

**GUARANTEE OF SATISFACTION OF
FUNDAMENTAL NEEDS**

by

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One of the essential goals of Islam is to be a blessing for mankind (al-Qur'an, 21:107). One of the indispensable requisites for being a blessing is to ensure the well-being of all people, irrespective of their race, nationality, religion or sex. It is perhaps for this reason that the *muadhdhim* repeats the phrase, "come for well-being", five times a day while calling the believers for prayers. Since well-being cannot be realized in a real sense without fulfilling the fundamental needs of all people, Muslim scholars have emphasized throughout Muslim history that the satisfaction of basic needs should be guaranteed, even though the realization of this goal could not be ensured except in the earlier history of Islam and off and on in later periods.¹ The subject has also started receiving emphasis in Development Economics over the last three decades.² This emphasis on need fulfillment raises a number of crucial questions which it is desirable to answer at the very outset. The first of these questions is about the rationale that Islam provides for this guarantee, the second is about what these fundamental needs are, and the third is about the difference in the nature of these needs as discussed in Development Economics and Islam. This paper will try to answer these questions briefly.

Imperative of Need Fulfillment

The Islamic rationale for guaranteeing the satisfaction of fundamental needs is based on three fundamental principles of the Shari'ah. One of these is that all human beings are the *khalīfahs* or vicegerents of God on earth (al-Qur'an, 2:30). Being designated as *khalīfahs* by their Creator confers on them an inborn dignity and honour (al-Qur'ān, 17:70). Since all human beings, irrespective of whether they are Muslims or non-Muslims, men or women, rich or poor, and white or black, are *khalīfahs* of God, all

¹ Chapra M. Umer (2000), *The Islamic Vision of Development* to be published by IRTI/IDB, Jeddah.

² See Morawetz, 1977, pp. 10 and 71; Meier, 1984, pp. 5 and 184; and Seers 1969.

of them command the same dignity and respect. Moreover, since they are also the offsprings of a single couple, Adam and Eve, they constitute members of a single family and are, therefore, socially equal and brothers (sisters), unto each other. The Prophet, peace and blessings of God be upon him (pbuh), said: “Mankind is the family of God and the most beloved of them before Him is the one who is best to His family”³ and that “Have mercy on those on earth and He Who is in the Heaven will have mercy on you”.⁴

The second fundamental principle of Islam is justice. This is because the inborn dignity and brotherhood arising from the first principle would not carry much weight if it is not reinforced by justice. Islam has, therefore, given it a place of crucial importance in its value system. According to the Qur’ān, all the Messengers of God were sent to this world to establish justice (al- Qur’ān, 59:25) and that the absence of justice leads ultimately towards destruction (al- Qur’ān, 20:111). Therefore, human dignity brotherhood, social equality, and justice constitute natural and inviolable corollaries of the status of human beings as *khalīfahs* of God (Figure 1).

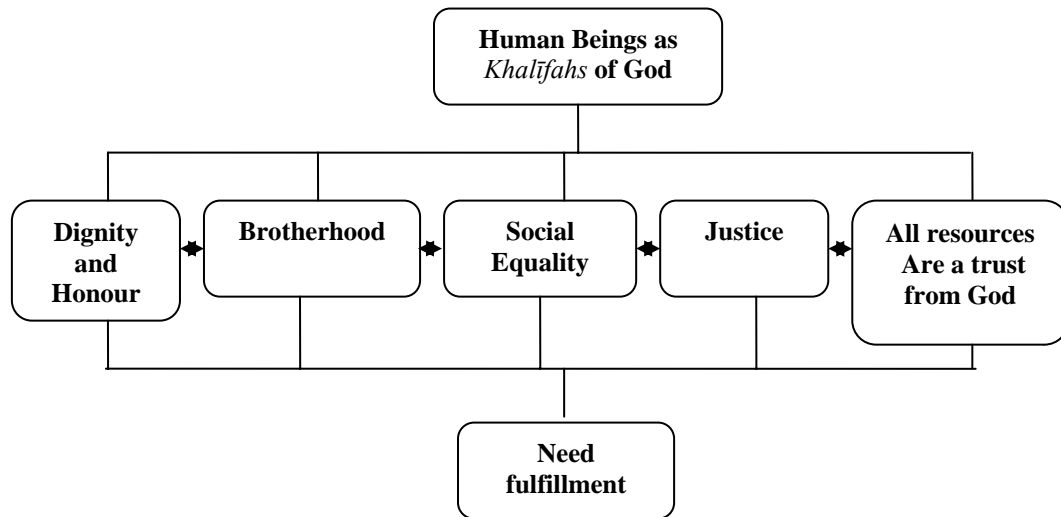
A third fundamental principle of Islam is that all the resources at the disposal of human beings, including the environment, are a trust from God. If all the resources are a trust then, given the emphasis on human dignity, brotherhood, social equality, and justice, these resources must be utilized in such a way that the well-being (*falāh*) of all vicegerents of God is ensured. To ensure such well-being it is necessary to adequately satisfy at least the basic needs of all individuals in society. Concentration of these resources in a few hands and deprivation of others would be in clear violation

