Preface

Given the post-9/11 climate of global uncertainties, fears, and hostilities, the interest in the relationship between economics and religion, politics, and social behavior is alive and well. Fueled not only by the rapid increase of Islamic fundamentalism, but also by the rise of the American evangelical right wing movement, creeping Protestantism in Catholic South America, and the religious confusion, commotion, and ethnic conflicts in the formerly communist countries of the dismantled U.S.S.R. (Iannaccone, 1998) now concern more people than ever. In particular, considerable attention is being paid to the dominant role religion is playing in economic behavior and performance. A fresh outlook at the historical, socio-cultural, and economic dimensions of what is known as the Islamic economic system and society requires a look at the socio-economy of long-standing organizations such as Islamic guilds, and their affiliation with Sufism and the Islamic legal system. All of these factors are elaborated in this book.

The core of Islamic economics rests on theological foundations – social welfare is valued above material gain, and heavy emphasis is placed on a strong belief in a transcendent God. Moral and ethical issues based on the Islamic value system are a major element in all activities that could be considered economics. Islamic theology based on the creatio ex nihilo perspective toward upward and downward mobility rests not only on virtue, but also on the ethics of hard work and trusting God’s providence.

In the last decade or so, the world has noticed active movements in the Islamic world. Numerous conferences and discussions have been organized to understand the problems of the Islamic world and how to find a remedy for them. The different movements all have one thing in common; that is, they are a call for the pure application of Islamic teaching to all aspects of life – social, economic and political. Economically, the stage of resurgence has three main landmarks from the revival of Islamic economic literature, to the Islamization of the economic system, and to the establishment of Islamic financial institutions in various parts of Islamic and European and American countries to accommodate Muslim communities. All of these are indications of an important practical movement toward the call for an Islamic resurgence, including economic issues and contemporary inequalities.

In order to explore this interconnection, or cross-sectional approach, our objective in examining the Islamic world is to address the socio-cultural, political and economic dimensions of what are known as Islamic systems of state and society. This examination will include detailed discussions of the complex meanings of Islam, social mobility, stratification in Islamic societies, within an institutional analysis composed of economy, the family, education, politics and religion. Our synthetic perspective and investigative approach will attempt to provide a groundbreaking survey of historical, philosophical, sociological and economic outlooks based on interactions between culture, politics, religion and economy in Islamic societies.
Islam can be found spread across vast areas of the world, including large and largely secular-religious societies like Turkey and Indonesia, as well as in theocracies like Iran and Saudi Arabia, that are two different forms of Islam. Moreover, since Islam’s inception with the message to the Prophet Muhammad in the deserts of Arabia, the Prophet was faced with a legacy of divided tribalism. Centuries had passed, yet there are still forces dividing the Muslim world from within. Today, we have radical and moderate Sunni imams, rich royals and rootless youth, radicalization and Globalization, or Westernization, fundamentalism, modernism and terrorism. As we will refer to some of the different Islamic models of social structure and functions throughout our book, a basic review of them can provide a basic background to the readers.

While it is true that Islam provides a blueprint of how a society is to be organized and how the affairs of its members are to be conducted, in reality, there have been many attempts to build an Islamic system following a socio-religious paradigm of pristine Islam through many varieties of political movements. Yet, those movements neither have fully materialized, nor have not returned to the origin model through nostalgia without gaining much practical momentum except in approximation. One major reason for this is the impossibility of authentically replicating the pristine model of early Islamic governance and religious patterns that were based on the prophecy of a charismatic authority. Taken from this social anthropological view, all replications rooted in fusion of the past derive their force from an approximation. This is because charisma, a ubiquitous mode of ascribed status in the form of prophethood, cannot be duplicated although it can be routinized, for example, by the ulama and religious establishments. Accordingly, approximations to the origin are usually filled with failures and carry a residue of pessimism. As a model to emulate in the contemporary world, the Islamic conception of society building offers one alternative among others that appeared after the foundational philosophical, political and economic movements in the European lands, notably the Enlightenment, the French Revolution, Protestantism, and the Industrial Revolution. Whereas the European or Western “intellect” engaged in discovery, innovations, scientific methods and experimentation, Islamic societies produced the two religious movements of Baha’ism in Iran and Wahhabism in Saudi Arabia.

