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**THE CHALLENGES OF ISLAMIC MORAL ECONOMY IN THE CONTEMPORARY SOCIAL CONTEXT OF BANGLADESH**

**ABSTRACT**

Islamic moral economy (IME) emerged in the modern sense in the late 1960s and early 1970s as an attempt to develop an authentic understanding of the Islamic system of economics and development policies accordingly. On the other hand, global capitalism presents a mixed picture of unprecedented achievements in the field of economic development, productivity, creativity and innovation. This global capitalism affects promoting the Islamic moral economy in the Muslim world severely. Similarly, Bangladesh is not an exception from the effect of global capitalism. However, this paper will attempt to define Islamic moral economy and explain its principles and features. Moreover, this study critically reviews the existing scenario of IME the contemporary social context of Bangladesh. Finally, this work also will attempt to identify the problems and obstacles in the way to promote IME in Bangladesh with recommending its solutions.

**Keywords:** Moral Economy, Islamic Moral Economy, Obstacles, Bangladesh Context, Recommendation

1. **INTRODUCTION**

The concept of moral economy was first elaborated by English historian [E.P.HYPERLINK "https://en.wikipedia.org/wiki/E.P.\_Thompson" Thompson](https://en.wikipedia.org/wiki/E.P._Thompson) (1971), and was developed further in anthropological studies of other peasant economies. The concept was widely popularized in [Anthropology](https://en.wikipedia.org/wiki/Anthropology) through the book, “The Moral Economy of the Peasant: Rebellion and subsistence in Southeast Asia” by [James C. Scott](https://en.wikipedia.org/wiki/James_C._Scott) (1976).

W. Booth (1994) mentioned two approaches of moral economy: Firstly, the moral economists’ most important achievements are their underscoring that markets have not always been the dominant institutional mode of economic transaction and their offering of an alternative typology of economic regimes (Hechter 1983, 173; North 1977,706). Second approach begins with the presence, even in market society, of institutions whose internal working is not market like (e.g., firm, family, government).

E.P. Thompson (1971) states that the moral economy embodies norms and sentiments regarding the responsibilities and rights of individuals and institutions with respect to others. To him the term “moral economy” has usually been applied to societies in which there are few or no markets-hence no competition and law of value-and in which economic activity is governed by norms regarding what people’s work responsibilities are, what and how much they are allowed to consume, and who they are responsible for, beholden to and dependent on.

Andrew (2000) asserts that as a kind of inquiry, moral economy embraces both positive or analytical studies, and normative assessments. In analytical or positive mode, the term “moral economy” is to refer to the study of the ways in which economic activities, in the broad sense, are influenced by moral-political norms and sentiments, and how, conversely, those norms are compromised by economic forces. From a normative point of view, the study of moral economy involves an evaluation of economic systems, actions and motives in terms of their effect on peoples’ lives.

[John P. HYPERLINK "https://en.wikipedia.org/w/index.php?title=John\_P.\_Powelson&action=edit&redlink=1"Powelson](https://en.wikipedia.org/w/index.php?title=John_P._Powelson&action=edit&redlink=1) (2000) relates the concept of a “moral economy” to the balance of [economic power](https://en.wikipedia.org/wiki/Economic_power). He also shows how a moral economy—a balance between interventionism and libertarianism—and economic prosperity are mutually reinforcing. Furthermore, he adds the Moral Economy proposes a desirable world that is historically possible, if certain trends of the past millennium are continued into the next, and if world power becomes more diffuse. “The moral economy,” Powelson writes, “captures the benefits of technological invention through classic liberalism while using sidewise checks and balances to prevent environmental damage, ethnic and gender bias, and distorted distributions of wealth.

Islamic Moral Economy is not similar to capitalist or socialist economy. It includes household economy as well as market economy. Islamic moral economy or Islamic economics emerged mainly immediately after advent of Islam. The principles of Islamic moral economy were practiced through ages partially or collectively. It was revived mainly in the post-1960s as a result of reform movements in the Muslim world since the beginning of the twentieth century when the economic development of capitalist, socialist or nationalist failed in the Muslim world (Asutay, 2007a, 2007b).

