

TAWHIDIC BASED ECONOMIC SYSTEM: A PRELIMINARY CONCEPTION

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Abstract. *Tawhidic Based Economic System: A Preliminary Conception.*

This study investigates contemporary mainstream economic system, does Islamic Economics taking advantage of the shortfall of the system outlined above based on Tawhidical approach? By using descriptive qualitative method this paper proposed the appropriate of Islamic economics theorize that the Islamic system provide the ideal form of a socio-economic order. This paper found that Tawhidic based economics approaches can be focused towards seeing wholes of economics, rather than parts; seeing economics activities as a worship, rather than competition; cultivating the solidarity (charity), rather than individualism and creating the justice, rather than injustice. Thus this paper designed to provide the concept of Islamic economic system with Tawhid as the basis, to fit the philosophy of economic science and reality of human life. The paper also shows the position of Tawhid in the system and theory of economy in creating prosperity and benefit for all mankind comparing to mainstream economic system and their theory.

Keywords: *mainstream economics; Islamic economics; tawhid*

Abstrak. *Sistem Ekonomi berbasis Tauhid: Sebuah Konsep Awal.* *Studi ini meneliti sistem ekonomi mainstream kontemporer, apakah ekonomi Islam mengambil manfaat dari kekurangan sistem yang menjadi outline di atas berdasarkan pendekatan Tauhidik? Dengan menggunakan metode deskriptif kualitatif makalah ini mengusulkan teori ekonomi Islam yang tepat, bahwa sistem Islam memberikan bentuk yang ideal dari tatanan ekonomi sosial. Makalah ini menemukan bahwa pendekatan ekonomi berdasarkan Tauhid dapat fokus dengan melihat ekonomi secara utuh, bukan hanya sebagian; melihat kegiatan ekonomi sebagai ibadah, bukan kompetisi; budidaya solidaritas (amal), bukan individualisme dan menciptakan keadilan, bukan ketidakadilan. Dengan demikian tulisan ini dirancang untuk memberikan konsep sistem ekonomi Islam beraskan Tauhid sebagai dasar, agar sesuai dengan filsafat ilmu ekonomi dan realitas kehidupan manusia. Tulisan ini juga menunjukkan posisi Tauhid dalam sistem dan teori ekonomi dalam menciptakan kemakmuran dan manfaat bagi seluruh umat manusia dibandingkan dengan sistem dan teori ekonomi mainstream.*

Kata kunci: *ekonomi arus perdana; ekonomi Islam; tauhid*

Introduction

What is the problem of economics today? This question, in large part, as Blaug (1998) implies, intellectual basis intuitively, methodology and history which required by great prowess economists have been replaced by the formal economy. Such qualities were emphasized and symbolized by Alfred Marshall and John Maynard Keynes. The economists today, no longer educated systematically in their own history discipline but also in their philosophy of science. These have regrettably become fringe preoccupations for economists, and publications in these areas are often discounted in the institutionalized scramble for recognition and promotion.

Today, the contemporary economic theories are currently considered important examples of scientific mathematical procedure (throughout the years economic theorists continue merely to produce scores of mathematical models and to explore), which is called by mainstream economics and also strong opposition from other important theories. The disregard basic aspects of economic reality and the implications that often renders misleading the works and teaching of economists, sourced by both dominant economic teaching and its opponents. Blaug (1997) asserted for this matters: "Modern economics is sick. Economics has increasingly become an intellectual game played for its own sake and not for its practical consequences for understanding the economic world. Economists have converted the subject into a sort of social mathematics in which analytical rigour is everything and practical relevance is nothing."

The excessive unrealistic assumption is the impact of the inconsistency of the modern economic theory. The important aspects of human behavior were ignored by this assumption. In this respect, experimental economics has had a major impact (Kahneman and Kruger, 2006). It has even given credence within mainstream economics to the idea of 'social preferences', involving non-selfish, other-regarding and cooperative motives (Fehr and Fischbacher, 2002). In the paper of Baiman (2012), his views the microeconomics theory that applied by neoclassical is more destructive of human well-being than the moral high theory which that theory based on a theoretical framework that generates real-world policy (not just theory) that is concretely "*immoral*", he emphasized that directly supports policies that reduce the "well-being" of real human beings. In addition, the general equilibrium theory of neoclassical is not compatible with an economy that develops over time. It relies too much on complex mathematical models without sufficient attention to whether this really illustrates the real economy and ignores the complexity of nature and human creativity.

