



APPROACH OF MAQASID AL SHARIAH IN BUSINESS

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AGENDA

○ Importance of *maqasid al-syariah* in business

Concept of wealth: maal, ownership, barakah, falah, rizk.

Concept of Maslahah

Cycle and distribution of Wealth

Maintaining justice in Business

Principle of Equilibrium

Right to Own and to Earn

Transparence and Recording in Business

Develop and Invest Assets

Avoiding moral hazard

DEFINITION

Maqasid al shariah (objectives of shariah) explain the objectives and wisdom (hikmah) according to Allah SWT and Rasul SAW in all its direction to maintain the people's wealth.

According to Imam Al-Ghazali (w. 505/ 1111), the objectives of shariah is to achieve maslahah by the protection of religion in **Strengthening faith (*din*)**, **Strengthening the human self (*nafs*)**, **Strengthening intellect (*aql*)**, **Strengthening posterity (*nasl*)**, **Strengthening wealth (*maal*)**

THE OBJECTIVE OF SHARIAH (MAQASID AL SHARI'AH)

Basically, individual and organization including business organization should meet the objectives of shariah:

- Strengthening **faith** (*din*)
- Strengthening **the human self** (*nafs*)
- Strengthening **intellect** (*aql*)
- Strengthening **posterity** (*nasl*)
- Strengthening **wealth** (*maal*)

The Priority Based On As-syatibi

Dharuriyat

landasan kesejahteraan manusia di dunia dan akhirat yang terletak pada pemeliharaan lima unsur pokok kehidupan. Pengabaianya akan menimbulkan kerusakan di muka bumi dan kerugian yang nyata di akhirat kelak.

Hajiyat

menghilangkan kesulitan atau menjadikan pemeliharaan terhadap lima unsur kehidupan menjadi lebih baik

Tahsiniyat

menyempurnakan lima unsur pokok kehidupan

MAQASID AL SHARI'AH IN FINANCE

The basis of Muamalah is the wisdom (*hikmah*) behind the rule

To ease the life of human

Increase the transparency and Accountability

Avoid dispute and improve stability

[Al-Jumuah:10] And when the prayer has been concluded, disperse within the land and seek from the bounty of Allah, and remember Allah often that you may succeed.

[Al-Baqarah:282] O you who have believed, when you contract a debt for a specified term, write it down. And let a scribe write [it] between you in justice. Let no scribe refuse to write as Allah has taught him. So let him write and let the one who has the obligation dictate. And let him fear Allah, his Lord, and not leave anything out of it. ...

[al-Hujurat 9-12] - And if two factions among the believers should fight, then make settlement between the two. -The believers are but brothers, so make settlement between your brothers. And fear Allah that you may receive mercy.

Reach beneficiaris
(maslahat) and avoid
mudharat

To make sure that the
wealth is not a perpetual
distribution among the rich
only

Emphasize fairness in
earning wealth

[An-Nahl: 90] *Indeed, Allah orders justice and good conduct and giving to relatives and forbids immorality and bad conduct and oppression. He admonishes you that perhaps you will be reminded.*

[Al-Hasyr:7] *... so that it will not be a perpetual distribution among the rich from among you...*

Al-Bukhaari (2079) and Muslim (1532)-hadits: narrated that Hakeem ibn Hizaam (may Allaah be pleased with him) said: The Messenger of Allaah (peace and blessings of Allaah be upon him) said: *“The two parties to a transaction have the option (of cancelling it) until they part. If they are honest and disclose any defects, their transaction will be blessed, but if they lie and conceal defects the blessing will be erased.”*

يَأْتِيهَا الَّذِينَ ءَامَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ
بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِّنْكُمْ وَلَا تَقْتُلُوا
أَنْفُسَكُمْ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا ﴿٢٩﴾

“And say, "Do [as you will], for Allah will see your deeds, and [so, will] His Messenger and the believers. And you will be returned to the Knower of the unseen and the witnessed, and He will inform you of what you used to do.”

وَقُلِ اعْمَلُوا فَسَيَرَى اللَّهُ عَمَلَكُمْ وَرَسُولُهُ وَالْمُؤْمِنُونَ وَسَتُرَدُّونَ إِلَى
عِلْمِ الْغَيْبِ وَالشَّهَادَةِ فَيُنَبِّئُكُمْ بِمَا كُنْتُمْ تَعْمَلُونَ ﴿١٠٥﴾

“O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent. And do not kill yourselves [or one another]. Indeed, Allah is to you ever Merciful.”