In the context of replication of charismatic authority, the Islamic caliphates, either the Sunni Islamic one, or the Shi’ite Isma’ili Fatimid one, both were based upon the idea of the Qur’anic Califa. Today, the Jihadist’s aspiration to establish a caliphate is, on the one hand, a reference to the pristine early Islamic community formation, and, on the other, is affected by the its encounter with modernity, democracy and the conception of the independent nation-state.

There are an estimated 1.6 billion Muslims globally, or twenty-three percent of the world population, making Islam the world’s second largest religious tradition after Christianity, according to the Pew Forum (2014). Most Muslim nations not only have relatively low levels of per-capita income and polarized social classes in terms of wealth and a shrinking middle class, but their economies are also quite different from each other’s and from Muslim economies in the past, that were dominated by and characterized as an agrarian and trading economic mode. We will focus on the Islamic economic system as a theoretical construct of an industrial economy whose members follow the Islamic faith. Muslims especially the late nineteenth century reformers like Persia-Afghanistan’s Jamal al-Din Asadabai Afghani and Egypt’s Muhammed Abduh, viewing Islam that once was an ascending civilization, but experienced the process of decline from a position in the world of centrality to the peripheral ranks of third world countries. To understand this transformation, it is imperative to go beyond the personal experiences of people alone, and to view the historical conditions and social structural components that help us to understand Islam with a much broader lens to include its own scientific aspirations and institutions.
In this book, we review all possible sociological and historical texts that have anything to do with “Islamic Economy and Social Mobility” over the past fifteen centuries. We provided a detail explanation on the entire foundations of the current economic and sociological realities on the ground in light of the 1977 to 1979 Iranian Revolution, the 2010 Tunisian Uprising, and the 2011 to 2014 Egyptian Arab Spring not to mention the emergence of a dozen or so tangential jihadist/Islamist military/militia organizations dressed out in “Islamic” black flags and caliphal if not genocidal aspirations in parts of West, East, and Central Africa, and in the Fertile Crescent of the Arab world’s Mediterranean and West Asian region.

Islam and modernity have been viewed and discussed both as problems and solutions in the Islamic world for decades. We will discuss in detail Islam’s long-standing interest in philosophy, precepts, politics, and historical facts, and the capacity of Islam as a religion to be compatible with modernity. This book reflects the outcomes of the scholarship of the emerging Islamic economic and its interconnectedness with the religion and cultural aspects of Islam. It also reflects on the emerging global economy under the rubric of globalization and how such process affects the Islamic economy. The process of the sociopolitical economic aspects of the Islamic economy of various countries will be discussed in the following chapters accordingly.

Chapter One addresses the socio-economic status of Islamic societies, the structure of Muslims’ social action, their struggles in the process of transition, and their domestic social mobility in the modern stratified globalized world. Attention to history, culture, politics, and religion, as well as status groups such as the ‘ulama and Shi‘ite-Sunni Islam and the scientific aspirations induced in a novel appropriation of Talcott Parsons’ action theory and Max Weber’s interactionism. In terms of methodology, the other focal point of this chapter is to try to overcome idealistic empiricism and positivism as fractional legacies of non-interpretive tenets of economics and sociology.

Chapter Two is investigative and heuristic in nature, was written to address different historical, philosophical, religious, economic, sociological and political dimensions of ‘sociality’ as a general category, with a focus on creatio ex nihilo for the discovery of inequality. Ascribed and achieved statuses as a foundation of stratification and inequality were delineated. The sociological distinction between ascribed and achieved statuses and the typology of roles to construct “status sets” that form the building blocks of class, social inequality and stratification as the most important components of social structure were elaborated. We have provided ideas of the critics of Islam and Islamic culture in order to inform the readers of the tension that formed discourse on Islam encountering inequality and perception of equality.