Additionally, according to Palley (2014) the global imbalances explained by the new economic theories of the structural Keynesian as an inevitable impact

consequence of the model of neoliberal towards to globalization. The explanation of structural Keynesian theory on two sides, the dimension of supply and demand side tend towards the problem of global economic imbalance. The supply side is the reflection of the new production paradigm that underlies neoliberal globalization and the demand-side is the reflection of the hegemonic currencies of Keynesian theory (Palley, 2006). Although Keynes himself warned of the limitations of mathematical technique in economics (Moggridge, 1992), he was championed by a younger generation who saw mathematics as the solution. [see Hodgson, (2009)]. The explanation of how policy accommodated the urgent of these new global supply and demand arrangements by the involving of the political economy (Palley, 2014).

Marshall (1890) defines economics as: *“Political Economy or Economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of wellbeing”*. In this context, this economic principle is the study of wealth and economic activities on the one side, and the main side is a study of man behavior on the other side. Accordingly, Aydin (2013) stated that this meaning refer to the main topic of economics problem at any economics paradigm. This main topic is the allocation of scarce resources. The scarcity problem involved the area of production, goods and services distribution in order to meet the needs, wants and human well-beings. Why the scarcity problem could be the main topic? It is because the fulfilment of human’s wants were become the final of economic activities and the big challenge of this issue as emphasized by Aydin (2013) is the assumption of scarcity resources contrast with the unlimited wants of human beings. The positive economics on the one side get along with those questions without involving any norms into consideration; and on the other, the normative economics side tries to find out the universally desired answers. In other words, the goals of positive economics are production and distribution efficiency while the normative economics consider efficiency below of the value judgments (Aydin, 2013).

Generally, in relation between economy and worldview (as assertion that economic science is ideologically failure), refer to Aydin (2013) there are two economic worldviews: first, materialist and secular, second, spiritual and religious. The materialist and secular worldview rejects the spiritual realm of human being and the universe. In this context, they ignored the religious value into economics. Both capitalist and socialist systems are two twin flow “similar but different”, which measures the final economic result as the excitement of human. The difference is just about the nature of ownership and the way of production goods and services for “human pleasure”. The nature of the free market by the capitalist is how to fulfil self-interests, while the socialist gives the goals to their social interests. In reality, this

social interests hiding behind the concept of excessive government intervention. Hence as summary by Aydin (2013), both capitalism and socialism goals is “worldly paradise” through material well-being of people impacting disharmony of life and causes inequality and economic problems of human.

These paradigms also led to numbers of economic problems and give the global impact to economic world. Chapra (1995) stated that the financial deficit such in the 1980s the inflation rate substantially declined, a number of economists argue that this inflation may become a serious problem. It created the economic instability in the interest-based banking system towards the international monetary system. The unnecessary spending in both the public and the private sectors, lead to the savings declining. The highly correlated between savings and investment are an impact to investment declining. It was also tend to have the implications for investment automatically, growth, unemployment, trade of commodity, markets of foreign exchange and also the stability of the stock. Chapra (1995) also added that the system created a number of ecological hazards by the concept of unlimited want and satisfaction by non-renewable resources, which have damage life on this universe. In this context, Chapra (1995) demonstrated that “*addressing the global environmental crisis requires nothing less than a radical change in the conduct of world policy and the world economy*”. He also concluded that “*the Keynesian strategy has generated dilemmas without solving the economic problems, the goals of need fulfilment, eliminating poverty and reducing glaring inequalities of income and wealth still remain unfulfilled*”.

Literature Review

The worst impact of ‘Great Depression’ in 1930 was “*the long standing faith in Say’s Law*” (Chapra, 1995) responsible, as a peak of the mainstream economic failure. Basically, the Great Depression taught us many lessons, most of them wrong. Keynes, the greatest political economist of the century, made a grave mistake when he titled his text *The General Theory of Employment, Interest and Money*. He left the impression that the Great Depression was a ‘general’ situation of market economies, not a one-time fluke of grotesque proportions. Keynes failed to make clear that it occurred because of the international gold standard, a monetary arrangement that Keynes had heatedly attacked and abhorred, but strangely under-emphasized in *The General Theory*. In any event, the Great Depression left the world deeply sceptical about self-organizing market systems. It took decades more to revive robust confidence in market economies (Sachs, 1999). It is not simply occur by itself or a life phenomenon such as natural disasters. Moreover, the principle that the market established an abstract equilibrium of absolute efficiency seemed as explained by

