



ARGUMENTS FOR THE ISLAMIC ECONOMICS' SCIENTIFIC CONSTRUCTION (EPISTEMOLOGICAL REVIEW)

Muhammad Yafiz
Universitas Islam Negeri Sumatera Utara, Deli Serdang, Indonesia
muhammadyafiz@uinsu.ac.id

Abstract

This essay seeks to provide an epistemological explanation of the scientific building of Islamic economics. The validity of Islamic economics as a body of knowledge that can be explained both rationally and religiously is also explained in this article through a number of arguments. A literature study strategy is used in the research method, which is qualitative research. Data gathered using library resources (library research) were simultaneously examined (descriptive analysis), i.e., the presentation of the data was done at the same time as the analysis. The results of this study explain that Islamic Economics as a discipline epistemologically is a discipline that can be accounted for scientifically by tracing the nature of Islamic economics, its sources, and methods of acquisition as well as the validity and truth of Islamic economics.

Keywords: Arguments, Scientific Construction, Epistemology, Islamic Economics, Rationalism, Empiricism

INTRODUCTION

Humans are basically creatures who always seek the truth. One way to obtain the truth is knowledge. With science, humans try to get explanations of various empirical phenomena that occur in nature, and the correct understanding of these phenomena. The rapid development of information does not make people stop looking for reality. In fact, this further encourages people to continue searching and searching for truths that rely on existing hypotheses to test new speculations or invalidate past hypotheses.

In the realm of science, there is a strong inclination to believe that any answer that cannot or will not be put to use in research, experimentation, or observation is untrue and, as a result, should not be trusted. This trend started following the Renaissance, which was characterized by the effective resurgence of human reason. This has recently strengthened and evolved into a reliable indicator of the value of a discipline.

Discussion about the validity of science means talking about the scientific basis which is the scope of the study of scientific philosophy. One important aspect of the study of the philosophy of science is epistemology. In simple terms, epistemology can be understood as a methodology for acquiring knowledge that makes a scientific discipline considered valid and scientifically justifiable.

The presence of Islamic economics as a science certainly invites a number of sharp analyzes and criticisms from a number of scholars. Islamic economics is suspected of being a science that is guided by subjective Islamic values so it ignores its objectivity. Islamic economics is also suspected of repeating the dark history of past scholarship when the authority of truth was held by the clergy (scholastics). It is these accusations and suspicions that then require an epistemologically valid scientific explanation to establish a valid basis for the scientific construction of Islamic economics.

The scientific development of Islamic economics will then be described by identifying and elaborating on philosophical responses to a number of related epistemological issues. Additionally, through this research, logical justifications for Islamic economics' status as a legitimate scientific field will be looked after.

REVIEW OF LITERATURE

According to Antony Flew (1984), epistemology is a subfield of philosophy that examines hypotheses of knowledge. The extent of knowledge, the veracity of knowledge claims, and the authenticity of knowledge derivation are, in general, the three main concerns in epistemology. Additionally, epistemology is a discipline of philosophy that examines authenticity (definition, structure, procedures, and validity of knowledge) (Dagobert D. Runes, 1971).

According to Fudyartanto, who was mentioned by Miska Muhammad Amin (1983), epistemology is the philosophy of science or, to put it simply, scientific philosophy. In line with that, Antun Suhono describes epistemology as a theory regarding the nature of knowledge, namely the area of philosophy pertaining to human reflection on reality. Epistemology, on the other hand, is a science that examines knowledge and how to obtain it (Harun Nasution, 1973).

It is clear from the several definitions given above that the topic of epistemology is a matter of philosophy, methods, and systems. Philosophically speaking, epistemology is focused on discovering the essence and veracity of science. It is organized methodically to guide people toward knowledge acquisition. The system aims to categorize knowledge while attempting to explain it.

In light of this, it can be claimed that the epistemology debate seeks to address questions regarding what constitutes knowledge. How did you do that and where did you receive the information? Is that information then accurate/valid? These are a few of the research issues that this study aims to answer and that actually lie under the debate of epistemology.

