



## The Controversy of Muhammad Baqir Ash-Sadr's Thoughts (Eastern Capitalist) with the Thoughts of Karl Marx and Max Weber (Western Capitalists) in the Context of Global Islamic Economic System

Ahmed Fernanda Desky<sup>1\*</sup>

<sup>1</sup>Universitas Islam Negeri Sumatera Utara, Indonesia

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**Abstract:** The fight in the globalization field between Eastern business people and Western industrialists shows strength for both. This article examines the improvement of Islamic financial matters in light of the contemplations of Muhammad Baqir Ash-Sadr, Karl Marx, and Max Weber in the humanistic perspective by taking a gander at the standards of worldwide Islamic financial matters in helping out a few non-Muslim nations. This research method uses library research, namely, taking information from books and scientific articles relevant to the problem to be answered. The consequences of this study show that the reasoning of Marx and Weber about the Islamic monetary framework encountering a decay was gone against by Muhammad Baiqr Sadr. That's what sadr censures if Marxism denies things connected with a powerful way of thinking; without anyone else, Marxism has isolated itself from things not related to science. The standards of Islamic lessons as the principal reason for making progress in business are demonstrated to have the option to contend worldwide. For instance, Saudi Aramco organizations, Islamic Development Bank (IDB), Qatar National Bank (QNB), Ooredoo, and the Fly Emirad Company are clear confirmations that they are huge organizations and impact financial backers in Western nations.

**Keywords:** Capitalism, Islamic Economy, Globalization

**Abstrak:** Pertarungan arena globalisasi antara kapitalis Timur dan kapitalis Barat menunjukkan adanya kekuatan bagi keduanya. Artikel ini membahas perkembangan ekonomi Islam berdasarkan pemikiran Muhammad Baqir Ash-Sadr, Karl Marx, dan Max Weber dalam aspek sosiologis dengan cara melihat bagaimana prinsip ekonomi Islam global dalam melakukan kerjasama dengan beberapa negara non muslim. Metode penelitian ini menggunakan penelitian studi pustaka yaitu mengambil informasi dari buku maupun artikel ilmiah yang

<sup>1</sup> **Corresponding Author:** Ahmed Fernanda Desky ([ahmedfernandadesky@uinsu.ac.id](mailto:ahmedfernandadesky@uinsu.ac.id)), Universitas Islam Negeri Sumatera Utara, Indonesia.

relevan dengan masalah yang akan dijawab. Hasil penelitian ini menunjukkan bahwa pemikiran Marx dan Weber tentang sistem perekonomian Islam mengalami kemunduran ternyata ditentang oleh Muhammad Baiqr Sadr. Sadr memberikan kritik jika Marxisme mengingkari hal yang berkenaan dengan filsafat metafisika, maka dengan sendirinya Marxisme sudah melepaskan diri dari hal yang tidak berkaitan dengan sains. Prinsip ajaran agama Islam sebagai landasan utama untuk mencapai kesuksesan dalam berbisnis yang terbukti mampu bersaing secara global. Misalnya saja korporasi-korporasi Saudi Aramco, Islamic Development Bank (IDB), Qatar National Bank (QNB), Ooredoo, dan Perusahaan Fly Emirad salah satu bukti nyata yang menjadi perusahaan besar dan memiliki pengaruh bagi investor di negara-negara Barat.

**Kata Kunci:** Kapitalisme, Ekonomi Islam, Globalisasi

## Introduction

The main ideas of classical strongly influence the study of the sociology of development of postmodern sociologists, who often find various controversies in expressing their respective thoughts. Social dynamics and shifts in cultural values that are increasingly developing have made classical to postmodern sociological figures continue to explore social phenomena, especially in global community economic development. The debate on scientific ideas academically in the field of development sociology is studied based on the theoretical concepts put forward by several experts, namely Muhammad Baqir Ash-Sadr, Karl Marx, and Max Weber, in viewing the global Islamic economic development system.