³ Narrated on the authority of al-Bayhaqi’s *Shu‘ab al-Iman* by *al-Tabrizi in his Mishkat*, Vol. 2, p.613: 4998.

⁴ Narrated on the authority of Abu Dawud and al-Tirmidhi by *al-Tabrizi in his Mishkat*, Vol.2, p. 608:4969. Vol.2, p. 608:4969.

of the trust. The Qur'an clearly lays down the imperative of equitable distribution of income and wealth in Muslim societies (59:7). The Prophet (phub) declared that any

Figure1



person who eats his fill when his neighbour is hungry is not a true Muslim.⁵ If this *hadith* is applied to the society as a whole, we may say that a society where poverty exists alongside affluence such that the needs of all are not adequately satisfied is not worthy of being called Muslim. Existence of poverty is, therefore, in clear violation of Islamic norms and constitutes a stigma on the face a Muslim society which has the ability and the resources to eradicate it. Such failure would not only corrode the fabric of brotherhood and social solidarity but also lead to incapacity and misery of the poor. They will, thus, have no incentive and ability to work hard and innovate. Incapacity and the misery associated with poverty can serve as one of the prime causes of crime and violence, social unrest, political instability and low rate of development. No

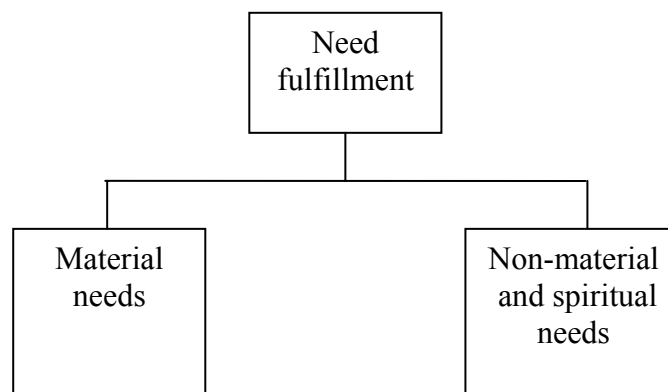
⁵ Al- Bukhārī *Al-Adab al-Mufrad*, p. 52, No. 112.

wonder the Prophet (pbuh) said that poverty can drive a person close to disbelief.⁶ Ibn Munabbih, a *tabi'ī* (follower of the Prophet's companions), equated poverty with the worst death.⁷

Implications of Need Fulfillment

This leads us to the second crucial question of what we mean by need fulfillment. Development Economics tends to emphasize generally the satisfaction of material needs. While the satisfaction of material needs is indispensable, human beings do not have just material needs? They also have non-material and spiritual needs (Figure 2). Real well-being cannot be realized by fulfilling just the material needs of the human personality. It is also necessary to fulfill the non-material and spiritual needs.