RESEARCH METHOD

This study is a literature review (literature study), from the perspective of the research approach. The philosophy of knowledge approach is a different technique that explores the theories of numerous Muslim scholars to explain how Islamic economics is constructed scientifically. To collect data for this study, a number of works and publications on the subject were examined and understood. You can discover the

solutions to the research-related topics you are curious to learn more about by doing this. The data gathered using data collection tools are routinely and carefully structured before being qualitatively examined because this study may also be described as qualitative research (Moleong, 1990). Data is displayed while being analyzed (descriptive analysis), or put another way, so as not to lose its relevance, data presentation, and analysis are done concurrently.

RESULTS AND DISCUSSION

Among the aspects of Islamic economics that are often discussed are related to the scientific basis or methodology. In relation to the existence of a particular science, methodology can simply be said to be part of epistemology. The methodology is also referred to as an applied form of epistemology because it is a systematic procedure or procedure for obtaining knowledge which is called science.

It may be said that Islamic economics is a science that can be interpreted epistemologically from both a scientific and a religious perspective in relation to its epistemology. This Islamic economics epistemology explanation also demonstrates that the discipline is a positive one as well as a normative one. The following is a more thorough overview of Islamic economic epistemology:

The Essence of Islamic Economics

From the conventional perspective, it is explained that as a systematic science, economics has developed markedly since Adam Smith wrote the book *Wealth of Nations* (1776), and then continued by John Maynard Keynes with his book titled *The General Theory of Employment; Interest and Money* (1936) in the midst of the great economic depression of the 1930s. Since then, economics (hereinafter referred to as conventional economics) has experienced rapid development, where economics has many branches such as economic theory and applied economics.

This development in economics was followed by various methodological developments, analytical tools, and approach models used (Khurshid Ahmed, 2021). However, it can be ascertained that this development is of course very much determined and dominated by the role of worldviews that surrounds it. Worldview conventional

economics in the course of its history, according to Watloly 2001), has been heavily influenced by the movement of enlightenment which lasted more or less two centuries, from the beginning of the 17th century to the beginning of the 19th century.

This enlightenment movement is a rejection and denial of religious belief (Christianity) which is considered a fantasy and a priestly fiction that is deliberately designed to cover up human stupidity. This hostile attitude towards religion then creates its own epistemology for the development of science, especially economics. This is marked by the appointment of reason as the ultimate judge of all truth while rejecting all metaphysical beliefs that cannot be ascertained through reason and sensory perception, and denying any role of faith and intuition.

It is this fact that causes the development of conventional economics to make science something secular (oriented only to the life of the world, now and here) and positivistic (value-free) in the form of thought. Saefuddin indicated that this kind of development model makes humans only rational economic actors who prioritize life-hedonic materialism, consumerism, permissive, and others that are against moral and humanitarian values (humanist) (Saefuddin, 1997).

This is certainly different from the nature of Islamic economics developed by Muslim economists. The difference lies in the way of solving the dilemma of limited resources versus unlimited human wants. It is known that this dilemma forces humans to make choices of their will. Then humans do the priority scale of the fulfillment of these desires.

In Islamic economics, this choice is not made at will be based on personal taste by following the desires (hedonic utilitarianism), but through God's guidance through the Al Qur'an and Al-Sunnah (Chapra, 2001). He added that only in this way could economics achieve its goals (*maqâsid al-syarî'ah*) which contain all human needs to realize happiness (*falâh*) and the good life (*hayatan thayyibah*) within the limits and provisions of Sharia (Chapra, 2000).

Islam is a branch of knowledge that helps realize human well-being through the appropriate allocation and distribution of scarce resources *maqâsid*, without unduly curbing

individual freedoms, causing macro-economic and ecological imbalances, or weakening family and social solidarity and the moral fabric of society (2000).

Science should be useful for realizing human welfare. Whereas true human welfare in the perspective of Sharia is not only realized by concentrating on efforts to maximize wealth and consumption, but by fulfilling material and spiritual needs in a balanced manner. Islam does not recognize the slightest difference between the two. Therefore, according to Chapra (2000), the development of science, especially economics, should be intended to achieve Sharia goals which guarantee the protection of faith, soul, mind, lineage, and property.

Placing faith in the first order and wealth in the last order is not a coincidence without meaning. Faith is placed first because it is able to provide a worldview that tends to affect personality; namely behavior, lifestyle, tastes (preferences), and attitudes towards humans, resources, and the environment. added that the influence of faith on worldview is clearly visible when answering questions relating to the process of the creation of the universe, the meaning and purpose of human life, the origin of ownership, and the purpose of providing limited resources for humans, as well as the rights and responsibilities of individuals and communities towards one another in the physical and social environment of life.