Muhammad Baqir Ash-Sadr's thoughts explain that the development of the economic system of business people from the Middle East also seems to have shown extraordinary financial strength so that they are considered equal on the scale of global competitors. This is due to the belief of an Eastern capitalist thinker in practicing the concept of business and sharia-based entrepreneurship, which is sourced from the teachings of the holy book Al-Quran and Hadith.

Meanwhile, from the Western capitalist perspective, Karl Marx and Max Weber show the dynamics of economic growth from different perspectives. In his socialist paradigm, Karl Marx does not link religion at all as a form of global economic existence. Marx said that religion (Christianity) is an opiate that makes people anesthetized and forgets the cruel oppression of capitalism. Religion is the lamentation of oppressed creatures, the soul of a soulless world, as it is the spirit of a spiritless situation (Dzikrulloh 2021, 44).

The concept of Karl Marx's class division theory reflects the understanding of dialectical materialism, which states that the dynamics of society occur due to the existence of global capitalists who are increasingly obscuring traditional culture or lower class society. The results of the analysis of Mubarak's research (2008) show that in the context of Islam (in this case, bourgeois Islam) is an Islamic movement that only fights for the upper middle classes or classes that have been established, this kind of Islam is usually called modernist Islam. This happens because the capitalists currently have a new alternative strategy that is subtle but can even drown out the lower class (proletariat) to deceive society. The bourgeoisie remains the true supreme ruler of the economy. In comparison, the proletariat remains just a true lower-class economist.

Muhammad Baqir Ash-Sadr had strong views and thoughts on developing Islamic economics worldwide, and Max Weber's ideas were also opposed. The birth of a work by Max Weber which discusses religion and economic development entitled "The Protestant Ethic and The Spirit of Capitalism." He explained that there was a direct correlation between people's economic activities and the religious style of society, which illustrates his interpretation of the theological doctrine of Protestant Calvinism which is also related to the spirit of capitalism in the Western world. In addition, Weber considers that the economy of an Islamic state and the life of Islamic society will be left behind because the cruelty of Western capitalism will increasingly displace it in the future. Weber admits that several perspectives cause controversy through his thinking (Wibisono 2020, 67).

The main focus in world economic development is efforts to improve the economy; this goal is limited to the elite and globally and evenly for the lower class. Growth in its sociological aspect is aimed at alleviating poverty. This sensitivity and progress of sociological thought make sociological knowledge applied to development. Sociology of action can also lead to interactions in society, leading to cooperation. Cooperation activities in various dimensions have implications for the spirit and values to provide mutual guarantees for the rights and survival of fellow citizens who are still firmly attached, especially for developing the global economic system (Jamaludin 2016, 2-3).

Based on the debates of Eastern capitalist thinkers with Western Capitalists in seeing the development of the world economy, globalization is a periodization of the development of the times where there is an intensification of the integration process of people in various countries into a world society. Globalization is an arena of competition for the world economy, which continues to move dynamically by the times and the development of advanced technology for both developed and developing countries. Although sociologists claim globalization is a value-free concept, it cannot be denied that globalization as a compression of space and time is also closely related to the historical context in which the rapid development of cross-continental trade and economic industrialization, especially in Europe, which helped create capitalism as an ideology of world economic development.

Along with the demands of the times, it has given rise to many human needs. Humans have created many innovations with their diversity from various sciences. The arena of capitalism has never lost its mind to strengthening the State is showing its existence globally. Because capitalism encourages globalization, it is no longer interpreted as regional interconnectivity in the world but as an arena for the annexation of regions in the world to obtain economic resources (Jati 2013: 243-244).

Referring to the research results of Ramadani et al. (2015, 257-58), who said that the role of Islamic economic business would increase rapidly as the world continues to globalize and encourage innovative financial activities. While the Muslim community is generally discussed in the global media, they still have little understanding of the business and entrepreneurial world literature in obtaining entrepreneurial knowledge using an Islamization approach. Islamic business is a fascinating cultural and economic contribution to discuss, given the development of small and large-scale businesses. At the same time, Eastern capitalist globalization seems to have begun to show its existence in the world by using an economic system based on Islamic religious values to compete with Western capitalists around the world.