Nagan (2015) has become conventional wisdom in policy-making circles and received a severe setback between 1929 and 1933. The *laissez-faire* approach which used as cure to a weakly regulated economy at the time was the cause of the Great Depression (see Nagan, 2015). Chapra (1995) then excoriated that the economy cannot correct the condition itself automatically. Chapra also noted that Keynes was surprised at British and most other governments of their *laissez-faire* attitudes in the face of this crisis, while in early classical economic had found that the organization of economic at 19th century to be “*natural, reasonable, eternal and simplicity itself*” (as portrayed by the general equilibrium theory of Keynes), thus, Chapra (1995) emphasized that the Keynes’s writing in the *Economic Consequences of the Peace* that on the contrary, “*it was “unusual, unstable, complicated, unreliable, and temporary”*”.

Therefore, in the context of the global economy, the birth of the theory of production, consumers, labor, interest, profits, and market concept theory of the modern economic system creates competition, free markets, and individualism are the root of the underlying system. The highlight point here, the competition is not required to create an unhealthy environment competition, it is necessary to improve the quality and professionalism, not to get rid of common interests and goals of social concern. All these nature born from the individualist culture that wants pleasure and well-being of those they can harm. These culture’s attitude, norms and ethics which has built-in public relations, it can destroy a civil society. It will be better when the character moves towards the positive individualism to create a more balanced economy through norms and ethics.

Referring to Aydin (2011) all economic problems in Smithian concept are sufficient enough to solve with the most self-interested of human nature, supply and demand. Aydin (2011) then emphasized that the recent financial crises, with the “invisible hand” without moral guidance shift into a “stealing hand”. The economic crisis not only about the crisis of economy, but essentially is about a moral crisis of capitalism with the Enlightenment as its root. Then, Aydin (2011) suggested that during the crisis, the “invisible hand” concept of free market shifted to “stealing hand” driven by the irrational and irresponsible politician’s behaviours, creditors, and consumers via market games.

If we can summary and hypotheses the root of economic crisis and problem are; *First*, by getting rid of gold as a reserve currency, and the inclusion of the dollar as a companion currency in Bretonwood Agreement, after the end of World War II, then as a substitute currency in the early decades of the seventies, an impact is that dollar has dominated the global economy. As a result, no matter how small economic shocks that occurred in the United States will definitely be a crushing blow to the economy of other countries. Therefore, most of the foreign reserves, if not entirely,

covered with a dollar that its intrinsic value is not worth with the paper and the text contained therein. After the euro entered into the battle arena, most countries save the foreign exchange reserves to non-dollar currencies, although the dollar still has the largest percentage of foreign exchange reserves of these countries in general. Thus, as long as the gold does not become a reserve currency, the economic crisis will always continue to recur. No matter the crisis happened, either is small or big it would impact on the dollar, then the crisis will soon spread to other economies. Even the impact of the political crisis that is designed by States will also result to the dollar, so also have an impact on the world. Such conditions could have happened to any country banknotes which have the control over other countries.

Secondly, the debts of usury also creates an economy into the big problem, until the principal debt levels ballooned over time, in accordance with the percentage of usury imposed on him. As a result, the inability of the individual and the state in many cases and conditions it's becomes evident. This matter to the loan repayment crisis and slowing economies, and impact to inability the most of the middle and upper classes to return the loans and continue the production.

Third, the system used in the exchange and capital markets, for example buying and selling stocks, bonds and commodities without the requisite transfer of commodities is concerned, it can even be traded many times, without having to divert the commodity from its owner's, is a falsehood system and causes the problems. This system cannot solve the problem, where the rising and falling of transactions take place without the handover process, even in the absence of the relevant commodity. Everything was triggered the speculation and turbulence in the market. That is, the various losses and gains continue to occur through various means of fraud and manipulation. Everything is kept walking and walking, to unfold and be disastrous economy.