Chapter Three addresses the correspondences between work, salvation, piety and economics, by discussing the complexity of meanings in Islam, and by a discourse on Islamic culture. Both theoretically and empirically, we argue that work and social mobility have been advanced by placing emphasis on achieved status rather than ascribed status, as in the Protestant vision. Thus, from the Protestant viewpoint, achieved statuses, and the social roles attached to them, are more individually than societally based. By de-emphasizing ascribed status, individual endeavors to gain rewards in this world not only contributes to capital accumulation, but also opens the avenue for salvation, innovation and experimentation.

The application of correspondence theory gives us a novel philosophical view in this chapter, where we put a set of ascribed statuses in correspondence with achieved statuses and their combinatorial effects.

Chapter Four discusses the metaphysical origin of sociality and the reality of tribal and clan structure reflected in the Islamic conception of community, or jamaat; that on a larger scale it is called ummah.
Members in Islamic ummah are set apart from non-Muslims. This is dissimilar from the ancient Judaic racial and ethnic symbiosis known as the “chosen people” an early manifestation of stratification in monotheistic religions. Among the Muslim scholars of the Middle Ages, Ibn Khaldun approached the objective foundations of sociality, noting an implicit conception of stratification by appropriating detached observational methods to explain the rise and fall of dynasties. Principally, his work demonstrates the possibility of synthetical a posteriori, based on his personal experience and analytical a priori in that he claimed that the rise and fall are part of the definition of all dynasties. However, since Ibn Khaldun’s day, our notion of the object of structure and function of societies requires that we distinguish many variables in order to understand Islamic societies – particularly the way that their stratification systems are affected by globalization, or their transition toward, or their opposition to modernity. Notwithstanding the various intersections among political, economic, religious, cultural and social matrices that provide multiple explanations for understanding the operations of societies, the Khaldunic notion of the rise and fall has survived to this day.

Chapter Five explain re-stratification in the name of God with referential significance to the Iranian revolution and the re-emergence of the Shi’ite Islam grabbing political power. Following Parsonian emphasis on socio-cultural differentiation the Islamic, ummah is neither a total whole nor limited to the ulama but diversified in terms of incorporating certain modern establishments and ideas, from publishing religious journal, spreading ideas among the high schools and university students to pushing for less patriarchal domination, from absorbing components of the western constitutional tradition and governmental division of power to detachment form economic co-optation by the state. Hence we can speak of old and innovative religious class in Islamic societies characterized the former by propensity to keep the status quo, functionally a prerequisite for maintenance of cultural, political and religious dogma, usually called conservative Islam and the latter enthusiasm for working its way towards reinterpretation of dogma, developing propensity for participating in global dialogue for change or re-stratification of society. Finally, demand for an innovative communicative system in order to be touch with the larger world exists in and among the innovative religious groups.

Politico-religious action, within the domain of action theory, behooves us to revisit Iran as the first birthplace of resurgent Islam, exposing an otherwise hidden process, the rise and fall of a system of stratification that was led by a high-ranking Shi’ite cleric in modern times. The Iranian religious revolution that brought about a different system of stratification, rather than being interactive, was originally molded by reaction to modernity is investigated in this chapter.

Chapter Six provides a thorough analysis of the Islamic economy. This analysis requires a multi-disciplinary analysis of the political, religious, and ethical aspects, and how they influence the workings of the economy. Islam is both a religious and a political community. The differences between religion and politics in Islam are not clear cut. Islam does not admit separation between church and state thus making Islam an appropriate area of study, not only for theologians, but also for sociologists, political scientists, economists, lawyers, historians, and philosophers. As a multifaceted religion, Islam, at times, is shaped not only by the reformers and intellectuals, but also by the social classes whose interests are no longer nourished by a romanticized, or glorious past. Rather, they wish to locate themselves in a global world with access to work, social mobility, and status opportunities. This concept allows readers to identify the reasons and the procedures by which different Islamic economic systems, or modes of economy, originate from a single source that is acceptable to all Muslims.
The chapter discusses the pros and cons of stratification, with special attention to the breakdown of the Ottoman Empire as the last paradigm of Islamic economic and social advancement and Max Weber’s conception of the three dimensionality of stratification.