The prominent scholars such as Chapra (1992, 2000), Siddiqi (1981), Al-Sadr (2000), Ahmad (1980, 1994, 2003) and Naqvi (1981, 1994, 2003), as the founding fathers of IME in the modern sense, attempted to articulate the initial theoretical building blocks of IME. As a modernist movement, IME in the process has been socially constructed according to the ‘socially’ understood meaning of the Islamic ontology. The concepts of ‘*adalah’* or ‘justice’ and ‘*haqq’* or ‘right’ are the core objectives and operational principles around which the economic system of Islam has been formulated. IME as we want to define is an economy, which is based on Islamic morality and legal system (*Shari‘ah*). However, here Islamic Moral Economy is used instead of Islamic economics because today’s Muslim scholars have a tendency to use “Islamic economics” focusing mainly on banks, banking systems and finance although it has a comprehensive understanding. This attempt may result to give more emphasize on moral aspect of Islamic economy than its legal aspect. It does not mean that it ignores the legal aspect of Islamic economics.

The present position of IME in the contemporary social context of Bangladesh is not satisfactory. The majority of Muslims adapt their traditional values to engage with today’s world and they surrender to the challenge of capitalism individually and collectively. Furthermore, they use to compromise and interact with global capitalism. Besides, their moral degradation in economic practices is common phenomenon in Bangladesh. It should be attempted to identify the obstacles in the wheel of the progress of IME in Bangladesh with a view to exploring solutions to them.

**2. OBJECTIVE OF THE STUDY**

The main objective of the study is to critically review the existing scenario of IME in Bangladesh pointing out the major obstacles involved therein. To achieve the main objective, it is to cover the following specific objectives:

* To examine the concept, principles and characteristic features of IME.
* To highlighton the present scenario of IME in Bangladesh.
* To identify the major obstacles hindering IME in the contemporary context of Bangladesh.
* To recommend some suggestions to remove the problems.

1. **RESEARCH METHODOLOGY**

This study is mainly based on the secondary data. Secondary data has been collected from various sources such as several websites, related research papers and journals.

**4.1. DEFINING ISLAMIC MORAL ECONOMY (IME)**

Initially, ‘Islamic economics’ as a term was used as the Islamic equivalent of conventional or neo- classical economics in defining but also describing the nature of IME.

Al- Makarim (1974) defines Islamic economics as ‘the science that deals with wealth and its relation to man from the point of view of the realization of justice in all forms of economic activities’. In making reference to its distinctive nature, Hasanuzzaman (1984) defines Islamic economics as ‘the knowledge and application of injunctions and rules of the *Shari‘ah* that prevent injustice in the acquisition and disposal of material resources in order to provide satisfaction to human beings and enable them to perform their obligation to Allah and the society’. In line with such an approach, Khan (1984) refers to the distinctive objective of Islamic economics in stating that Islamic economics ‘aims at the study of human *falah* (meaning ‘salvation’, but also ‘prosperity’ and ‘welfare’) achieved by organizing the resources of earth on the basis of cooperation and participation’. Such divine attachment is also evident in Arif (1984, p. 97): ‘Islamic economics is the study of Muslim behavior who organises the resources which are a trust, to achieve *falah*.’ The same sentiments can be seen in Chapra (2000): ‘Islamic economics is the branch of science that helps to realize human welfare through the allocation and distribution of resources which are scarce in accordance with *maqasid*.

In all these definitions, the social dimension of economics according to Islamic ontology and epistemology is emphasized as the distinctive nature of IME. These definitions suggest that the Islamic paradigm can lead to a different ‘economics’ understanding according to the Islamic sources of knowledge, which can be socially constructed in the modern world as a distinct way of managing economic and financial issues.

**4.2. PRINCIPLES OF ISLAMIC MORAL ECONOMY**

The initial attempts to formulate the ‘Islamic system’ of economics aimed at laying the foundation of IME, with direct consequences and implications for the social aspects and developmentalist orientation of IME (Ahmad, 1980, 1994; Naqvi, 1981, 1994; Asutay, 2007a, 2007b; Zaman, 2008), are presented below.