Based on several concepts of Eastern capitalist thought and Western capitalist thought, the writer is interested in conducting this research, departing from the suggestions of previous research conducted by Ramadani, namely:

1. What is the existence of Muhammad Baqir Ash-Sadr's thoughts in considering Islamic principles toward global economic business practices?
2. How does the economic development of Islamic countries collaborate with entrepreneurs from other religions?
3. How is the Islamic economic system according to Muhammad Baqir Ash-Sadr's thought?

The difference between this research and previous research is clearly seen in the comparison of scientific studies regarding the debate on the development of the Eastern capitalist economy, which refers to the thoughts of Muhammad Baqir Ash-Sadr with Western capitalists who refer to the ideas of Karl Marx and Max Weber who can answer this research from various perspectives and theoretical criticisms of experts conducted by previous researchers.

This research is interesting because the study's substance is visible from one of the Islamic socio-economic figures, which gives a new color to the study of economic theory from the perspective of the sociology of development. So far, the writer considers that the history of the development of world society has always been influenced by Western thought. However, with the birth of several theoretical concepts put forward by Muhammad Baqir Ash-Sadr, it has opened our thinking horizons where the theory that was born tends to use scientific integration, namely the *Wahdatul' Ulum* paradigm (the concept of unity between science and Islamic religion) in the context of the development of the global economic system.

This research is library research using data sources from reference books and scientific journal articles. Galvan and Galvan (2017, 7) stated that this literature study was conducted to answer the topic of the problems studied between previous research and current research, which seems to be contradictory between one theory and another, to identify new ways to interpret research results on the topic under study and to find ways to significantly for further research.

The findings of the data referred to in this literature study are everything related to the controversy of Eastern capitalist thought and Western capitalist thought according to the thoughts of Muhammad Baqir Ash-Sadr, Karl Marx, and Max Weber to strengthen and answer the results of the analysis of researchers in looking at the development of the global Islamic economic system in the context of development sociology that uses the concept of Eastern capitalist thought as a reference for scientific development that is also able to compete with Western capitalist thought globally.

Based on this data collection, the researcher uses the method of reading and taking notes, then processing the appropriate and necessary information to answer the formulation of the problem to be solved. After all the data has been collected, the procedures carried out in this study are:

1. Explore general ideas about research and seek information that supports the research topic.
2. Reinforce the research focus and organize appropriate materials.
3. Search and find the primary data sources, namely books and scientific journal articles.
4. Reorganize materials and conclusions obtained from data sources.

5. Conducting a review of the information that has been analyzed and is appropriate to discuss and answer the formulation of the research problem.
6. Compiling research results

## Results and Discussion

### Thoughts of Karl Max and Muhammad Baqir Ash-Sadr in the Context of Global Capitalism

Global capitalism places the dominant global power in a more globalized structure of capitalism. Deindustrialization in the heart areas of capitalism and the transformation of some countries into so-called third world countries. Globalization began to emerge from the capitalist system. It was closely related to the crisis in the 1970s and after the oil price crisis, rising unemployment, and anxiety due to the experience of rich countries in paying for the welfare state (Winarno 2009, 38).

In addition, based on the results of research by Ismail and Kamal Basir (2012), the concept of Karl Marx's class struggle in the globalization arena seems to represent the oppressed group's fight for their freedom and rights. The attitude of the dictatorship of the proletariat is used as their central shield to face the threat of the capitalist class. Marx's eventual success was manifested through an explosion of ideas and beliefs in favor of the concepts of egalitarian communism despite the many contradictions that arose between Marx's ideas and twentieth-century communism.

Regarding the findings of this study, Karl Max stated that society believes and does not trust the management of its own personal wealth within the limits of social welfare; he implicitly assumed that after he introduced socialism, everyone is equal in terms of the probability that consumers, workers, business leaders, and employees governments will always be encouraged to do what is best in the context of the public interest regardless of their private interests (Chapra 1999, 83).