Fourth, the ignorance of the ownership principles fact due to the perspective in the Eastern and Western thinkers. Public property which controlled by the state, as in the theory of Socialism-Communism, and private property which dominated by particular group are the principle of ownership. The state will not intervene in accordance with the Liberal Capitalism theory which focused on the free market, privatization, and globalization. The ignorance of the facts of this ownership indeed has been cause the turbulence and economic problems. That's because such ownership is not something that is controlled by the state or a particular group. Capitalism has made individuals, companies and institutions are entitled to have what belongs to the public, such as oil, gas, all forms of energy and industry of heavy weapons to radar. While the country remains outside the market of all of these holdings. That is the consequence of the free market economy, privatization and

globalization. The result is a shock in a row and destruction quickly, starting from the capital market spread to the other sectors, and from the financial institutions spreading to the other.

By these condition the economic restructuring that undertaken by the government over the country in the world today, cannot be separated from the influence and hegemonic of capitalistic corporation under neo-liberal economic paradigm that underlying the development of those countries and cannot be denied that the international financial institutions injection, particularly the World Bank and IMF, has been a cornerstone of economic governance take-off of those countries for decades.

The concept and principles of neo-liberalism has become the public controversial. Neo-liberalism itself is actually not a single face. The scholar Tayyab Mahmud as quoted from Nagan (2015) describes economic neoliberalism as follows:

The neoliberal project is to turn the “nation-state,” one with the primary agenda of facilitating global capital accumulation unburdened from any legal regulations aimed at assuring welfare of citizens. In summary, neoliberalism seeks unbridled accumulation of capital through a rollback of the state, and limits its functions to minimal security and maintenance of law, fiscal and monetary discipline, flexible labor markets, and liberalization of trade and capital flows.

Based on its history, neo-liberalism has faced three paradigmatic shifted. As Saad-Filho (2010) noted three groups in main view of neo-liberalism: the Neoliberal paradigm of pre-Washington Consensus, Neoliberal Washington Consensus and Neoliberal of Post-Washington Consensus. The view of Neoliberal Washington Consensus that emerged in the 1980s and late of 1990s, is inherent in the universal ideology of neoliberal and absolute commitment to the free market and implies that the country is a source of corruption and inefficiency. It is proven in the character of bureaucratic rent-seeking. According to Saad-Filho (2010), the Washington Consensus contains four elements: (i) The hegemony of modern neoclassical theory that assumes the market as “efficient” and the state as “inefficient”. The market, and not the state, should play a role in economic development, industrial growth, job creation, and the articulation of international competition. The Mobility of capital and globalization considered good by economic world and individuals. Foreign investment seen as an instrument to promote economic growth that can be done with the support of domestic policy. The priority of this theory is the monetary policy over the fiscal policy and interest rates. This theory believes that the good interest rate can create a balance of payment, the low inflation, the level of sustainability of the consumption and investment, increase the allocation of resources, and the long term of high economy growth. (ii) Economics policy of neoclassical. Washington

consensus view that a country will remain poor because of misconceptions about state intervention, corruption, inefficiency, and economic incentives. Poor countries will catch up and take the ideal shape as developed countries if these countries prioritize the budget tightening, privatization, elimination of state intervention in price, the flexibility of the labour market and trade, financial and capital liberalization. (iii) State intervention in the form of the provision of institutions and functions that aim to ensure the freedom and purity of the market. State intervention allowed in the context of the systematic promotion of global capitalism. Not surprisingly, the Washington Consensus policies are often associated with authoritarianism despite in the rhetoric is supporting the political democracy. (iv) The orthodoxy standard in economic development and strengthening of the policies imposed on poor countries that faced a crisis of balance payments, budget, and finance.

In addition to the four elements, deregulation and privatization become two key words in structuring the purity of the market. Neoliberalism under Washington consensus is also a label that refers to the particular political project (Thatcherism and Reaganomics) and used more widely in the idea of economic rationalism, monetarism, neoconservatism, managerialism, and contractualism (Larner, 2000). Washington Consensus view had some critics as follows: (i) In all cases it was found that the state had violated all the principles of the Washington Consensus through long-term planning, protectionism, direct financial and other irregularities of the free market; (ii) Under the coordination of the Washington Consensus, poverty is increasingly spreading due to the process of structural adjustment and stabilization, particularly in Latin America post the Structural Adjustment Program of IMF; (iii) The economic policies of the Washington Consensus spawned the resistance of the majority political community because they makes the domestic politics to be unfriendly towards democratic politics.