* The vertical ethicality of the equality of individuals in their relations to the Creator, God (individuals having equal opportunities for the bounties on Earth created by God) as *tawhid* (‘profession of the unity of Allah’) that relates to ‘social accountability’. *Tawhid* provides the necessary value framework within which economic activity is expected to take place according to Islamic norms.
* Social justice and beneficence (*adalah* and *ihsan*) as the second axiom constitutes the horizontal equality between individuals within the *tawhidi* framework, implying that individuals are equal to each other in their everyday life (Ahmad, 2003, p. 193).
* As a direct result of the vertical and horizontal ethical axioms, IME assumes growth in individual, social, economic and biological environments to take place in harmony with the stakeholders within the spiritual framework of *tazkiyah* (‘purification’) (Ahmad, 1994, p. 20).
* IME, as a consequence of the above axioms, assumes in a functional sense the enabled individual, society and natural environment so that each of these can reach its perfection within the *tawhidi* framework, as God has chosen perfection as a path by definition for everyone and everything. This refers to *rububiyah* as the functional axiom.
* In fulfilling *rububiyah* in all aspects, that is, in the individual, society, economy and environment, the *tazkiyah* process aims to overcome the conflict between individuals and society. Therefore, IME assumes that in order to overcome the perceived conflict between individuals and society, voluntary action is not perceived to be enough; hence, certain socially oriented financial and economic obligations are made mandatory, or *fard*, so that moral economy objectives should be achieved within *tawhid* as articulated by *al-adalah* *wal-ihsan*.
* The axiom of *ikhtiyar* or ‘free will’ indicates that in the Islamic moral economy understanding, humans are believed to be endowed with free will. This constitutes functional norms of individual behavior in relation to economic activity in the Islamic economic system.
* In operationalizing such expectations as expressed within the axioms of IME, as part of the *tawhidi* framework, the individual is perceived to be God’s vicegerent on Earth, namely *khalifah*, to fulfill the expected duties in their social, economic and financing aspects and to be guided through a moral filter (Ahmad, 2003).
* All these axioms, as the foundational framework of IME, are the articulation and operationalization aspects of *maqasid al-Shari‘ah* or the ‘objectives of the *Shari‘ah*’ process, which is defined as realizing ‘human well-being’. Consequently, it ‘provides the legal- rational framework within which Islamic economic activities should be conducted (Asutay, 2007a, p. 8).

In sum, ‘the Islamic concept of economics and economic growth and development follows from its concept of *tazkiyah* [purification]’ as it addresses the problem of economic aspect of human life ‘in all its dimensions’; *tazkiyah* is ‘concerned with growth towards perfection through purification of attitudes and relationships. The result of *tazkiyah* is *falah*, prosperity in this world and the hereafter’ (Ahmad, 1994, p. 20). Thus, IME makes the achievement of *falah* the primary aim of life and the ultimate success within both dimensions of transitory life (this world) and the eternal life (Hereafter).

Thus, IME is a moral economic and social system providing a systemic approach to the economic sphere through a multi- dimensional and multi- disciplinary approach. On the other hand, Islamic banking and finance, should be located within this framework and systemic understanding in order to serve the aims and objectives of IME and contribute to the *falah* process for individuals by expanding the *ihsani* social capital in society.

**4.3. OPERATIONAL AND INSTITUTIONAL FEATURES OF IME**

After identifying the axiomatic nature and goals of IME, it is important to determine the operational and institutional features of an Islamic economic system to identify how the axioms are articulated. IME suggests a moral filter that aims to develop the individual *khilafah* ( ‘vice- regency’) is the personal purification or *tazkiyah* achieved through the actualization of *‘ibadah* or worshipping in individual life, which limits the material impulse of an ‘economic man’ (Nomani and Rahnema, 1994). In addition, an IME suggests that not only self- interest but also social interest is to be served as well (Chapra, 2000). Such an understanding and filter mechanism aims to remove the conflict between self- interest and social interest.

In parallel to self-interest, IME suggests that private property and private enterprise ‘is a trust (*amanah*), and property rights used as a means of fulfilling ethical objectives. (Ahmad, 2003 also Arif, 1989). In this regard, IME institutionalizes the market as the institutional framework where a moral filter is expected to regulate it. To overcome the market and government failure, IME relies on third sector institutions such as *waqf* (voluntary organizations, pious foundations) and *zakah*, *sadaqah*, in serving the welfare needs of society.

In summation, as identified in the axioms, IME assumes individual liberty, freedom of choice, private property and enterprise, the profit motive, but, in the same instance, institutionalizes effective moral filters at different levels of life and activity to serve social and economic interests in harmony through its own distinct institutions.