Karl Max believed that the state apparatus of power would be exercised by a group of people whose interests were in line with the interests of the whole of society and who themselves had no reason to do so. Autocratic states cannot be separated from the diversity of claims and privileges that arise from geographical factors. Without ethical guidelines, there is no mechanism that can create harmonization of interests. Even centralized economic planning refers to allocations consistent with social goals that require consideration of shared values and the expression of consumer preferences (Chapra 1999, 84).

According to Karl Max, this capitalist view of globalization cannot be taken for granted by experts who are anti-empirical theory studies. It turns out that Muhammad Baqir Ash-Sadr denies the empirical theory of Marxism which does not believe in space for metaphysical matters, thus preferring the philosophy of science and dialectical materialism as important arguments in viewing globalization. Muhammad Baqir Ash-Sadr criticized that if Marxism denies things related to metaphysical philosophy, then by itself, Marxism has separated itself from items that are not related to science. In this way, Marxism limits itself from the supernatural events that often occur in one's philosophical experience (Saragih 2015, 4).

In 1961 Muhammad Baqir Ash-Sadr issued a new work entitled "Iqtishaduna," which means "Our Economy." In this book, Muhammad Baqir Ash-Sadr puts forward a sharp critique of capitalism-

liberalism and socialism-communism, especially in fields involving economic problems. In the book, Muhammad Baqir Ash-Sadr believes that the capitalist financial system only brings wealth to certain parties uncontrollably, which impacts economic pressure on people from lower social groups. This will then trigger an unequal distribution of wealth and property ownership in society. The fatal consequences of this system cannot be avoided and must be borne by the people who are at the bottom. In addition, Muhammad Baqir Ash-Sadr also sharply criticized the foundation of the capitalist system, which focuses too much on materialism. It is the same with his criticism of business managers' greedy and greedy attitudes and injustice in providing wages for workers (Saragih 2015, 5).

Muhammad Baqir Ash-Sadr sees socialism as more focused on fighting against capitalism by prioritizing people who become patrons in a group but ignoring the lower class who are weak and unable to work, even though what should be paid attention to is the lower class who become a priority in fighting for the rights of the lower classes. Muhammad Baqir Ash-Sadr also refuted the statement of socialist groups, which stated that individual freedom was a fixed price to be fought for. The justification of the socialists in defending the proletariat is only a slogan that does not at all defend the proletariat itself. This is due to the existence of personal power interests and certain groups, which is visible that the proletariat is the mount of socialist elites who only take advantage of the proletariat.

The cooperation of global capitalism has given rise to various corporations both on a macro and micro scale that are hiding behind state institutions. We take the example of Indonesia through its political economy, which shows that global market economic actors deliberately use political power to launch and seek profits in the takeover of power in the country. There are several foreign products that are owned by Indonesian children, even though the materials used in the production process belong to foreign investors or corporations. For example, Chairul Tanjung's Carrefour, even though the products sold are produced from abroad. Or else Indomaret and Alfamart, which are owned by local entrepreneurs with micro scales that have a merger system but there is no visible indication of manifest cooperation, but latency has strong networks from the national to the international arena. However, it still provides quite lucrative profit facilities for Western capitalism to build a global economic network.

In addition, what is even more impressive is that the Western capitalist economy provides very subtle ways but can kill local markets in Indonesia. For example, payment systems for electricity, water, telephone bills, ticket purchases, and insurance payments using internet services or using applications. Society is subtly indoctrinated by capitalists to make it easy to transact in all aspects of both primary and secondary needs so that conventional service providers can be marginalized by the harsh competition of globalization. This is an example of where global capitalists, who are products of the West, have taken over Indonesia from all institutions and governments and the corporations behind them. However, even so, there are still creative results from the nation's children that are able to compete with the global market. For example, the emergence of startups engaged in technology such as gojek, ruang guru, buka lapak, and others.