Figure 2

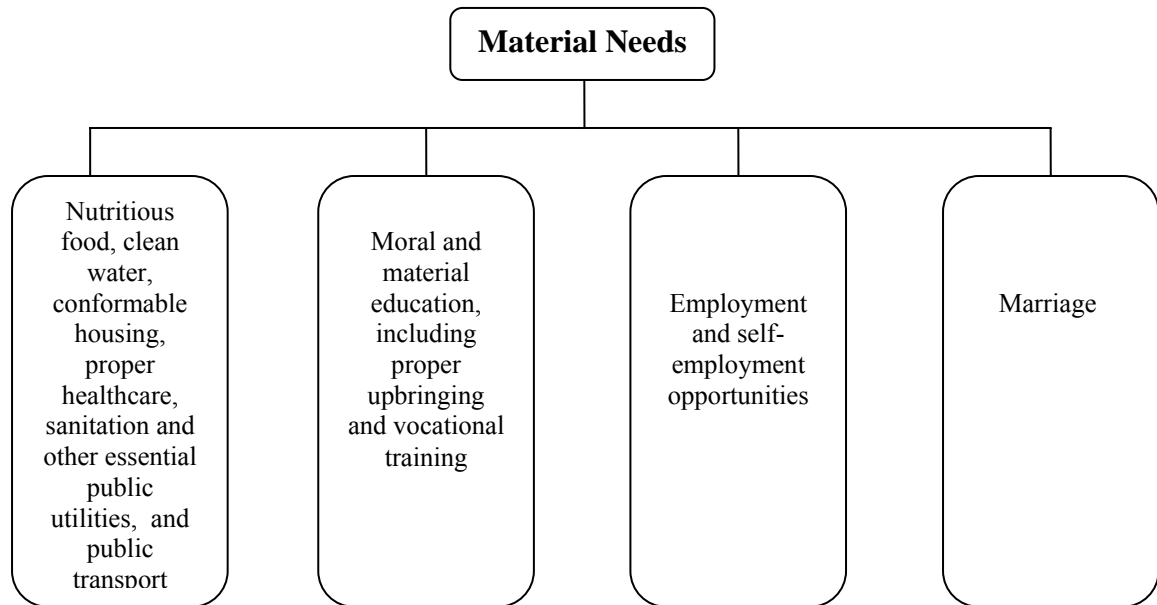


⁶ Cited by al-Suyuti in his *al-Jami' al-Saghir*, from Anas ibn Mālik, on the authority of Abū Nu'aym's *al-Hilyah*, under the word *kada*.-J

⁷ Cited by al-Khallal (d.311/923), 1407H, p.50.

Material needs include a number of essential items that sustain life and make it possible for a person to be healthy, comfortable and productive (Figure 3).

Figure 3



Without the adequate satisfaction of all material needs, a person may not be able to maintain his body and mind in a state of health and efficiency and may not be able to fulfill even his/her devotional obligations.⁸ The minimum that is essential to attain this goal is the provision of proper nutrition, clean water, comfortable housing, moral and material education, proper health care, sanitation and other essential public utilities, public transport facilities, moral and material education, including proper upbringing and vocational trainings, and marriage. This stress on the fulfillment of material needs should not be considered as an after-thought arising out of the recent international discussion of the subject. As indicated earlier, it has received an

⁸ A complete list of juristic references would be too long; the reader may, however, wish to see “Kitab al-Kasb” of al-Shaybani in al-Sarakhsi, n.d., Vol. 30, pp. 344-87, particularly, pp. 245, 250 and 256; al-Ghazali, *Ihya’ Ulum al-Din*, Vol. 2, pp. 60-4); al-Shatibi, *al-Muwafaqat*, Vol. 2, pp. 176-7; and al-‘Abbadī (1974-75), Vol. 2 pp. 22-5.

important place in the *fiqh* and other Islamic literature throughout Muslim history. The jurists have unanimously held the view that it is the collective duty (*fard kifayah*) of a Muslim society to take care of the basic needs of the poor.⁹ In fact, according to Imām al-Shatibi, this is the *raison d'être* of society itself.¹⁰ All modern Islamic scholars are also unanimous on this point.¹¹

Employment and Self-Employment

The dignity attached to the status of *khalīfah* implies that need fulfillment should be through the individual's own effort, particularly because Islam prohibits begging.¹² Begging degrades a person by hurting his dignity and self-respect. It is therefore, inconsistent with his status as *khalīfah* of God. Hence, it is the personal obligation of every Muslim to support himself and his family. The Qur'ān instructs Muslims to go out into the world and seek of God's bounties after having attended to their prayers (62: 10). The Prophet (pbuh) said that: "Earning a lawful livelihood is obligatory upon every Muslim".¹³ He elaborated this point further by saying: "A man has not earned better income than that which is from his own effort."¹⁴

⁹ See, for example, Ibn Hazm, n.d., Vol. 6, p. 156; 625; al-Shatibi, Vol. 2 p. 177.