**5. THE ECONOMIC PHILOSOPHY OF BANGLADESH**

[Bangladesh](https://en.wikipedia.org/wiki/Bangladesh) is a developing country that is classified as a [Next Eleven](https://en.wikipedia.org/wiki/Next_Eleven) [emerging market](https://en.wikipedia.org/wiki/Emerging_market) and one of the [Frontier Five](https://en.wikipedia.org/wiki/Frontier_market). According to a recent opinion poll, Bangladesh has the second most pro-capitalist population in the developing world (Dhaka Tribune 2014). Between 2004 and 2014, Bangladesh averaged a GDP growth rate of 6%. The economy is increasingly led by [export-oriented industrialization](https://en.wikipedia.org/wiki/Export-oriented_industrialization). The [Bangladesh textile industry](https://en.wikipedia.org/wiki/Bangladesh_textile_industry) is the second-largest in the world. Other key sectors include [pharmaceuticals](https://en.wikipedia.org/wiki/Pharmaceutical_industry_in_Bangladesh), [shipbuilding](https://en.wikipedia.org/wiki/Shipbuilding_in_Bangladesh), ceramics, [leather](https://en.wikipedia.org/wiki/Leather) goods and electronics. Being situated in one of the most fertile regions on Earth, [agriculture](https://en.wikipedia.org/wiki/Agriculture_in_Bangladesh) plays a crucial role, with the principal cash crops including [rice](https://en.wikipedia.org/wiki/Rice), [jute](https://en.wikipedia.org/wiki/Jute), [tea](https://en.wikipedia.org/wiki/Tea), [wheat](https://en.wikipedia.org/wiki/Wheat), [cotton](https://en.wikipedia.org/wiki/Cotton) and [sugarcane](https://en.wikipedia.org/wiki/Sugarcane). Bangladesh ranks fifth in the global production of [fish](https://en.wikipedia.org/wiki/Fish) and [seafood](https://en.wikipedia.org/wiki/Seafood). [Remittances](https://en.wikipedia.org/wiki/Remittance) from the [Bangladeshi Diasporas](https://en.wikipedia.org/wiki/Bangladeshi_diaspora) provide vital foreign exchange. The Bangladesh [telecoms](https://en.wikipedia.org/wiki/Telecoms) industry has witnessed rapid growth over the years and is dominated by foreign investors.

Its independence from Pakistan, Bangladesh followed a socialist economy by nationalizing all industries by the government (Lawrence,1988). Beginning in late 1975, the government gradually gave greater scope to private sector participation in the economy, a pattern that has continued. Economic policies aimed at encouraging private enterprise and investment, privatizing public industries, reinstating budgetary discipline, and liberalizing the import regime were accelerated. From 1991 to 1993, the government successfully followed an enhanced structural adjustment facility (ESAF) with the International Monetary Fund (IMF) [[Bureau of South and Central Asian Affairs](https://en.wikipedia.org/wiki/Bureau_of_South_and_Central_Asian_Affairs) (2008)]. In the late 1990s the government's economic policies became more entrenched, and some of the early gains were lost, which was highlighted by a precipitous drop in foreign direct investment in 2000 and 2001. NGOs are also the active organizations in Bangladesh run by the foreign governments in order to develop economic aspect of Bangladesh.

Finally, we can say that constitutionally Bangladesh adopted socialist economic ideology, but over years, it is deciding its policies in favor of capitalistic ideology or market economy. Bangladesh is the most free-market, trade-oriented country in South Asia.

**6. IME SCENARIO IN THE SOCIAL CONTEXT OF BANGLADESH**

More than 85% of Bangladesh’s 150 million people are Muslims. Bangladesh earns its title as “the third largest Muslim country of the world” following Indonesia and Pakistan because of its enormous size of Muslim population. Their religion, Islam, is however becoming a “minority” day by day. The majority of the Muslims usually admit Islam by practicing some of its rituals. They intentionally or unintentionally go to ignore the great part of Islam that related to *Mu‘amalah* and *Mu‘asharah* (dealings, behavior, business/trading/commerce transactions, lending and borrowing contracts or all types of economic and financial transactions) with people. Economic is pervading the whole life such as individual, family, social, political and religious affairs etc. We see Islamic moral economy is not established in any level of our societies. Most Muslims are struggling for their standard survival lifestyle by any means. Almost everyone is driven into the competition of making more money instead of compassion and selflessness. Society has become considerably devoid of morality and ethics. Today it is difficult to find someone who can be trusted or relied upon. Furthermore, the workers also suffer irregular payment of wages, overdue overtime pay and poor working conditions on a regular basis.