Globalization seen from social class raises several problems that are not balanced between the owners of power and the people who carry out the mandate of force. Viewed from the aspect of micro-sociology, there is an unbalanced policy injustice. Communities are pressured to be productive and innovative but do not have the capacity from material aspects or limited human resources. In the end, it is still pressing the lower classes to continue to impose the will of the rulers. Meanwhile, viewed from the

micro aspect, developed countries have a very significant influence on developing countries. This is due to the dependence of developing countries on developed countries that cannot be separated from the chain of the Western capitalist economy, whether caused by epidemics or caused by technology and state finances.

### **Global Economic Development from the Perspective of Max Weber and Muhammad Baqir Ash-Sadr**

Weber's general thesis on the development of capitalism is based on two distinct but complementary parts, namely, "motivation" and "Institutional." Max Weber's study (1864-1920), published in the book: "The Protestant Ethic and the Spirit of Capitalism" (Munir 2015, 12), shows that Protestantism in the Calvinist school influenced economic activities. Because adherents of this school have a culture/doctrine that considers hard work very necessary for them to achieve spiritual happiness, the hypothesis of the emergence of psychological conditions is rooted in religious philosophy, particularly Protestantism. According to Weber, this is because there is a general tendency that economic activity is not directly proportional to religious training, and Protestantism has a religious character that encourages and compels a person to engage in religious activities and daily activities.

On the concepts of the Protestant Ethic and the Spirit of Capitalism, Weber examines religion or the motivating factors that helped in the rise of capitalism as the dominant economic system in the West. He then directs his attention to the role of institutional factors, which form a more significant part of his great treatise, *Economics and Society*. Meanwhile, Weber's view of Islam is relatively more complex. However, the best implementation task is to examine the ideal types, each separately. According to Weber, although Calvinism and Islam share the belief in a transcendental God, they differ concerning the doctrines of predestination and salvation, while in action, Calvinism is aimed at showing one's mercy. In Islam, such actions are fulfilled to determine one's destiny. The consequence of this difference is that no systematization of salvation by works appears in Islam.

The doctrine of "takdir" developed where believers recognized the need for rationalization of life, thus failing to create an economic ethic that could enhance the spirit of capitalism. Weber considered that the doctrine of destiny was used for military people who were educated to be disciplined, firm, and challenging in facing the challenges ahead. The goal is to create better leadership and power. It is as if the aristocratic warrior system was deliberately ordered by having the same ideas and thoughts and was deliberately created by humans to regulate society according to the wishes of their superiors. The consequence of this difference is that no systematization of salvation by works appears in Islam. On the other hand, the doctrine of "takdir" developed where believers recognize the minimal need for rationalization of life and thus fail to establish an economic ethic that can enhance the spirit of capitalism.

The results of a study (Grier 1997, 47) entitled "The Effect of Religion on Economic Development: A Cross-National Study of 63 Former Colonies" said that Latin America's failure to develop and prosper, especially compared to its neighbors in the North, has often made scholars speculate about the political and socio-economic reasons behind the region's backwardness. The consensus in the literature suggests that Spanish-speaking countries inherit Spanish characteristics, characteristics that are not particularly conducive to growth and development. Many argue that these traits stem from the Catholic community. The dominant cultural force in most Spanish-speaking countries. Since Weber wrote about Protestantism

and economic development, many social scientists have noted a negative correlation between Catholicism and economic progress. However, little literature on religion and growth has been tested empirically.

According to Grier (1997, 48), it turns out that the former Spanish and French colonies (both steeped in the Catholic tradition) performed worse on average than the former British colonies. Protestant growth rates are positively and significantly correlated with real PDB growth, and Protestant confidence levels are particularly related to absolute per capita income levels. Contrary to the Weberian hypothesis, the results of this study indicate that religion is not the only determinant of differential development and growth. Controlling the growth rate of Protestantism did not eliminate the gap that existed at that time, as Weber's critics point out. Protestantism seems to be only one of many factors that determine economic progress. From the results of the study, it was answered that the Protestant religion was only one part that affected the community's economy. This shows that the teachings of the Protestant religion do not entirely affect the country's economic growth. The country's economic growth can be influenced by several other aspects specifically designed by humans through natural science and logic.