CONCEPT OF WEALTH...1

أَوَلَمْ يَرَوْا أَنَّ اللَّهَ يَبْسُطُ الرِّزْقَ لِمَن يَشَاءُ وَيَقْدِرُ إِنَّ فِي ذَلِكَ لَآيَاتٍ
لِّقَوْمٍ يُؤْمِنُونَ

Do they not see that Allah extends provision for whom He wills and restricts [it]? Indeed, in that are signs for a people who believe.. QS. ar-Rum (30) : 37

ISLAMIC PERSPECTIVE OF WEALTH

Allah is the ultimate owner

ولله ما في السموت وما في الارض

And to Allah belongs all that is in the
heavens and all that is in the earth
(53:31)

Wealth is an examination

هَذَا مِنْ فَضْلِ رَبِّي لِيَبْلُوَنِي ءَأَشْكُرُ أَمْ أَكْفُرُ وَمَنْ شَكَرَ فَإِنَّمَا يَشْكُرُ لِنَفْسِهِ وَمَنْ كَفَرَ فَإِنَّ رَبِّي غَنِيٌّ كَرِيمٌ

This is of the bounty of my Lord, that He may try me whether I give thanks or am ungrateful. Whosoever giveth thanks he only giveth thanks for (the good of) his own soul; and whosoever is ungrateful (is ungrateful only to his own soul's hurt). For lo! my Lord is Absolute in independence, Bountiful. (27:40)

ISLAMIC PERSPECTIVE OF WEALTH

Wealth is a trust

وَأَنْفِقُوا مِمَّا جَعَلَكُمْ مُسْتَخْلَفِينَ فِيهِ.

- And spend of that whereof He hath made you trustees; and such of you as believe and spend (aright), theirs will be a great reward (Al-Hadid:7)

Wealth as one of Shariah objectives

هُوَ الَّذِي جَعَلَ لَكُمُ الْأَرْضَ ذُلُولًا فَامْشُوا فِي مَنَاكِبِهَا وَكُلُوا مِن رِّزْقِهِ وَإِلَيْهِ النُّشُورُ

He it is Who hath made the earth subservient unto you, so Walk in the paths thereof and eat of His providence. And unto Him will be the resurrection (of the dead). (Al-Mulk:15).

انك أن تذرَ ورثتك أغنياء خيرٌ من ان تذرهم عالةً يتكفئون الناس

Verily, to leave your heir wealthy is far better than to leave them impoverished and dependent on other's charity

CONCEPT OF WEALTH...2

◦ Wealth is not considered as a bad thing as long as it is used for the right purpose. *Prescribed for you when death approaches [any] one of you if he leaves wealth [is that he should make] a bequest for the parents and near relatives according to what is acceptable - a duty upon the righteous. (al Baqarah-2:180)*

Islam encourage people to have more wealth by giving infaq. Infaq is one of good deeds. (Al Baqarah-2:215, Ar-Rum-30:39)

Wealth should be used for the purpose of searching Allah's ridho; therefore, having much wealth must not cause a decrease of worship to Allah.

Wealth is what has been given out in a form of zakah, infaq. (al Mudatsir-73:20) Infaq and zakah can be seen as giving loans to Allah. Every good deeds which is done by someone would be repaid by Allah.

Wealth is a test. (ai Imran-3: 186)