The answers given to the questions above will greatly influence the way of thinking and human behavior which tends to give rise to different theoretical frameworks and policy formulations. For example, if the existence of nature is believed to have happened by itself, then humans do not need to be responsible to anyone and they are free to live as they wish. Their only goal in life is to fulfill their self-interest by maximizing wealth and consumption. Thus, the level of well-being is determined by the level of physical enjoyment and the satisfaction of lust, and value considerations will not be taken into account and will not get a place.

However, if it is believed that human beings are the creation of the almighty God and all sources of life are His trust. So, humans cannot absolutely do anything at will, because the consequence of a mandate is accountability for the implementation of the mandate later.

Therefore, stipulates that value judgments cannot be isolated and that life is not merely the goal of material satisfaction, but spiritual and humanity.

However, the nature of Islamic economic development does not have to negate and eliminate all the excellent and extremely useful analytical accomplishments made by conventional economics over the past century. This demonstrates that his method is innovative and constructive rather than pessimistic. Islamic economics is therefore developed by recognizing and addressing errors and flaws that lead this discipline to underplay its role rather than by dismantling the current economic system and starting from scratch (Chapra, 1996).

The redesign of economics using Islamic principles. He does not treat Islamic economics as a distinct species; rather, he merely seeks to rescue it from the dominance of Western science, frees it from its secular cocoon, and attempts to view economic issues from an Islamic perspective. He also views economics as a discipline that must be integrated from the outset with other aspects of a comprehensive Islamic system.

Sources and Methods or Ways of Obtaining Knowledge

In the history of the development of modern theory, it is stated that there are two groups of schools that explain the sources and methods of seeking knowledge, namely schools' empiricism and rationalism.

The term empiricism comes from the Greek word that is "*empire*" meaning sensory experience. The first figure to initiate this school was Aristotle (384-322 S.M) by offering an empirical approach in seeking knowledge. This flow was then continued and developed by other empiricism figures such as David Hume (1711-1776), John Locke (1632-1704), and Roger Bacon (1214-1294). Miska Muhammad Amin (1996) and Jujun S. Suriasumantri (1993) explained that in principle this school says that sources and methods of obtaining knowledge are obtained through the human senses empirically (functionalization of the human senses).

In particular, empiricists base their theory of knowledge on the experience gained by the human senses. John Locke, the father of British empiricism, said that the human mind at the beginning of birth is a blank sheet of paper (*tabula rasa*), then the data captured by the five senses is drawn on it, the mind (reason) is nothing but a tool for passively receiving

and storing sensations. experiences captured through the human senses (Kattsoff, 1986). Knowledge in this case is the result of scientific activity (mind) which combines sensory sensations with an inductively constructed framework (Suriasumantri, 1980).

David Home (1711–1776) was another significant representative of empiricism after John Locke (1632–1704). He asserts that man does not possess any innate wisdom. Knowledge comes through observation. According to Frederick Mayer (1951), observation yields two things: impressions (impressions) and notions or ideas (ideas). Impression refers to direct experiences from experience, including both physical and spiritual encounters. Ideas, on the other hand, are pictures of faint, nebulous observations that are created by thinking about or reflecting in awareness the impressions from experience. Empiricism, therefore, views the five senses and empirical observation as the primary sources for knowing. Even when reason does work, it only works in a general sense.

Rationalism is the second theory on the origin or mode of knowledge acquisition. The flow that Plato (427–347 BC) and his followers later developed claimed that human reason serves as the foundation for science's sources and practices (a concept known as "mind functionalization"). In the course of his research, Plato discovered a conception of ideas that Rene Descartes and other rationalist thinkers later expanded with what is referred to as innate thoughts (Abdullah, 1996). According to Bakhtiar (1999), on the basis of this comprehension, the concept of truth actually already exists. The human mind is capable of understanding the concept of courage, and the truth, which serves as the foundation for this knowledge, is acquired through logical reasoning using various frameworks that are constructed deductively around particular objects.

In the dialogue "*Meno*", Plato offers a famous illustration of rationalism by asserting that one cannot declare something to be true until one is already aware of its veracity. Man, therefore, does not learn anything; instead, he merely recalls what he already knows in his memory. He sees knowledge as a discovery that happens as a result of the systematic flow of reason.