From this research, the writer compares with the political structure of Islam, which mainly has a military state which is characterized by too patrimonial or "sultanic" characters in upper-class society, highly centralized authority, and the absence of a workforce for civilians. This contrasts with the formation of the Western capitalist State, which is decentralized, autonomous, contract-based, and bureaucratic. In contrast, the political structure in Western capitalist societies is quite conducive to the development of industrial capitalism, so the political system in Islamic societies favors "politics-oriented, not economic oriented capitalism). The political autonomy enjoyed by Western cities is also lacking in their Islamic counterparts due to the centralized structure of power and the unavoidable linkage between religion and politics. The distinct feature of Western Cities is their ability to induce "friendly association among its citizens."

According to Ramadani et al. (2015, 258), future research may identify whether social capital influences Islamic entrepreneurship and opportunity recognition. This will be of great help in identifying entrepreneurial policies that promote long-term cultural sustainability in Islamic societies. Other research avenues include investigating how and why faith-based entrepreneurship can influence the sustainable regional development of Islamic communities around the world. This needs more support which may be required with regard to building religious values into the business creation process to meet the needs of the Islamic community.

Evidenced by the existence of globalization movements that emphasize free trade. Several well-known works by historians and sociologists have deeply involved Weber's study of Islam. The view is that the Islamic world is following the West because of the inherent religious factor. It can reject ideological explanations for such underdevelopment by arguing that Islam does not actually encourage capitalistic behavior. However, any influential role is a doctrine that can assume the development of Islamic society by using the "ideology" of refusing to entertain religion in explaining the development of capitalism.

So, Weber's disagreement with Sadr emphasizes that through a Calvinist understanding, the spirit of capitalism is one way to motivate workers to be more active at work. Religion is used as a tool to inspire or entertain themselves so that people are enthusiastic about doing a better job. Weber emphasized that

economic growth would run well if there was an affirmation of discipline, cooperation, and regularity in the division of labor according to their respective fields.

In contrast to Muhammad Baqir Ash-Sadr, who emphasizes the teachings of Islam as a guide for global economic development. If the teachings of Islam are applied by the Shari'a, then everything that leads to the progress and welfare of society will be achieved properly. The sharia system is considered to be able to balance economic growth, and no one is harmed when implementing the method of Islamic teachings in the holy book of the Qur'an.

Muhammad Baqir Ash-Sadr is a person who has ideas in the fields of philosophy, economics, and politics; it can even be said as an Eastern sociologist who emphasizes the teachings of Islam, which can regulate the legal system and human relations in seeing world problems which have always been a significant concern. Modern humans about what system is most suitable for building the social life of mankind because the more consistent this system is with human nature and interests, the more it guarantees the prosperity and solidarity of society.

According to Muhammad Baqir Ash-Sadr (Saragih 2015, 7), by bringing an Islamic economic system that is better than the two based on God's law which has made humans the ruling caliphs on earth, including in terms of the utilization of natural resources contained in the world. In it. Islam reminds each individual not to be greedy and greedy, which is acknowledged or not to be the root of all problems, including the country's economic problems. The advantages of this Islamic financial system include the benefits contained in the two previous methods, with fewer disadvantages and disadvantages of both. Muhammad Baqir Ash-Sadr believes that by implementing an Islamic system in the economic sector of a country, the production and distribution process will become more regular, the use of natural resources will increase, and the level of community welfare will become more equitable.

Muhammad Baqir Ash-Sadr is the first Islamic school of economics to assert that all conventional economic theories are refuted and must be refuted. Instead, he compiled economic ideas directly from the Qur'an and Sunnah (Wigati 2012, 375). Every step a person takes in a specific direction must have a purpose. Likewise, every movement in a civilization certainly has a goal to be achieved. Every deliberate move and deliberate movement is a reflection of his inner motivation. In other words, the goal is the main driving force for the actualization of the movement. For example, it acts as moving energy, but as soon as the target is reached, it completes the movement process and ends it.