CONCEPT OF OWNERSHIP...1

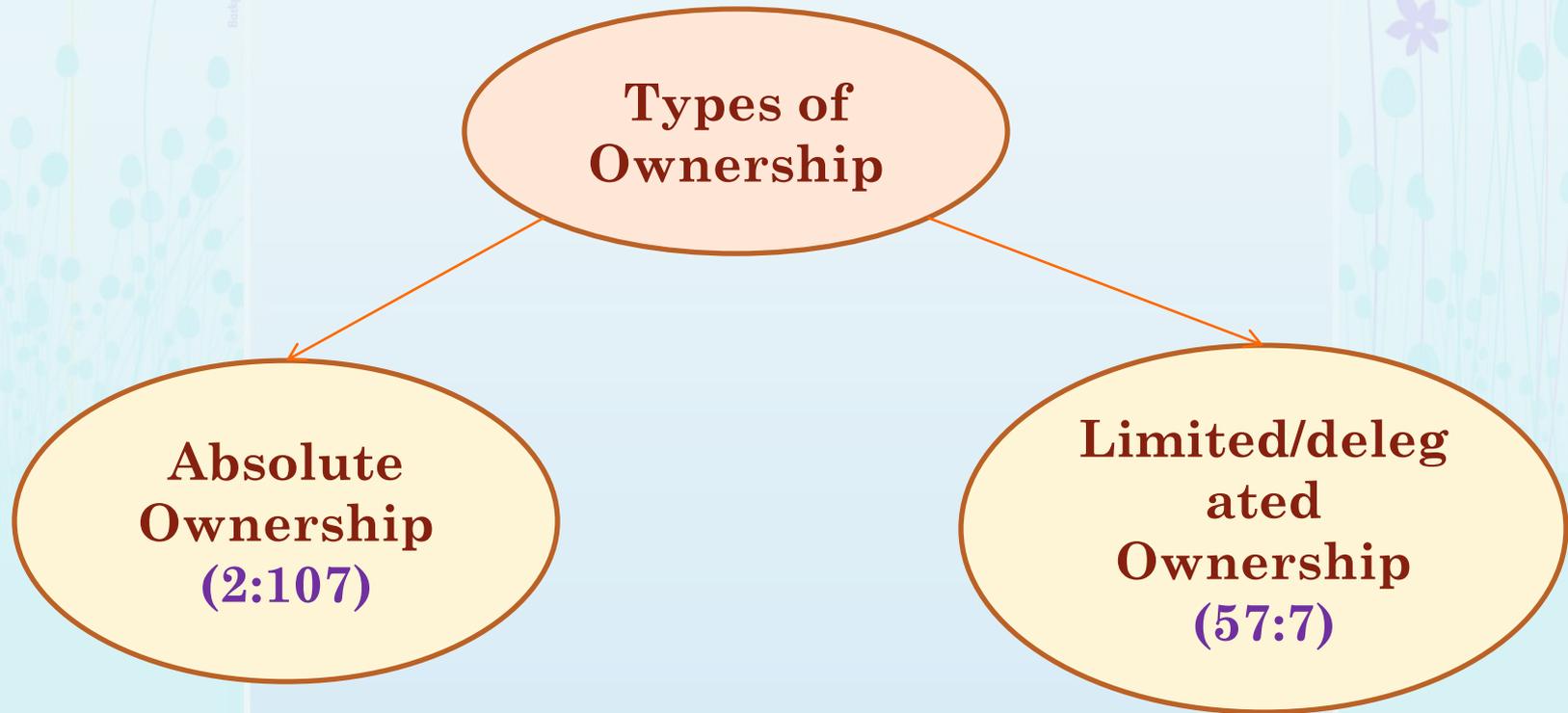
أَلَمْ تَعْلَمْ أَنَّ اللَّهَ لَهُ مُلْكُ السَّمَوَاتِ وَالْأَرْضِ وَمَا لَكُمْ
مِّنْ دُونِ اللَّهِ مِنْ وَلِيٍّ وَلَا نَصِيرٍ ﴿١٠٧﴾

Do you not know that to Allah belongs the dominion of the heavens and the earth and [that] you have not besides Allah any protector or any helper? (2:107)

All wealth belongs absolutely to Allah SWT.

Allah SWT made mankind as His successors (amanah) (Al hadid-57:7)

CONCEPT OF OWNERSHIP...2



CONCEPT OF OWNERSHIP...3

Islam

- Absolute ownership only belongs to Allah SWT.
- Mankind only act as His successors. Mankind should use his wealth in accordance to sharia.
- There are right of others in our wealth/property.

Western

- No firm concept of God ownership of entire nature.
- Mankind possesses wealth in a sense that they can own unlimited wealth and use it however they want.
- Not knowing concept of right of others in the wealth they own.



CONCEPT OF BARAKAH ... 1

مَثَلُ الَّذِينَ يُنْفِقُونَ أَمْوَالَهُمْ فِي سَبِيلِ اللَّهِ كَمَثَلِ حَبَّةٍ أَنْبَتَتْ
سَبْعَ سَنَابِلَ فِي كُلِّ سُنبُلَةٍ مِائَةٌ حَبَّةٌ وَاللَّهُ يُضَعِفُ لِمَنْ يَشَاءُ وَاللَّهُ
وَاسِعٌ عَلِيمٌ



“The example of those who spend their wealth in the way of Allah is like a seed [of grain] which grows seven spikes; in each spike is a hundred grains. And Allah multiplies [His reward] for whom He wills. And Allah is all-Encompassing and Knowing.” (QS. al-Baqarah-2: 261)

CONCEPT OF BARAKAH ... 2

○ A godsend which can neither be seen or valued by money.

An increase in wealth, but cannot be valued by money.

The amount of barakah cannot be determined by something that can be measured, but it is determined by how valuable it is in Allah's view.

