

---

## 25. The economic role of the state in Islam

*Murat Çizakça*

---

### INTRODUCTION

The economic role of the state in Islam is a topic that has interested many Islamic economists. Their general approach has been to examine the verses of the Qur'an as well as the *ahadith* and the *sunnah* of the Prophet and then deduce from these how an ideal Islamic economy should function today. This approach can be summarized as 'what the economic role of the state in Islam should be'.<sup>1</sup>

As an economic historian, I take a different approach, which can be summarized as: 'how it actually has been'. That is to say, I will start, briefly, with the question of what this role should be according to the Qur'an and *sunnah*, but then I will focus primarily on what this role has actually been in history. In the process, the degree to which actual practice has diverged from the theoretical ideal will be of particular interest. This is followed by another question: 'with what consequences?' Finally there is a third question: 'how can we improve the economic role of the state in a contemporary Islamic country?' This last question catapults us from the past towards the future. Obviously this is a huge topic, and only the main points can be explored within the limitations of a chapter.

### WHAT SHOULD BE THE ECONOMIC ROLE OF THE STATE IN ISLAM?

The state functioning in an Islamic framework must be guided and inspired by the *Shari'ah*. This means that every decision and every action to be taken must be considered and assessed from the perspective of the purposes of the *Shari'ah*, *maqasid al-Shari'ah*.<sup>2</sup> The most important of these purposes, *zarurat*, have been identified by Imams al-Ghazali and Shatibi as protection of religion (*hifs ad-din*), protection of the mind (*hifs al-aql*), protection of property (*hifs al-mal*), protection of the self (*hifs al-nafs*) and protection of the next generations (*hifs al-nasl*). Al-Ghazali attaches such importance to these that he considers them primarily the collective responsibility of the society, or that of the state. The great fourteenth-century historian and philosopher Ibn Khaldun makes his own contribution by