¹⁰ Al-Shātibi, Vol. 2, p.177.

¹¹ For a brief introduction. see Siddiqi, 1988. pp. 251-303: al-‘Abbadi,(1974-1975), Vol. 3. pp. 81-95; Ibrahim Ahmad Ibrahim, 1349H; and Zarqa, 1988,. pp. 163-219. According to Zarabozo, "A basic need approach is the Islamic approach to development", (Zarabozo, 1980, p. 24).

¹² The Prophet (pbuh), disapproved of begging by saying that: "Do not beg anything from people" Abu Dawud, Vol. I, p, 382, from ‘Awf ibn Mālik), and that "The hand that is above is better than the hand that is below", al-Bukhari, *Sahih*, Vol. 2, p. 133, from Abdullah ibn ‘Umar). The Prophet also declared unlawful the giving of charity to those who have no real need and who are healthy and able-bodied. (Abū Dawud, 1952, Vol. I, p, 379; Nasa’i, 1964, Vol. 5, p. 74 and Ibn Mājah, 1952, Vol. I. p. 589:1839).

¹³ Suyuti, *Al-Jami‘ al-Saghir*, from Anas ibn Mālik. p. 54.

The Prophet (pbuh), assigned a place of high esteem to earning one's own living by saying: "He who seeks the world lawfully to refrain from begging, to cater for his family. and to be kind to his neighbor, will meet God with his face shining like the full moon", narrated from Abū Hurayrah by al- Bayhaqi's in his *Shu‘ab al-Iman*, Vol.7, p. 298, No. 10375..

¹⁴ *Sunan Ibn Majah* (1952). Vol. 2. p. 723:2138. from Miqdam ibn Ma‘dī Karib,

A person may not, however, be able to fulfill this obligation of earning an honest livelihood unless he/she has the skills in demand and opportunities are also available for employment and self-employment. It is, therefore, the duty of the community as well as the state to ensure that training and educational opportunities are available along with opportunities for employment, and self-employment. Since the poor may not be able to pay for the acquisition of needed skills, it should be the obligation of the society as a whole to enable them to learn these skills either free of charge or, if this not feasible, at an affordable price.

However, even if a person has the needed skills, and opportunities for employment and self-employment are also available, he may not be able to earn his livelihood if he is not healthy and strong. For this purpose, it is necessary to provide proper health care along with comfortable housing and a clean and healthy environment. Therefore, while it is the responsibility of the individual to earn his livelihood, it is also the responsibility of the community and the state to ensure the availability of adequate housing and health care at affordable prices along with a clean and healthy environment.

The Role of *Zakah*, *Sadaqat* and *Awqaf*

Nevertheless, there are bound to be those who are unable to earn enough through their own effort because of some handicap or inability. It is the collective obligation (*fard kifayah*) of the Muslim *ummah* to help such people fulfill their needs without stigma or recrimination. In a closely-knit brotherhood-oriented Muslim community, this collective obligation needs to be discharged first by the family relatives, friends, neighbours, and altruistic organizations. For this purpose the Islamic social self-help mechanism of *zakah*, *sadaqat*, and *awqaf* needs to be brought into full

operation. If funds available through this social self-help mechanism prove to be insufficient, it is the responsibility of the state to do whatever it can to fill the gap.

It is important to ensure that this social self-help mechanism does not make the poor permanently dependent on handouts. Therefore, while a part of the funds available through this mechanism should be utilized for helping those who are handicapped and unable to earn enough for their livelihood, priority needs to be given to projects that would help the poor acquire the skills in demand as well as the seed finance that would make it possible for them to establish their own micro-enterprises.