Nowadays the People’s Republic of Bangladesh is a capitalist haven. The banking, insurance companies and financial institutions are mostly influenced by global capitalism. We know the attitudes of global capitalism moved to a greedy mode. Greed, acquisitiveness, became an accepted value, a recommended behavior. The people of Bangladesh admitted the attitudes of global capitalism without any justification. Most Muslims adapted their traditional values to engage with today’s world and they earlier faced the challenge of capitalism individually and collectively. However, they have shown a compromised attitude and use to interact with global capitalism in the twenty-first century. They argued that religious value only for practicing rituals, but economics must be made free from moral values. Besides, most of the banks in Bangladesh are being engaged in corruption and money laundering. Besides, people have to pay bribery to the bank officers in order to sanction and disburse the loans. Stock market market is a pure example of pumping and dumping. Unethical and unauthorized practices in medical sector and pharmaceutical companies are considered as an alarming situation (Chowdhury & Alam, 2007). The farmers spray fish, fruits and vegetables with chemical preservatives including formalin. The poisonous ingredients being added to juices and other drink items, which causes numerous serious diseases.

On the other hand, a few Muslims try to apply Islamic morals and ethics in their daily economic transactions. They use to try their best to be moral in all types of economic transactions. Besides, they individually give *zakah*, *fitrah* among the due recipients as well as donate cash money with a view to establishing *Masjid, Madrasah.* Traditionally *awqaf* has been playing a significant role for the nourishing & flourishing of various religious, educational, economic, social, and cultural dimensions of Islam. Nevertheless, there is no proper monitoring system with a view to ensuring transparency in *Awqaf* management. The *awqaf* in Bangladesh are going gradually into oblivion because of the corruption and irregularities in the system of leasing or selling out of valuable *waqf* estates.There is no perfect and sustainable mechanism in Bangladesh in public and private sector for *zakah* collection and distribution. We also do not see any perfect monitoring system with a view to ensuring transparency in *Zakah* collection and distribution. Newspapers have in the recent past reported stampede deaths during the distribution of *zakat* by political leaders in Chittagong, Dinajpur and Noakhali.

It is also noted that in intellectual level the concept of Islamic moral economy or Islamic economics is not developed because of of anti-Islamic laws and customs as well as the secular system of education prevailing in the country since British rule. However, some attempts in limited form at private levels have been initiated with a view to introducing Islamic moral economy or Islamic economics by a group of Islamic intellectuals influenced by Abul A‘la Mowdudi, renowned Islamic researcher of the Sub-continent. Their contributions are praiseworthy in launching Islamic banks and other Islamic financial institutes, although these Islamic banks socially failed as argued by the Islamic scholars. Because, *murabahah* instrument financing (mark-up priced financing products, which are debt-based) constituted in a great extent in Islamic Banking but financing through *musharakah*, *mudarabah* and *qard al-hassan*, which are the preferred financing methods of IME, is mostly very limited and in most of the cases is negligible if not nil. However, these Islamic banks are playing a great role in global economic development. The scholars of that Islamic group have given huge endeavor to Islamize economics. Besides, personally and collectively some organizations have taken some initiatives to develop Islamic economics Project such as Bangladesh Institute of Islamic Thought (BIIT), International Islamic University Chittagong (IIUC), Islamic Foundation Bangladesh, Islamic Economic Bouro, Darul Ihsan University, Bangladesh Islamic University, etc.

**7. THE OBSTACLES IN THE WAY OF PROMOTING ISLAMIC MORAL ECONOMY IN BANGLADESH**

**7.1. IMPACT OF GLOBAL CAPITALISM IN ECONOMY OF BANGLADESH**

Global capitalism presents a mixed picture of unprecedented achievements in the field of economic development, productivity, creativity and innovation. This global capitalism affects promoting the Islamic moral economy in the Muslim world severely. Similarly, Bangladesh is not an exception from the effect of global capitalism. As Forbes.com’s Asia Correspondent Alyssa Ayres puts it: “At least as far as public opinion is concerned, the People’s Republic of Bangladesh is a capitalist haven.” The attitudes of global capitalism moved to a greedy mode. Greed, acquisitiveness, became an accepted value, a recommended behavior and at the same time, a powerlessness wall that close our hopes for a better future. The people of Bangladesh admitted the attitudes of global capitalism without any justification. Most Muslims adapted their traditional values to engage with today’s world and they earlier faced the challenge of capitalism individually and collectively. However, they have shown a compromised attitude and use to interact with global capitalism in the twenty-first century. We observe that the free market is no more than a new name of capitalism. The free market is about maximizing profits. It is not a social organization intended to cure social ills. In the unregulated free market, the weaker and smaller groups will lose and be destroyed by the stronger.