According to rationalism, knowledge is derived from reason (ratio), which is rationalized through thinking processes employing logical methods. In following advancements, it appears that each of these schools of rationalism and empiricism is also

thought to still have many flaws, rendering them ineffective as a solution to the problem of scientifically discovering the truth. According to Abdullah, the rise of Immanuel Kant (1724–1804) and his critique of pure reason has provided access to the development of modern philosophy while also opening up new avenues for epistemological research that transcend the rationalism–empiricism dichotomy.

The development of a science philosophy and scientific method in the creation of knowledge has broadened the scope of science. In essence, the scientific method aims to bring together an empirical approach and a reasoned approach. While empirical science separates knowledge that is in agreement with facts from that that is not, rational science organizes its knowledge consistently and cumulatively.

According to the guidelines of the scientific method, knowledge that is referred to as science has prerequisites. The approach in question is a methodical approach to learning something. While methodology is the study of the methods in the ways. In other terms, the scientific method is also often referred to as a process *logico-hypothetico-verification*, so-called because the truth through the scientific method usually starts from the process of deduction (rational) with temporary truths or called hypotheses. Additionally, this hypothesis then moves into the verification step by empirically evaluating the data.

Only human experience can be considered in the purview of science since it must be objectively tested. Things that are metaphysical or beyond the scope of human experience are not studied by science. This is what leads to the positivistic and value-free growth of science within the confines of the scientific method. Of course, this is inextricably linked to the worldview (*weltanschauung*) in which science is developed.

Since knowledge that is created outside of the rules and guidelines of the scientific method will not be acknowledged, it can be determined that the birth and development of modern science today are highly dependent on the methodology employed in science (*validity*). This is the measure that Western scientists employ to establish a scientific truth.

Contrary to hedonic utilitarianism, which is based on the philosophy of secularism and liberalism, Islamic economics aims to achieve human well-being through the distribution and allocation of the following scarce resources (*maqâshid al-Syari'ah*), as opposed to merely pursuing materialist pleasures and physical satisfaction (*hedonic*

utilitarianism). Islamic economics is not being developed in a way that is outside of the historical framework of economics; rather, it is being developed in a way that supplements that historical context with ontological and axiological foundations, which will naturally result in numerous distinctions from conventional economics.

Avoiding the “mistakes” that certain Muslim modernists have made is one step toward improving the ontology and axiology of economics. Particularly in the sphere of social sciences, where Western ideas were taken and “Islamized” without changing the fundamental understanding of Islam at all. In establishing Islamic economics, however, it also differs from most conservative groups that emphasize “Islamic teachings on economics” by attempting to locate all passages that have economic implications and then supporting those verses with a number of Prophetic hadiths that also convey economic lessons.

Realizing the significance of the Al-Qur’an and Al-Hadiş Prophet’s contributions to the growth of Islamic economics is crucial. However, for him, this serves more as the foundation for his viewpoint than as a debating topic. Chapra advocates adopting views developed by conventional economists rather than going against the logical structure of the Islamic worldview, in contrast to traditionalist groups that avoid apologetic efforts that try to draw comparisons between Islam and Western concepts of economics (Chapra, 1996).

From the explanation above, it can be understood that the importance of revelation considerations in developing Islamic economics, in addition to common sense and experience. According to him again, the role of revelation (al-Qur’an and hadith) is very important, because Islamic economics is developed not only for analysis and prediction purposes, such as analyzing how real the allocation and distribution of economic resources in market forces, as well as the relationship between variables in the process of allocation and distribution to be able to predict what will happen, but also aims to compare the actual results with the goals to be achieved (*maqâsid*) so as to be able to analyze the gap between the actual results with the goals that should be and can anticipate the causes that hinder its realization *maqâshid al-syarî’ah*.

Argumentative discussion should be used to address conflicts and confrontations between revelation and reason. At least, advancing human welfare is an aim shared by both

religion and science. Religion can encourage people to be able to use knowledge and power for human advancement rather than for human annihilation if science enables humans to expand their dominion over the physical cosmos. Religion can provide science the proper perspective so that it does not overlook its bounds and ultimate objectives. By better evaluating “what is”, facilitating predictions, supplying better technology, and permitting more effective use of all resources, science, particularly economics, can aid religion in more effectively attaining “what should be” efficiency.