From this analysis, the economists concluded that economic theory has been dead for several reasons. *First*, the Western economic theory (capitalism) has led a very deep economic injustice, particularly their monetary system that only benefits the West through the hegemony of the currency and the usury system. *Second*, the economic theory of capitalism was unable to alleviate the problem of poverty and the income inequality. *Third*, the paradigm does not refer to the interest of society as a whole, so they create a dichotomy between the individual, society and state. *Fourth*, their economic theory is unable to harmonize the relationship between the countries in the world, especially between developed countries and developing countries. *Fifth*, the negligence preservation of natural resources. The capitalist economic paradigm has negative effects for the world economic development, as Fukuyama (1997), which is associated with the collapse of social solidarity and

family. One of good narratives about capitalism today is what Wagner (2014) has said that today's economic worldview builds not only on false interpretations of economists like Smith, but also on an interpretation and simplification of Charles Darwin's theory of evolution. Competition is heralded as a key driver and "survival of the fittest" as nature's recipe to succeed and conquer. The capitalists of the Industrial Revolution readily took up this interpretation of Darwin's theory as it rationalized their inhuman behaviour towards workers as being normal and "natural".

Methods

By using descriptive qualitative method through content analysis, this paper proposed the proponents of Islamic economics which theorize the *Tawhidic* based Islamic economic system in presenting the great form of a socio-economic order. By using qualitative content analysis this research also focuses on the characteristics of language as communication with attention to the content or contextual meaning of the text or literature (Budd, et.al, 1967). The goal of content analysis is "to provide knowledge and understanding of the phenomenon under study" (Downe, 1992). In this case, the study related to how important *Tawhid* in theorizing the economy.

Result and Discussion

The *Tawhidic* paradigm as The "Core"

Tawhid as a science according to Ibn Khaldun is contain the reasons for maintaining the beliefs of faith, with the arguments of mind and protests against those who deviated from the beliefs of the *Salaf* and the *Sunnis* (Khaldun, 1971). In addition, Possumah (2014) declared the simplicity of Tawhid according to Fawzan (2005) is the man's devotion in term of worship to Him alone. Fawzan (2005) also noted that this argument from Al Qur'an related the types of *Tawheed* which among are QS.23: 84-89, 7: 180, 12:31. Imam Ibn Taimiyah dividing *Tawhid* into *Tawhid Rububiyah*, *Tawhid Ulubiyah*, and *Tawhid Asma' wa as Sifaat*, (see Nawfal, 2005,). *Tawhid* and worship linked to each other and very closely, therefore according Al Qurtuby in his *Tafseer Al Jaami' li Ahkami al Qur'an* represent that some of *Salaf* scholars interpret word *liya'budun* in surah *adz Dzariyaat* verses 56 with *liyuwahhidun* (Qurtuby in Hayyan Al Andalusy, 1993).

Undoubtely, *Tawhid* in Islamic view is the important basic and key concept of whole life. Possumah (2014), according to Siddiqi (1980) *'It sums up the Islamic way of life and presents, in a nutshell, the essence of the Islamic civilization'*. Siddiqi (1980) rightly considers 'a lapse from *Tawhid*' the main cause behind the Muslims' decline – 'their loss of political power, of their economic backwardness, intellectual

stagnation, and social degeneration (Possumah, 2014). *Tawhid* as the construction concept of charitable foundation is the apostolic preaching essence. This concept is embedding the whole economic aspects with moral and ethical values as a basis, involving the institutional and legal, social, culture, and religious function not only enables the socio-economic condition to be come true, but also this concept become a extended study of political economy and the world-systems (Possumah, 2014). The *Tawhidic* attributes used for the comprehensive meaning of economics, society and worldview science as the socio-scientific, becomes important and urgent because these attributes also as a base unity of knowledge towards domains diversity and entities (Choudhury, 1992). Choudhury (1992) also emphasized that since economic activities are part of worship, the worship it-self as a realization of *Tawhid*, thus the economic activity of a Muslim should be based and relies on *Tawhid*, as well as in the political, social and culture. In his sum, he declared the relationship between *Tawhid* and economic can be seen in three basic values of *Tawhid* principles that become the foundation for economic activities, i.e. consumer behavior of Moslem society is the fruit of *Tawhid*. According to Choudhury (1992) and Possumah (2014) these three basic values as below: *First*, Believing in the Resurrection Day and the hereafter life, this principle give the understanding direction to human, whereby the human being as God's creation have to give priority to the hereafter than world consumption. According to them the hereafter consumption is the future consumption (because there is reward in heaven), while world consumption is the present consumption. In this context, the economic activities as *a place of worship*. Nothing more precious than our submission to God, in the name of we are as a human are His creations. Allah Said, *Whosoever desires the reward of the Hereafter, We give him increase in his reward, and whosoever desires the reward of this world, we give him thereof, and he has no portion in the Hereafter*" (QS. 42:20).