Similarly, we see that a capitalist society is geared towards the production and accumulation of wealth. Banks play a key role in promoting and fulfilling these functions. This banking system creates greed for acquiring more wealth, with a view to using it for luxurious and extravagant consumption, which are prohibited in Islam.

However, these corporate organizations are playing an important role in social development through Corporate Social Responsibility (CSR). Nevertheless, we do not know how to distribute this amount of money. Is Islamic morality and ethics applied or it is done only to fulfill their advertisement purpose?

On other hand, the commercialization of culture has a disturbing impact on people. People are immensely affected by the cultural globalization. They are continuously bombarded with new images, new music, new clothes and new values. Their food habit, dress and style, linguistic use, thinking, values, choosing role model etc., are determined as showed in thee Medias.

**7.2. MORAL DEGRADATION (CORRUPTION)**

Class division, bribery, corruptions, and oppressions, are rampant even after being a Muslim majority country. Almost everyone is driven into the competition of making more money instead of compassion and selflessness. Politicians are busy thinking about being elected in the next election, bureaucrats and government officials putting their own interest ahead of the public interest, businesspeople are leaning towards unfair business practices, and general public getting envious of one another. Society has become considerably devoid of morality and ethics. Today it is difficult to find someone who can be trusted or relied upon. Corruption is a disease, a cancer that eats into the cultural, political and economic fabric of society, and destroys the functioning of vital organs. The Corruption Perceptions Index (CPI) 2013 was released by Transparency International (TI) on December 3 as published in The Daily Star. On a scale of 0-100, Bangladesh has scored 27, just one point higher than in 2012 and the same as in 2011, and has been ranked 16th from bottom, 3 steps higher than that in 2011 and 2012. The political parties, public administration, the judiciary and the police are perceived as the most corrupt institutions of the country as reported by TIB (2011).

**7.3. AGGRESSIVE TREND OF SECULARIZATION IN BANGLADESH**

More than 85% ofBangladesh’s 150 million people are Muslims. Bangladesh earns its title as “the third largest Muslim country of the world”. Their religion, Islam, is however becoming a “minority” day by day. While Muslims in the West – in spite of being a minority – are enjoying their basic religious freedom, this basic right is increasingly being denied to the Muslim in Bangladesh while it continues to aspire to become a “uniquely secular” society”. The current regime in Bangladesh has taken on a comprehensive policy of secularization with aim to emasculate Islamic influence from political and social landscape of Bangladesh. Apart from undermining basic religious freedom of Muslims, the policy – which turns out to be both aggressive and violent – is increasingly becoming hostile to democratic principles, rule of law, freedom of movement, and political pluralism. On the other hand, Bangladesh Supreme Court Appellate Division’s decision upholding the High Court's landmark verdict of 29 August 2005 that declared the Constitution’s Fifth Amendment (1979) illegal, the ban on formation of political organizations based on religion was restored. The verdict also paved the way for ensuring secularism as the “cornerstone” of the Constitution. The government immediately has done amendment of the Constitution incorporating secularity, nationalism, democracy and socialism as the basic principles removing from it “Absolute trust and faith in the Almighty Allah shall be the basis of all actions”. [Saidul Islam, MD (2011), pp. 125-141] Besides this, the government attitude is not favorable to Islamic politics and economics. This aggressive trend of secularization threatens the Muslim religious people to support and promote Islamic Moral Economy agenda in Bangladesh.

**7.4. HUMAN RIGHTS VIOLATION**

Bangladesh is a country where human rights violation is a very common phenomenon. Mass people live here with grief and threats. According to Odhikar’s Human Rights Report 2013, extra judicially 764 (from 2009-2013) people were killed by the law enforcing agencies as well as 111 people were subjected to enforced disappearance. The Government has abused section 144 of the Code of Criminal Procedure 404 times (from 2009-2013) to repress the meetings, mobilizations and protests of its political opponents. They abuse the judicial process to suppress dissenting voices and repress opposition. In Bangladesh restrictions on freedom of thought and expression is increasingly becoming severe, and such freedom seem only allowed for those ideologically and politically close to the regime. The secularists and Islamists are persecuting the religious minority groups in Bangladesh. In this dangerous situation, how Islamic moral economy promoting agenda would be successful.