Both reason and experience, guided by revelation, will carry out analysis and make predictions that will eventually give rise to economic theories. On the one hand, revelation (the Qur’an and the Hadith) plays the role of providing value and moral considerations that shape the economic system. The attainment of *maqâshid al-syarî’ah*, or the true material and spiritual well-being of man, will be made possible through the interaction between revelation, reason, and experience in integrity.

The Validity or Truth of Islamic Economics

Although there are various other methods to seek the truth. However, in general, there are three ways to test the truth, which are then classified into coherence theory, correspondence theory, and pragmatic theory.

First, Coherence Theory; Aristotle’s syllogism with its logical contribution can be said to be the forerunner for the birth of a standard of truth testing in a deductive way, namely truth based on coherence criteria. Despite receiving a lot of criticism, this theory still has its place in the development of philosophy and science.

According to the principle of coherence, a statement is regarded as true if it is coherent with or consistent with earlier claims that are also considered true (Kahiry, 1986). If we assume that “*all men will die*” is a true statement, then the statement that “*Fulan is human*” and “*so-and-so will die*” is a true statement too. The second statement is consistent with the first statement.

Mathematics is a form of knowledge whose compilation and proof are based on the theory of coherence. The mathematical system is based on a number of statements that are assumed to be true, namely axioms. By using several axioms, a theorem is developed. On

top of the theorems, mathematical principles are developed which as a whole constitute a consistent system (Suriasumantri, 1993).

Second, Correspondence Theory; The determination of truth based on the correspondence theory was pioneered by Bertrand Russell and at the same time was a criticism of Aristotle's syllogism. According to this theory, a statement is true if the material knowledge contained by the statement corresponds (related/matches) with the object addressed by the statement (Kahiry, 1986). Or with another fact that truth is loyalty to objective reality (fidelity to objective reality).

The presence or absence of belief has no direct relationship to truth or falsity because truth and falsity depend on the conditions that have been set or denied. If a judgment is in accordance with the facts, then the judgment is correct and if it is not in accordance with the facts, then the judgment is wrong. For example, if someone says that "The capital city of the Republic of Indonesia is Jakarta", then that statement is true because indeed the capital city of the Republic of Indonesia is Jakarta. If someone says that "The capital city of the Republic of Indonesia is Medan", then that statement is wrong because that statement violates the facts.

The two theories of truth above are used in a scientific way of thinking. Theoretical reasoning based on deductive logic clearly uses the theory of coherence, while the process of empirical evidence in the form of concluding facts uses correspondence theory, or what is also known as inductive logic. An inductive approach uses reason as a means as well as a source of knowledge, while an inductive or empirical approach uses the five senses and experience. Apart from these two theories, there is another known theory of truth, namely the pragmatic theory.

Third, Pragmatic Theory; This theory was coined by Charles S. Peirce in a paper published in 1878, entitled *how we make our ideas clear*. This theory was later developed by several philosophers who mostly came from America (Suriasumantri).

According to this theory, the truth of a statement is measured by the criteria of whether the statement is functional in practical life or not. That is, a statement is true if the statement or its implications have practical use in human life (Bakhtiar, 1999).

According to Hadiwijono (1981) that for adherents of this Pragmatism Theory, the test of truth is a benefit (utility), feasibility (workability), or satisfactory results. Scientists who adhere to pragmatism still use a particular theory as long as the theory brings benefits. If the theory ceases to be this way because of a new, more useful theory, it is abandoned.

Based on the knowledge sources used to create and improve Islamic economics, as previously explained, it does not only recognize reason (ratio) and sensory experience (observation) of course but there are other means of knowledge that are also very decisive, namely revelation (al-Qur'an and Al-Hadith).

Therefore, according to the researchers, in determining the truth of a proposition, economics can be grouped into coherence theory adherents with a deductive and rationalist logic approach, and also into correspondence theory adherents with an inductive logic and empirical approach. However, the rationalism and empiricism in Islamic economic epistemology are certainly not as strict as those of empiricism and rationalism in Western epistemological thought. Because, besides these two methods, there is another way to obtain the truth, namely "*transcendentalism*" which is truth through revelation.

