving *Mu‘āmalah*.

Module 7

SURVEYING THE COUNTER-ECONOMICS DISCOURSE

Revisiting *tadbīr al-manzil* as micro-economics & *siyāsah al-madīnah* as macro-economics; ecological economics; steady-state economics; degrowth; other counter-economics schools of thought; traditional socio-economic thought: Ubuntu, Confucian, Buddhist, Hindu, Gandhian, Neo-Thomist; Amish economics; the importance of E. F. Schumacher’s *Small Is Beautiful, Good Work & Guide for the Perplexed*; *tadbīr al-manzil* & *siyāsah al-madīnah* as critical integrative conceptual framework for counter-economics discourse among Muslims & between Muslims & non-Muslims; case study in Muslims engaging Christians in finding common ground in transcending the challenges of hegemonic modern financial capitalism; general reflections.

Module 8

MU‘ĀMAIAH & THE REVIVAL OF THE ISLAMIC GIFT ECONOMY: CASE STUDIES & BRIEF PROPOSALS

Waqf & the civil societal economy; a Prophetic personalized business advisory to a young man; banking as community investment funds (*bayt al-māl*); revisiting & relearning from the Mit Ghamr credit union; a case study in reviving Islamic money: the work of Professor Ahmad Kamel Meera Mydin; the Baitul Mal wa al-Tamwil (BMT) system of community-based cooperative socio-economies in Indonesia; revisiting & reapplying the age-old adage Charity Begins at Home; learning from non-Muslim success stories: Mondragon, WIR Bank, Bank of Dave, JAKS Members Bank & the Agrarian Trust; roles of mosques, madrasahs & their imams, shuyukhs, muftis & fuqaha in revitalizing local community socio-economies; very much more than mere farming: the significance of *filāḥah* in relation to *‘imārah* as exemplified in the case of the Andalusian agricultural revolution & the Hanging Gardens of Arabia in Yemen; revisiting the Zawiyah Rosales 2017-2018 Retreat, *Tending the Earth: The Art of Living with God’s Creation*; outline of an integrative Islamic Economy Research Program (IERP); general reflections on *The Way Forward*.