The *second* concept is the successful of Muslim life. This successful measured by religious morals of Islam, not by their own property. The higher achievement of their successful is the high morality in this world. The key point to achieve this Islamic morality by the benevolence, truth and faithfulness to Allah. These both moral can be achieved with the goodness (behaviour) and useful for human life and prevent from crime. In this context, the economic activities as *a place of wealth* which human activities in the noble task of distribute economic resources to create and maintain the continuation of humanity. *Third*, property is the Allah's grace and not something which in itself is bad (excessive and should be shunned). To reach Allah's pleasure, depend on the property using, this purpose to achieve the goal of life in this world, this can be achieved if they cultivated and manage their properties

in proper used. The economic activities in this context as *a place of welfare*, it should be an instrument for combating the social and economic inequality in society and hold the egocentric which tend to focus on self-interest. This concept based on the universal brotherhood (*ukhuwah*) (QS. 4:1). In this sense, the Muslims illustrated like one body, when one organ is suffering from any pain so that the whole body feels discomfort (see QS. 49:10 and Hadith narrated by Imam Muslim). Thus mutual help rather than conflict should be the basis of all economic relationship.

Tawhidic is the Islamic civilization fundamental which covers the way of Muslim life, which is process, means and end together. It means one creator and His divine guidance for humanity (see QS. 2:170; 43:22-24; 7:28-29). Both the mission and morality of humankind in social and spiritual implied by *Tawhid*. It is becoming a cornerstone of economic activities for consumers, traders, manufacturers and moreover the government, which could be a solution to all the economic problems that occurred today. The goal is to uphold economic justice contained in the system for achieving the wellbeing-oriented.

Choudhury claims that the foundation epistemological paradigms between Islamic economics and western secular paradigms, is significantly different. Choudhury suggests that paradigm of Islamic economics should be required different from its “methods” and “methodology” in terms of blending and analyzing reality data about. Moreover, he asserts that “*the prevailing Islamic socio-scientists are distance from “any substantive reference to the Qur’anic worldview, its epistemology of Oneness of the Divine laws (Tawhid), the causal understanding of unification of knowledge in world-systems by the epistemological methodology embedded in ontology and ontic learning domains.”* (Choudhury, 2007). The Islamic economics current efforts strongly criticized by Choudhury (2007) regard the lacking of epistemological foundation and requiring data. He argues that a number of Islamic economics literatures have become trapped in the secular western epistemology of neoclassical framework (Aydin, 2013).

As mentioned by Chapra (1995) that universal faith of Islam is rational, simple and easy to understand. He also mentioned that Islam is based on the three pillar principles which are: *Tawhid* (unity), *khilafah* (vicegerency), and *’adllh* (justice). The framework of Islamic worldview lay down on these principles, these principles also the source of the *maqasid* and the strategy of Islamic system. The *Tawhid* foundation of the Islamic faith is the concept whereby the world view and strategy as a whole. Chapra (1995) briefly stated that every logical minded emanates from *Tawhid*. Chapra’s view about this *Tawhid* concept means that the universe has been consciously designed and created by the Supreme Being, *Who is One and Unique, and did not come into existence by chance or accident* (see QS. 3:191; 38: 27;

23: 15). Every creation by Him has a purpose. It is not God created everything in this universe without purpose and benefits. It is the goodness for man who has given reason and mind to explore it. Chapra (1995) also stated that this purpose gives the significance meaning to the existence of the Universe, and man is a part.

Aydin (2013) from Nursi has demonstrated the *Tawhidi* paradigm defined on five pillars: *Tawhid* (oneness of God), *nubuwwah* (prophet hood), hereafter (*akhirah*), *adaalah* (justice) and obedience to God (*ibadah*). He mentioned that the last one is not only about the praying, but also the whole life according to the Divine guidance. The human beings would helped by this concept regarding to control their badness and disclose their goodness towards to fulfilling their missions as *khalifah* and to reach to the highest rewards from Him (*al-falah*) (Aydin, 2013).