The transcendental conception of truth is very apparent. Additionally, Chapra (2001) outlines the steps that must be taken in order to formulate and give life to a proposition or hypothesis of Islamic economics as previously mentioned. Keep in mind, however, that a thorough undertaking to develop an economic system based on the Islamic paradigm must present the reality of Islam as the unquestionable truth.

Although we must acknowledge that we are human beings with limitations and are unable to fully explain everything in the Qur'an and hadith with the knowledge we currently possess, such as our inability to comprehend why Allah forbids *usury* and encourages almsgiving, attempts to lower (derived) various Islamic economic theories from the Al Qur'an and al-Hadith must continue. However, we don't comprehend, we don't have to reject the passage; rather, we keep trying to rationally and economically explain it.

CONCLUSION

One thing that is unusual in comprehending the epistemology of Islamic economics is our ability to harmoniously combine and integrate empiricism, rationalism, and

transcendentalism into an entire whole, where one supports the other and even serves as the foundation for the other. Islamic economics clearly adopts a more innovative and corrective epistemic position than does opposing and rejecting these schools, as a result. Islamic economics likewise adopts a constructive epistemic approach as opposed to a negative one, rectifying the flaws in traditional economics that failed to uphold their duties. Islamic economics does not take a position that immediately rejects science or does not recognize its contributions, particularly in the area of economics. Therefore, it is possible to say that Islamic economics.

REFERENCES

- Abdullah, M. Amin. (1996). *Studi Agama, Normativitas atau Historitas?* Yogyakarta: Pustaka Pelajar.
- Ahmad, Khurshid. (2001). *Kata Pengantar di dalam Buku the Future of Economics; an Islamic Perspective*. Jakarta: SEBI.
- Amin, Miska Muhammad Amin. (1983). *Islam Pengantar Filsafat Pengetahuan Islam*. Jakarta: UI Press.
- Amin, Miska Muhammad. (1996). *Epistemologi Islam*. Jakarta: UI-Press.
- Bakhtiar, Amsal. (1999). *Filsafat Agama*. Jakarta: Logos Wacana Ilmu.
- Chapra, M. Umer Chapra. (2000). *Islam dan tantangan Ekonomi*. Jakarta: Gema Insani Press.
- Chapra, M. Umer. (2001). *Masa Depan Ekonomi Islam; Sebuah Tinjauan Islami*. Jakarta: Syari'ah Economics and Banking Institute.
- Chapra, M. Umer. (1996). *What Is Islamic Economics*. Jeddah: IRTI-IDB.
- Flew, Antony. (1984). *A Dictionary of Philosophy*. New York: St Martin's Press.
- Hadiwijono, Harun. (1981). *Sari Sejarah Filasat Barat 2*. Yogyakarta: Kanisius.
- Jujun S. Suriasumantri. (1980). *Ilmu Dalam Perspektif*. Jakarta: Yayasan Obor Indonesia.
- Mayer, Frederick. (1951). *A History of Modern Philosophy*. (New York: American Book Company).
- Jujun S. Suriasumantri. (1993). *Filsafat Ilmu (Sebuah Pengantar Populer)*. Jakarta: Sinar Harapan.
- Kahiry, Machmud. (1986). *Mampukah Rasio Mengenal Tuhan*. Surabaya: Bina Ilmu.

- Kattsoff, Louis.O. (1986). *Pengantar Filsafat*, (Terj). Yogyakarta: Tiara Wacana.
- Nasution, Harun. (1973). *Filsafat Agama*. Jakarta: Bulan Bintang.
- Pranaka, A.M.W. (1987). *Epistemologi Dasar Suatu Pengantar*. Jakarta: CSIS.
- Runes, Dagobert D. (1971). *Dictionary of Philosophy*. Totowa New Jersey: Adam & Co.
- Saefuddin, A.M. (1997). *Perbandingan Sistem Ekonomi Islam Dengan Kapitalisme dan Marxisme* dalam Mustafa Kamal (ed.) *Wawasan Islam dan Ekonomi*. Jakarta: FEUI.
- Tilman, Frank. (1966). *Introductory Philosophy*. New York: Harper & Row Publisher.
- Watloly, Aholiab Watloly. (2001). *Tanggung Jawab Pengetahuan; Mempertimbangkan Epistemologi Secara Kultural*. Yogyakarta: Kanisius.