A High Rate of Growth

It may not be possible for the Muslim *ummah* to realize the objectives of need fulfillment and high levels of employment and self-employment by relying primarily on redistributive techniques. It is also important to accelerate development. For this purpose it is imperative to use all the available resources with maximum efficiency to generate a reasonably high rate of economic growth. Even the goal of equitable distribution of income and wealth, which Islam considers vital (al- Qur'ān, 59:7), may be difficult to realize if a high rate of growth is not attained and the poor are not enabled to reap a proportionately larger share of the fruits of such growth. For this purpose both the private sector and the state have crucial roles to play. The private sector must curb wasteful spending and conspicuous consumption in keeping with Islamic teachings to raise saving and investment. The state must also adopt the right policies and utilize the resources at its disposal efficiently and equitably for the purpose of providing socioeconomic infrastructure, particularly, education and vocational training, and expanding opportunities for employment, self-employment and microfinance. The state is under a moral obligation to curb corruption which is in

clear violation of Islamic teachings. (al-Qur'ān, 2:188 and 4:29). A better performance in terms of economic stability would also help reduce the suffering and inequities that recession, inflation and erratic movements in prices and exchange rates necessarily bring about.

The Role of Microfinance

The proliferation of self-employment opportunities may not be possible without enabling the poor and low middle class individuals to establish microenterprises. Microenterprises have proved to be a successful tool in the fight against poverty and unemployment. They have also generally proved to be viable institutions with respectable rates of return and low default rates. Nevertheless, it has generally been difficult for the poor to acquire finance at an affordable cost. This is one of their major problems. Unless this problem is solved it will be difficult to promote the proliferation of microenterprises. Dr. Muhammad Yunus, founder of the Grameen Bank and Noble Laureate, has aptly emphasized that financing for self-employment should “be recognized as a right that plays a critical role in attaining all other rights”.

A number of countries have, therefore, established special institutions to provide financing to the poor and lower middle class entrepreneurs. However, these institutions are handicapped by the lack of adequate funds. This problem may be solved by integrating the microfinance system with the commercial banks as well as the *zakāh*, *sadaqāt* and *awqaf* institutions.

The reasons normally given by commercial banks for diverting a very small proportion of their funds to microenterprises is that, firstly, it is too cumbersome for them to handle a large number of micro-enterprises, and secondly, the risk and

expense involved in financing a large number of small firms is much greater than that in financing a few large ones. The problem of cumbersomeness can be solved by the commercial banks by not getting directly involved in the business of microfinance. They can operate through either their own subsidiaries or through the institutions that already exist for this purpose, like the agricultural banks, cooperative banks, development banks, microfinance institutions, and leasing and finance companies.

The risk and expense of such financing for commercial banks also needs to be reduced. The risk is great because microenterprises are unable to provide acceptable collateral to the banks. This risk could get reduced to a substantial extent by adopting the group-solidarity method used by the Grameen Bank and by not providing financing in the form of cash loans. As far as the cost is concerned, a timely study in Bangladesh has revealed that lending to the poor on the basis of interest has not led to the desired improvement in the lives of borrowers in a majority of cases. The effective rate of interest turns out to be as high as 30 to 45 percent and causes serious hardship to the borrowers in servicing their debt.¹⁵ Therefore, it is imperative that microfinance be provided to the very poor on a humane interest-free basis. This will necessitate the integration of microfinance with *zakah and awqaf* institutions.

For those who can afford, the Islamic modes of finance need to be popularized. Tools and equipment may be provided through the less risky *ijārah* mode of Islamic finance. Raw materials and merchandise as well as working capital may be provided on the basis of *murābahah, salam and istisnā'*, which would perhaps involve relatively greater risk than the *ijārah* mode. To handle the risks involved in all such financing, it is imperative to establish the now-familiar loan guarantee scheme

¹⁵ Ahmad, 2007.

which has been introduced in a number of countries. It may also be possible to cover the losses arising from the default of very small microenterprises from the *zakāh* fund.