Bringing *Tawhid* back into Economic theory

However, there are very few studies which have tried to integrate either religion and economy or *Tawhid* and economy. Among the Muslim scholar, Choudhury has studied and discussed it since 1999 until now, he has produced further the inter-linked between Tawhid, epistemology and its ontological by his *Tawhidic* String Relationship (TSR) methodology within another economics fields as interesting and applying findings. This method logically explained the establishment of relationship the premise of the *Tawhidi* epistemology and its ontological world-system constructions. Choudhry, et.al. (2009) declared that “the human discursions involving the *Qur’an* and the *Sunnah* are taken up in the midst of pervasive interactions that comprise the institution of the *Shura*”. They emphasized “*the Shura as a universally interactive and hence consultative order generates a process. This process leads from interaction to social consensus (or majority agreement) called Ijma*”. This process then lead to the process of interaction and consensus as the interactive and integrative phase of the *Shuratic* process (Choudhry, et.al, 2009). Choudhury claim that “*there are endogenous and knowledge-induced within the Tasbih-Shuratic or as Shuratic process, then he call the interactive, integrative-evolutionary (IIE) phase of the Shuratic process*”. The Holy *Qur’an* in the TSR method as the origin pervasive and universally systemic understanding of the *Shuratic* process. By taking the views from Choudhry, et.al (2009), they affirm that “*the principle of pervasive complementarities explains how pervasive inter-linkages are formed between knowledge and their induced entities and variables, and how the interlinkages continue to reinforce the process of unification of knowledge*”. According to them the essential of this method comprise “the pairing between the good things as the nature of knowledge unity sharing and the bad things (falsehood) leads to internal dissensions, conflict and competition and thereby leads to un-sustainability of such a system” (Choudhry, et.al, 2009).

In order to bringing *Tawhid* back into the economic system, then we try to use the ‘constructive approach’ by integrating three components, Islamic epistemological view of the nature, interpreting the economic assumption from Islamic source, the economic model with the empirical approach of sociological Muslim community interaction, bottom-up and top-down. The integration of these three components should be made by the reinterpretation of Islamic economics based on *Tawhid* as normative foundations of Islam. The blue print design of Islamic economic which still influenced by positivistic approach can’t be rejected or deleted immediately that “positivistic” design is needs to be used and still be one of the completing the footholds. But not quite up there, through Constructive approach and repositioning *Tawhid* then we may develop a new design of economic system based on *Tawhid*, as illustrated by Figure 1.

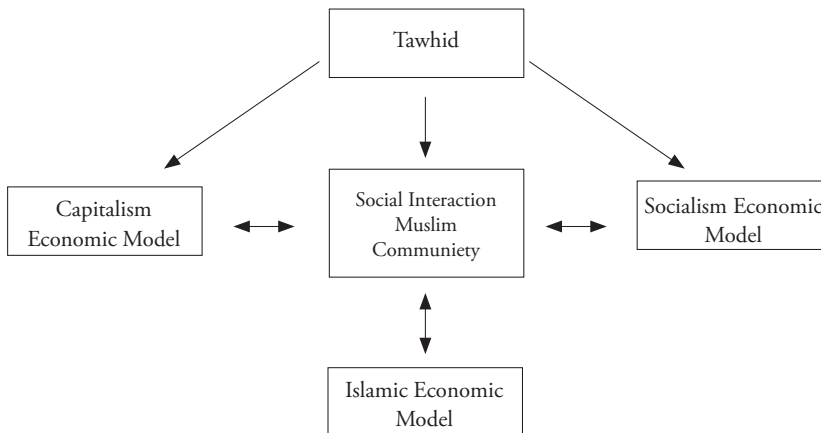


Figure 1: *Tawhid* as the fundamental of the economic system

We might also bringing *Tawhid* back as referred to Choudhury (1997) which has laid down *Tawhid* as the Unicity Precept and Unifying Epistemology and embedded in the universally interactive-integrative process embracing behavior and institutions. This mechanism termed by Choudhury (1997) as *Shuratic* Process. According to him, the *Shuratic* Process alternatively referred to the circular causation and continuity model of unified reality. It is said that the process is the interaction and integration of the behavior and institutions, and the methodology is based on consensus attained through *shura* or in simpler words, the epistemological underpinning of Islamic economy is *Tawhid*. The *Tawhidical* economic system or called by Choudhury (1992) as Islamic Political economy, shown as below:

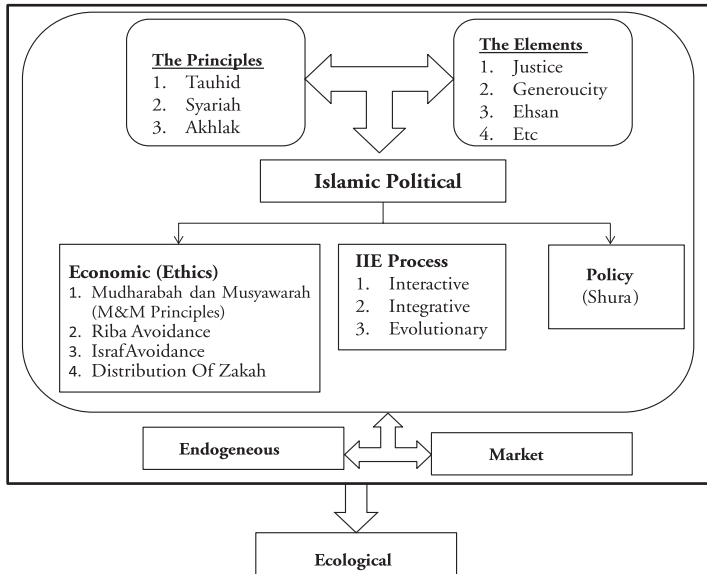


Figure 2: *Tawhidical* economic system, by Choudhury (1990)

Table 1. Tawhid and Economic System

Term	Islamic Economic	Secular Economic
Purpose	Pursuing spiritual purpose; obedience to the rule of God as the highest form of servitude	Pursuing material
Main principle	Cooperation and the spirit of brotherhood	Individualism
Main Focus	The wellbeing of all mankind	Personal profit maximization
Rationality of Truth or Reality	Combining the both aspects of spiritual and material	Focusing on the material aspect, separating the spiritual and material aspects
Main source of knowledge	Revelation of God, Al-Qur'an and <i>Sunnah</i>	Human thought
Way of thinking	Based on the belief in God	Based on the laws of nature are deterministic
Behaviour	Islamic man	Economic Man
Approach	<i>Maslahah</i> and logical fact	Logical Fact

If simplified, the effect of bringing *Tawhid* back into economy system and behaviour theoretically can be in Table 1. At this end, a new paradigm of *Tawhidic* based economic theory should include the following emphases: (i) It must have a comprehensive social economy paradigm focus for relevant inquiry. (ii) Engaging normative and value-based description to clarify community based policies implicated in all economic behaviour and cooperation. (iii) Must consciously seeking anticipation and examination all possible relevant future scenarios to enhance the rationality of this function of theory guided by the *Tawhidic* bases. (iv) Compatible with the basic fundamental values that represent the common interest of the community as a whole.

Conclusion

In term of values and goals, the one key point of the differences between Islamic economic systems with other economic systems in their philosophy, is economic values always attributed to the al-Quran and *Hadith* that form of universal principles. While other economic systems focusing on the law and causality of the economic activities, Islam further discuss values and ethics contained in each their economic activities. These values always underlies in every Islamic economic activities. Discussion of values and ethics are looking to the future long term economic vision. This in turn, will create equilibration, economic justice, harmony of the human race, and minimize economic problems. Therefore the messages contained in the Quran and *Sunnah*, should be interpreted into a systematic form of teaching that will be easier to understand, internalize, and practiced by anyone. Thus the Islamic teachings no longer just a moral message but became a system or a way of life and rule of the game that followed. That's how religion will actually bring real impact on improving human wellbeing, not only physical side but also spiritual side.

Currently, the economy is understood as a discipline related to the science itself, does not have relations with the human needs in large, e.g. intellectual, emotional and spiritual. Therefore, incorporate elements of *Tawhid* in modern economic system become a necessity. The combination is expected to produce *Tawhid* inherent in economics science. By entering the spiritual element (*Tawhid*), then the economics will produce a new paradigm without losing their nature, as disciplines with "scarcity resources meet unlimited want" issues. Finally, in the perspective of *Tawhid*, the modern economy which puts "profit maximizing" cannot be accepted one hundred percent only by presenting spiritual and social aspects in all economic activities.

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