CONCEPT OF RIZK...1

“And there is no creature on earth but that upon Allah is its provision, and He knows its place of dwelling and place of storage. All is in a clear register(Lauh Mahfuzh).” (QS. Hud 6)

وَأَنْ لِّسَ لِلْإِنْسَانِ إِلَّا مَا سَعَى ۝ ٣٩

“And that there is not for man except that [good] for which he strives”(QS. an-Najm 39)

وَإِذْ تَأَذَّتْ رَبُّكُمْ لَئِنْ شَكَرْتُمْ لَأَزِيدَنَّكُمْ وَلَئِنْ كَفَرْتُمْ إِنَّ عَذَابِي لَشَدِيدٌ ۝ ٧

"And [remember] when your Lord proclaimed, 'If you are grateful, I will surely increase you [in favor]; but if you deny, indeed, My punishment is severe'."(QS. Ibrahim 7)

CONCEPT OF RIZK...2

ذَٰلِكُمْ يُوعِظُ بِهِ مَن كَانَ يُؤْمِنُ بِاللَّهِ وَالْيَوْمِ الْآخِرِ وَمَن يَتَّقِ اللَّهَ يَجْعَلْ
لَهُ مَخْرَجًا ۖ وَيَرْزُقْهُ مِنْ حَيْثُ لَا يَحْتَسِبُ وَمَن يَتَوَكَّلْ عَلَى اللَّهِ فَهُوَ حَسْبُهُ ۗ
إِنَّ اللَّهَ بَلِغُ أَمْرِهِ ۗ قَدْ جَعَلَ اللَّهُ لِكُلِّ شَيْءٍ قَدْرًا ۚ

"... That is instructed to whoever should believe in Allah and the Last day. And whoever fears Allah - He will make for him a way out. And will provide for him from where he does not expect. And whoever relies upon Allah - then He is sufficient for him. Indeed, Allah will accomplish His purpose. Allah has already set for everything a [decreed] extent." (QS. at-Thalaq 2-3)

CONCEPT OF MASLAHAH...2

وَمَا آتَيْتُمْ مِّن رَّبِّالْيَرْبُوا فِي أَمْوَالِ النَّاسِ فَلَا يَرْبُوا عِنْدَ اللَّهِ وَمَا
آتَيْتُمْ مِّن زَكَاةٍ تُرِيدُونَ وَجْهَ اللَّهِ فَأُولَئِكَ هُمُ الْمُضْعِفُونَ ﴿٣٩﴾

"And whatever you give for interest to increase within the wealth of people will not increase with Allah . But what you give in zakah, desiring the countenance of Allah - those are the multipliers"(QS ar-Rum 39)

CONCEPT OF MASLAHAH...2

Al-Shatibi: Something that gives benefit to society collectively and individually and it can be accepted by people because of its importance for life.

Ibn Ashur: An act that is done properly and gives benefit to public and individual.

CONCEPT OF MASLAHAH...3

Types of Maslahah

1. Maslahah which is accepted by law

- Maslahah which is accepted by sharia and approved by ijtihad. Example: Paying zakah or pilgrimage to Mecca can be considered as mafsadah as it decreases our wealth. However, it is a maslahah in sharia perspective.

2. Maslahah which is forbidden by law

- Maslahah that is rejected by sharia and not approved by law and fatwa is not permitted to be done.

3. Maslahah which is neither accepted nor forbidden by law = maslahah mursalah

CONCEPT OF INFAQ

○ **Ar Rum (30:38)**

So give the relative his right, as well as the needy and the traveler. That is best for those who desire the countenance of Allah , and it is they who will be the successful.

○ **Az Zariyat (51:19)**

And from their properties was [given] the right of the [needy] petitioner and the deprived.

○ **At Talaq (65:7)**

Let a man of wealth spend from his wealth, and he whose provision is restricted - let him spend from what Allah has given him. Allah does not charge a soul except [according to] what He has given it. Allah will bring about, after hardship, ease.

○ **At Tubah (9: 103)**

Take, [O, Muhammad], from their wealth a charity by which you purify them and cause them increase, and invoke [Allah 's blessings] upon them. Indeed, your invocations are reassurance for them. And Allah is Hearing and Knowing



MAQASID AL-SYARIAH IN FINANCE

1. Economic stability, finance, and business

Ensuring justice in business and finance

Embed principles of equity/principles of justice

Issuing instrument in acquisition of property and wealth

Wealth circulation in finance system

Protection towards wealth (annisa: 29)

Ownership right

Transparency in business and finance

Documentation in Islamic finance

Development and investment of wealth

Prevent damages in business and finance

**WASSALAM
&
THANK YOU**