**7.5. UNFAVORABLE EDUCATION POLICY**

The prevailing educational system is the main obstacle in the way to promoting Islamic Moral Economy agenda in our country. Bangladeshi educational system has been bearing a western secularist legacy from the very beginning. Textbook composition accompanied by syllabus and curriculum design is almost contributed to by the West incorporating the secularist, materialistic and anti-religious outlooks in all the academic disciplines. Thissystem lacks any sort of moral training. Its syllabus contains some stories where a student learns how people are hiding after inviting them, how to make more money through interest, how to make profit out of forgery, they also learn wrong history of humankind. Thus, this system produces a class of people-selfish in character, reckless in words, shameless in nature. Besides, existing education systems ignores the comprehensives and all-embracing view of Islam. Teachers also with a very few exceptions are running after money. As a result, students are not motivated, inspired or somehow linked to Islam as well as Islamic moral economy. On other hand, *Madrasah* and other Islamic institutions completely failed to clarify about comprehensive idea of Islam as well as Islamic moral economy.

**7.6. ABSENCE OF A SENSE OF NATIONAL SPIRIT**

After the liberation war, Governments came and fell, each of which revised the list of liberation fighters and prepared a new list. The politicians do neither consult nor come in to concurrences of views on national economic, political or other issues. The politicians are only aimed at the grabbing of State ignoring the issues of national interest and national spirit. As a result, we see that the economy is in trouble, development obstructed, politics is full of collisions. Similarly, state administration immoral, society is inhabited by the looter-rich, land-robbers, rowdy elements, miscreants and militants. Consequently, overall the nation is divided. (Qadir, *Ittefaq*, 9 October 2011).

**7.7. ANXIETIES OF THE PEOPLE**

The country is now in the grips of the Mongers. The people of the country are now at a loss by falling into the clutches of various types of Mongers, – Admission-mongers, Appointment-mongers, Tender-mongers, Party mongers, Purpose-mongers, *etcetera* types of scandalmongers.. Under this process, it is impossible to build up a merit-based administration and a morality based economy.

**7.8. TERRIBLE ANARCHY IN POLITICS AND POLITICAL THINKING**

In politics and political thinking are going on terrible anarchy. Almost all the political parties and their alliances along with a large section of the intelligentsia are abandoned to vices as far as the streams of politics are concerned. There are diffused thinking in search of a right track, but because of the lack of mutual connection and synthesis no one of them is granulated, and are not being raised into a shape of thought and developed into a way of thinking. This situation encourages the individuals and parties in economic corruptions, which hampers promoting IME agenda.

**7. 9. SOCIAL FAILURE OF ISLAMIC MOVEMENT**

There are many faces of Islamic movements in Bangladesh. They are continuously creating crisis in order to indentify the true ideas of Islam according to their own thoughts and philosophy. In our country, *‘Ulema* and Islamic Scholars of the different Islamic groups are divided into different sects and groups such as so called *sunni*, *ahl hadith*, *salafi*, *wahabi*, *sufi* and *madh-habi* etc. Nevertheless, *‘ulema* are immensely spending their valuable time in disputing insignificant issues of Islam ignoring the most important issues of Islam. Similarly, every sect of *‘ulema* is struggling for control and power in order to implement their own sectarian beliefs and policies declaring themselves the true and claiming others *batil* (misguided). Consequently, the sectarian conflict of *‘ulama’* in this regard, made the mass Muslim confused about comprehensive state of Islam. Some Islamic groups have no comprehensive idea about Islam as they denied economics and political agenda of Islam. On the other hand, some extremist groups who create a great violation in the country in the name of Islam. Similarly, some Islamic Political Organizations made Islam more political than social. Because of their intolerant tendency, secular power politics considered any program of Islamic revivalism including Islamic moral economy promoting agenda as a threat for their power politics. On the other hand, the mass Muslims are handicapped as they remain unenthusiastic about Islamic revivalism, not because they do not appreciate its importance, but because they want to avoid being accused of religious fanaticism. Similarly, Muslim *ummah* have no trust in the Islamic movement activists. Socially and politically, they completely failed to launch any model of Islamic moral economy. Nevertheless, mass people are very much confused about their transparency in economic affairs.

**7.10. SOCIAL FAILURE OF ISLAMIC BANKING AND FINANCE**

The performance of IBFIs in the last thirty-five years indicates that this banking and finance proposition has been unprecendently successful. The recent reports demonstrate that the assets of the global IBFIs have reached about USD 1,2 trillion, which of course still constitutes a small portion of the global financial system [*The Banker* 2010]. Of the 56 scheduled banks currently operating in Bangladesh, 8 are Islamic *Shari‘ah* based banks (IBs). One study shows the net profit of these 8 banks is BDT 12,304.89 Mn in the year of 2012 (Bangladesh Bank website, 2014).