Chapter Seven is an attempt to bring both notions of truths, truth of reasoning and truth of facts, to substantiate that their combination are tools of modern social sciences. This chapter helps the reader to address the socio-cultural and economic dimensions of what is known as the Islamic economic system, and organizations such as Islamic guilds, and the guilds’ affiliations with Sufism. In light of the lasting developmental problems of many countries of Muslim people globally since the mid-1970s, there are continued changes in the ideas about the Islamic economic system. Islamic economics is based on various principles stipulated in the Shari’a that shape the Islamic perspective on issues such as interest, profit, production, consumption, allocation of resources, and distribution of income. After an introduction to the Islamic economic system, Marx and Weber’s ideas on socialism and capitalism are discussed and related to the Islamic economic system.

The Muslim world, and even more so, its Middle East heartland, is at a crossroads of socio-political and economic changes. The region is living through a dangerous era of popular agitation, spasmodic violence, and brutal crackdowns. Wars, large and small, have plagued the region increasingly, and foreign occupations and domestic insurgencies are grave indicators of widespread instabilities. In addition, young and educated populations are frustrated with the sluggish national and regional economic growth and lack of jobs that appear to push the region into chaos. These issues make the Middle East a focal point of global political instability that is partially due to the lack of integration of the region into the global economy. The questions are whether a vibrant economic structure in Islamic societies may be able to stimulate economic growth and upward social mobility, or are those societies just part of the international commercial sectors equally instable and weak are investigated in this chapter. Intended and unintended consequences of foreign investment in the low income Islamic countries are briefly touched in the final concluding chapter in reference to the Western economic sanctions on Iran.

Chapter Eight is an introduction to the history of the formation of guilds and how they connect to the religious and social structures that mold their activities. The craft-guilds were one of the most interesting and characteristic phenomena of medieval Muslim civilization. The guild in Muslim life was built essentially on the idea of the market place and responded essentially to the needs of the guildsmen. We suggest that following commensalism, guilds and fraternities were not equally benefited from their relationships. Guilds benefited more through their relationship with fraternities. One reason was that guilds’ social structure, in juxtaposition to less structured fraternities, revolved around achieved statuses of guildsmen and their workmanship. As organized entities, guilds could foster later on and turned into modern form of labor and occupational unions.

The legal foundation of the Islamic society is known as Shari’a, which is considered eternally valid and applicable to all times and places. Islamic laws not only provide society with collections of laws and prescriptions that indicate the Islamic path, they also focus on specific human activities and classify them according to their degree of desirability from God’s perspective. Different viewpoints on the relationship between religion, culture, and economic performance are investigated. Finally, the role of the central bank and Islamic banking and finance will be discussed in detail. While Islamic banks played roles similar to conventional banks, fundamental differences existed between the two models. The main difference was that the former operated in accordance with the rules of Shari’a, the legal code of Islam. Finally, we pay attention to the political changes in Islamic countries that were not dreamed of or practiced before in Tunisia, Egypt, Yemen, Iraq, Syria, and Libya. Within a few years, all of them negated
their old regimes, and consequently, are moving into new phases of historical political and economic developments.

Chapter Nine reviews the socio-cultural, political, legal and historical forms of Islamic conditions shown by the Shi’ite clerical establishment towards and interest in what Weber called traditional capitalism. The impact of colonialism on Islamic societies and on the dual functions of politics and religion are discussed. A new and useful explanation of Islamic societies can assist in looking at the Islamic world from a new perspective by synthesizing sociological and economic viewpoints, especially given the uneven globalization that is affecting Muslim societies. Patterns of intergenerational mobility in industrial nations and Islamic societies are reviewed. We embrace the observations from Esposito (1999) before September 11th. In his analysis of the American position toward Islam and the Middle East. He believes that American ignorance of and hostility toward Islam and the Middle East, often critiqued as a “Christian Crusader influenced by Orientalism and Zionism, were blamed for misleading the U.S. political and military policies, such as, in supporting the “un-Islamic” Shah of Iran, the funding of Israeli politics and military, and in supporting the under representative Christian-controlled government in Lebanon.