The additional expense incurred by commercial banks in evaluating and financing microenterprises also needs to be reduced. In the case of financing provided to the very poor, a part of the expense may be covered from the *zakah* fund, one of the primary purposes of which is to enable the poor to stand on their own feet. For those who are not eligible for *zakah* but still deserve some help, it would be worthwhile for the governments to consider subsidizing a part of the cost, at least in the initial phase, in the interest of helping realize an important socio-economic goal of Islam. As the system matures, the dependence on *zakah* as well as the government subsidy should be gradually reduced.

The availability of micro credit may not be able to go far enough without a significant improvement in the environment for microenterprises through better access to markets and the provision of the needed physical and social infrastructure. Such an infrastructure, including vocational training institutions, roads, electricity, and water supply, will help increase the efficiency of microenterprises and reduce their costs, thereby enabling them to compete successfully in the market. The state is duty bound to do everything it can to help realize the Islamic vision of reducing poverty and suffering by using its resources efficiently and equitably.

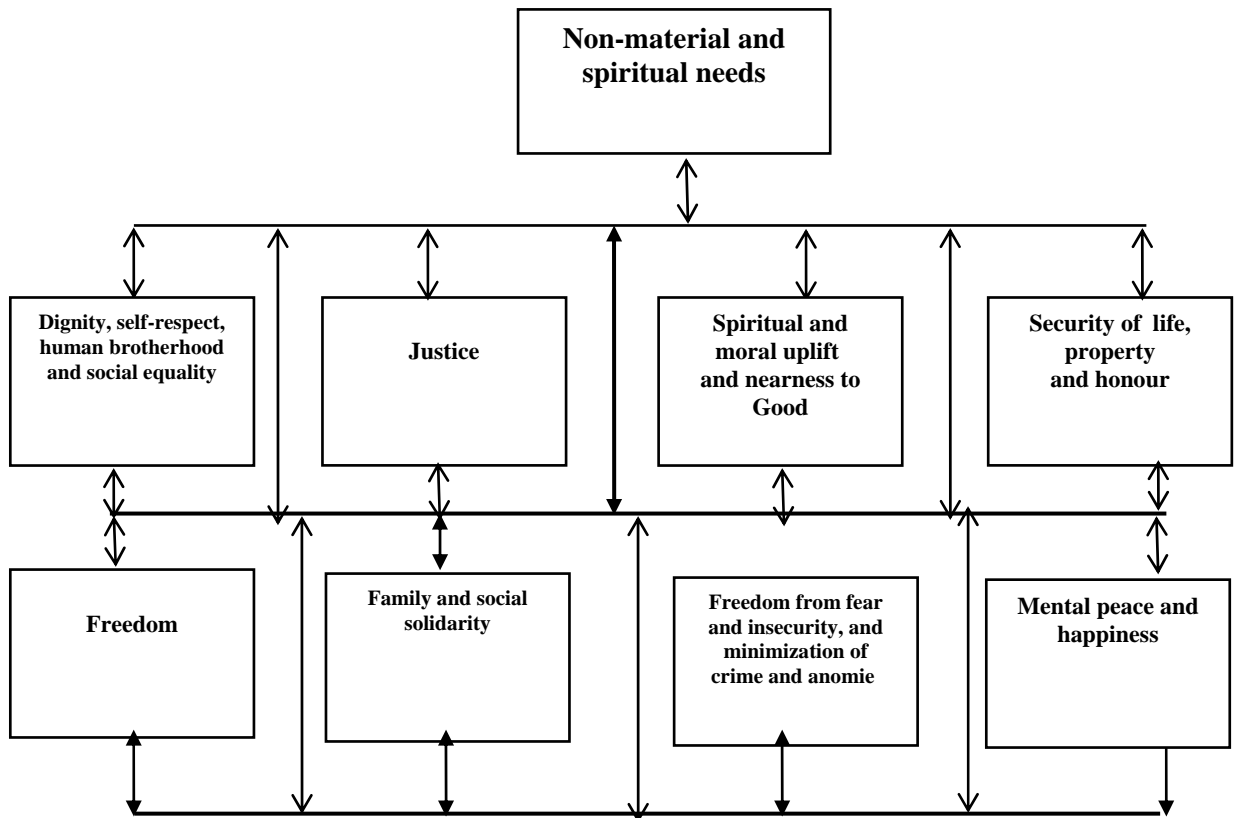
Non-Material and Spiritual Needs

Although the satisfaction of material needs is indispensable, the satisfaction of non-material and spiritual needs is also crucial for realizing human well-being. The satisfaction of these needs cannot, however, be guaranteed like that of material needs. Their satisfaction depends on a number of factors, including individual upbringing,