The IME framework suggests, ethicality in the value proposition in the original sense is not only the prohibition of *riba* (interest) but relates to larger social and economic development issues (Asutay 2007b, 2010b). In other words, IME conceptualizes IBF as a financing proposition shaped not only by the rules (*fiqh*) but also by the moral values of Islam constituting the ‘substance’ (Asutay 2008). IME, conceptually, suggests that IBF should be more than financial contracts, as it represents a holistic approach to financing a society.

If we analyze critically we find that for being financially stable IBFI mostly performed as same as interest rates and monetary system of conventional banking system (Asutay 2008). It is also argued that IBF does not necessarily bring stability to the financial system. It should provide stability to the financial system and should also be a moral compass for capitalism (Asutay 2007a, 2008).

Furthermore, it is identified that debt financing has become the majority financing method in IBFIs (Zubair Hasan 2007). Nagaoka [2007] evidences that *murabahah* instrument financing (mark-up priced financing products, which are debt-based) constituted in a great extent but *mudarabah* and *musharakah* instruments of financing (both joint venture capital products and therefore asset-based) remained very few portion. One study of M. Azizul Hoque (1996) shows that Islami Bank Bangladesh Limited, Al Arafah Bank and Social Investment Bank Limited in Bangladesh have used 54%, 76% and 65%, respectively, of their investment funds by resorting to *Murabahah* mode.

IBFIs contribution to economic and social development is negligible. Islamic banks rarely offer long-term financing to entrepreneurs seeking capital (Aggarwal and Yousef 2000).

**8. CONCLUSION AND RECOMMENDATIONS**

An Islamic moral economy, however prospective, cannot thrive in this condition discussed above. It needs is social justice, a society free from corruption, an economy devoid of disparities, politics free from violation, a constitution favorable for Islamic morality. An awakening based on unperturbed thoughts will be much more beneficial in a country of chaos and confusions whose 85% percent of the people are Muslims.

However, the proper implementation of *Shari‘ah* and Islamic Moral Economy System is the responsibility of every Muslim. It is noted that most of the solutions to the hindrances towards the progress of Islamic moral economy mainly depend on the constitutional, administrative and policymaking bodies of the country as education system and policy are framed and contributed to by the policy makers in the government. Therefore, government should launch a new socio-political and economic philosophy to be pursued for the betterment of the economic and spiritual lot of the people here and the Hereafter. The state also should make laws in favor of Islamic moral economic system as well as Islamic banking and financial institutions.

We as the citizens of the third largest Muslim country may expect that the government will adopt necessary steps to eradicate the problems. As the change in the mindset of the government to Islamization of total economic system of Bangladesh takes long time, it won’t be wise for us feel ourselves disburdened assigning the government all responsibilities. Yet positive campaign and demand targeting the government should be undertaken simultaneously. In private level if we try to become a true Muslim and understand the soul and message of Islam, we would not face too many difficulties in the way of implementation of Islamic Moral economic system even in this period of globalization. In this way, we can collectively present an ideal and moral economic system for which this world is seeking. We must not waste time in pointing out similarities between Islamic and other economic systems. We must strive and look for only implementing Islamic economic system, as it is the matter of our faith. In this regard, we can recommend the followings steps to promote IME agenda in private level:

1. Islamic banking and financial institutes should be in the form of introducing further but robust social justice oriented principles as in the example of social banks and social business. Because people mean Islamic economy is as Islamic banking and finance. *Masjid* may also be adopted as the center for Islamic culture and social business.
2. A number of volunteer organizations or individuals should form the *zakah* funds and *waqf* states where transparency and accountability must be ensured.
3. The motivational programs (seminar, symposium, conference, *wa‘zh mahfil* and view exchange program etc.) should be arranged both in the public and private sectors with the donors in order to enlighten them about the proper Islamic understanding and faith in Islamic Moral Economy.
4. Islamic movements should establish models for promoting Islamic Moral Economy system through applying a non-violent and tolerant attitude towards society. Also, the systems should creatively and dynamically engage and negotiate with sustainable traditional economic systems in the respective societies.
5. To run the moral economic systems, people in societies have to be motivated in pursuing the objectives. For this to happen, the policy makers should frame policies to sustain traditions in education and practices.

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