Chapter Ten proposes a Weberian three dimensionality of stratification to explore the amount of upward and downward movement that goes on within and between Islamic societies and the industrial world. We discuss the issue of slavery and status inconsistency in contrast to the caste system that forbids upward and downward, inter-caste and intergenerational social mobility. We argue that the slavery system of stratification is more complex than the caste system, as there is an element of uprising and resistance built into the slave system by means of religious economic values. We will pay close attention to the role of Islam as a belief system which provides pathways for social mobility through the production and distribution of goods and services. Economic mobility is influenced by a variety of factors, including education, neighborhoods, savings, and family structure. Our argument regarding social mobility provides intriguing clues to the connection between the legal system, specifically civic laws based on religious jurisprudence, and the stratification system.

Chapter Eleven discusses the United States foreign policy towards the Middle East and how it has shifted from advocating authoritarianism to embracing capitalism and neoliberal-free market economy, and finally, to promoting democracy. These shifts were administered after new ideas emerged to supersede old ones, thus justifying new thrusts in policy approach. The September 11th 2001 attacks demonstrated that support for corrupt, authoritarian, yet pro-Western regimes jeopardized American domestic security, and the signaled a failure of U.S occupational policy that destabilized Iraq and Afghanistan. We present different concepts that show that today’s Islamophobia is harmful to the formation of a complex multicultural society in which Islam is a recognized and meaningful part of Western and non-Western societies.

Chapter Twelve explores religious economies that are a novel idea with potential application in a free market economy. Such economies bring the idea of the existence of the supernatural and concern with ultimate meanings, so ubiquitous to religions, in touch with the multiplicity of paths available to us. In Islamic Sufism, there are as many paths to God as there are individuals. A situation in which people compare and evaluate religions, regarding them as a matter of choice, can best described as a religious economy. Just as commercial economies consist of a market in which different firms compete, religious economies consist of a market with the aggregate demand for religion and with firms with different religious organizations seek to attract and hold clienteles alike. Just as commercial economies must deal with state regulations so too the religious economies’ key issue is the degree to which they are regulated by the state. However, just as there is incentive for a commercial organization to monopolize
the market to maximize its profit, it is always in the interest of any particular religious organization to secure a monopoly, maintain its followers, and expand into new interest groups.

Religious actions, reactions, and interactions in monotheism, diversity of textual interpretations, the growth of intellectualism, or even counter-intellectualism, human perception of transcendence and the sacred, as well as the realities of everyday life all imply that the idea of religious economies needs more exploration. Christianity and Islam, one dominating the West and the other the East and Africa, offer the instances of two massive markets. Both religions, in spite of Islamophobia in the West, have formed and have participated in the decline, incline, or stability of the market alike. This subject is timely in light of the political movements in the Middle East and monolithic misconception of Islam.

Chapter Thirteen elaborates on the problem of Islam and modernity that is an important point of discussion in the Arab and Islamic world for decades, though this discussion has taken various forms, such as being called the conflict between the past and the present, or tradition and progress. We discuss in detail Islam’s long-standing interest in philosophy, precepts, politics, and historical facts, and the capacity of Islam as a religion to be compatible with modernity. Throughout history, this discussion has hidden within it clear contradictions when seeking compromise between the Abrahamic religions and present time. This conflict first appeared in the geographic area known as the Islamic world and looked much like the Age of Enlightenment in Europe in the eighteenth century. However, the true meaning of conflict revolved around the capacity of Islam as a religion to be compatible with modernity and its philosophy, precepts, politics, and historical facts. Islam was obliged, then, to come into agreement with modernity that became the soul and language of the present.

Chapter Fourteen reflects the outcomes of the scholarship of the emerging Islamic economic and its interconnectedness with the religion and cultural aspects of Islam. It also reflects on the emerging global economy under the rubric of globalization and how such process affects Islamic economic issues. The present work has been a modest cross-sectional exploratory and investigative study of Islamic Economy and Social Mobility with Religion and Cultural Considerations. Using exclusively explanatory power of stratification, inequality and statuses, the work is not limited just to the explanations of those issues traditionally within the social science enterprise. For his explanation, Max Weber introduced and emphasized on interaction and cultural components to make sense of the contributions of Protestantism to capitalism. Thus, we are indebted to his endeavors in methodological approach based on interaction/explanation fostered by historical consideration and causality.

REFERENCES