character, mental outlook and psychology of the individuals, socio-economic and political environment. Arrangements can, however, be made for an improvement in these to the extent possible.

One of the most important of these non-material needs is mental peace and happiness, which may not necessarily be attained by a rise in income and wealth and the satisfaction of all material needs. Mental peace and happiness may, in turn, be difficult to attain without ensuring the satisfaction of a number of other non-material and spiritual needs. Among the most important of these are justice and human brotherhood, which demand that *all* individuals be considered as equals and treated with dignity and respect and that the fruits of development be also shared equitably by *all*. Equally important are nearness to God and spiritual and moral uplift which serve as a springboard for the realization of not only justice and noble qualities of character but also mental peace and happiness. Some of the other equally important and generally recognized requirements for sustained well-being are security of life, property and honour, individual freedom, marriage and stable family life along with social solidarity, freedom from fear and insecurity, and minimization of crime and anomie.

Figure 4



It may not be possible to sustain long-term development of a society without ensuring the fulfillment of all of these needs. While Islam considers a rise in income and wealth through development to be necessary for the fulfillment of basic needs and equitable distribution of income and wealth, the vision of comprehensive well-being cannot be realized by just this. Islam also emphasizes, therefore, the imperative of satisfying the non-material and spiritual needs to not only ensure true well-being but also sustain economic development over the longer term.

Raising the moral caliber of individuals is important not only for mental peace and happiness, but also for family and social solidarity, security of life and property, minimization of crime, tensions and anomie, and economic development. It helps promote honesty, integrity, conscienciousness, diligence, frugality, self-reliance,

tolerance, fulfillment of contracts and socio-economic obligations, and concern for the rights and well-being of others, particularly the poor and the vulnerable. It helps expand social capital by strengthening all the qualities of character that are needed for sustained overall development and realization of the Islamic vision of universal brotherhood and well-being.

It is, however, not just Islam which requires the fulfillment of spiritual needs. Practically all religions as well as a number of Western scholars have also recognized their importance. This is because history is full of examples where a society has reached its climax as a result of spiritual uplift and moral reform; intellectual and economic advance have then followed. Schweitzer has rightly emphasized that “if ethical foundation is lacking, then civilization collapses even when in other directions creative and intellectual forces of the strongest nature are at work.”¹⁶ Therefore, according to him, “moral control over men’s disposition is much more important than control over nature.”¹⁷ Toynbee has also argued that “the command over non-human nature, which science has in its gift, is of almost infinitely less importance to Man than his relations with himself, with his fellow man, and with God.”¹⁸ More recently, Nigel Lawson, British Chancellor of the Exchequer from 1983 to 1989, stressed that “no political or economic order can long survive except on a moral base.”¹⁹ Benjamin Friedman, Harvard Professor, has also argued in his recent book that moral growth and economic growth go hand in hand, reinforcing each other.²⁰

¹⁶ Schweitzer 1949, pp. 76, pp. 92-93.

¹⁷ Schweitzer, 1949, pp. 21-23, 38, 39, 91.

¹⁸ Toynbee, abridgement by Somervell, 1957, Vol.2, p. 99. In fact Toynbee goes to the extent of saying that “a crushing victory of science over religion would be disastrous for both parties; for reason as well as religion is one of the essential faculties of human nature (*Ibid.*, p.99)

¹⁹ Lawson, 1995, p. 35.

²⁰ Friedman, 2005.

Even empirical evidence has established the positive impact of religiosity on a wide variety of outcomes.²¹

²¹ Gruber, 2005, p.1.

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