### **The Role of Eastern Capitalists in Building an Islamic Economic System according to the Perspective of Muhammad Baqir Ash-Sadr**

After discussing Western capitalism in general and having influenced culture in Indonesia, which was taken from the thoughts of Karl Max, and the debate of Max Weber's ideas with Muhammad Baqir Ash-Sadr, the author, will explain how the economic competition of Islamic capitalism is considered capable of competing in the international and national arenas through thinking Islamic sociology figure, namely Muhammad Baqir As-Sadr and his criticism of Max Weber's thoughts on the concept of Protestant ethics and the spirit of capitalism. Muhammad Baqir As-Sadr argues that economic problems arise due to two factors. First because of human behavior that commits injustice and secondly because of denying the favor of Allah SWT. Shalom is meant here as a fraudulent process such as hoarding or Akhtar, while what is meant by denial is that humans tend to deny God's favor by exploiting natural resources, so it can be

concluded that economic problems are not the result of natural limitations in responding to the dynamics of human needs. This can be explored by understanding the teachings of Islam in practicing Islamic ethics as the main milestone to creating a balance between all people.

Nawab (2003, 35–37) stated that the central point of Islamic ethics is to determine human freedom to act and be responsible for their belief in God's humanity. If humans are given absolute freedom of will, then human responsibility for their actions, or the eschatological basis of religion, becomes meaningless. Therefore, the whole purpose of human life is a manifestation of the virtue of his caliphate as a 'free' actor because he is equipped with free will to be able to choose between good and evil, right and wrong. Based on this freedom, man can embody the theomorphic virtues of his existence as God's representative on earth or reject this exalted position by making bad choices. In other words, humans are responsible for their choices in their capacity as individuals. The critical elements of human freedom and commitment to responsibility for society are concepts born of the Muslim belief in the unrivaled power of God in this world and the hereafter. According to the Qur'an, this belief is the basis for why all human beings have freedom and equality: "...that we worship none but Allah" (QS. 3:64). This notion of equality, as a fundamental ethical proposition, adds a new dimension to it. It is not only interpreted as freedom from the political economy but also freedom from greed and power: "Whoever is preserved from being stingy, they are the lucky ones." (QS. 59:9).

From the above point of view, it is clear that human economic, social and political freedom is nothing but the embodiment of Islamic ethical teachings regarding humans and society. So, Islamic moral teachings emphasize that the development of Islamic methods of life both in the social, economic, political, and legal fields must be balanced and no one should be harmed, thus emphasizing Sadr's thinking in contributing to between Eastern capitalist thinkers who cannot be underestimated by Western capitalist thinkers.

According to Sadr, the State's role should have a balance in carrying out its economic system. The State prioritizes the potential of more excellent human resources and can provide new regulations in developing its economy. Sadr classifies two aspects that underlie the occurrence of production activities. The first is the objectivity or scientific part that relates to the technical and economic side, which consists of the facilities used, the natural resources that are processed, and the work carried out in production activities. This aspect seeks to answer basic questions about what, how, why, why, where, and who actors in economic development globally and in general. Second, the subjective aspect consists of psychological motives, goals to be achieved through production activities, and evaluation of production activities according to the conception of justice adopted.

The democratic capitalist system fully recognizes individual rights and believes that everyone's interests will be guaranteed if the particular interests of each individual are taken into account in all fields. According to them, the government's goal is only to protect the interests and personal interests of individuals. In a capitalist economic system, poverty can be overcome by increasing the level of production. Increasing national income is a theory that is not entirely true; even poverty is one of the products of the wealth system. Experimental results show that it is not the lack of food that makes people hungry but the poor food distribution.

Muhammad Baqir Ash-Sadr rejects the conventional economic assumption that economic problems arise because of scarcity. For Muhammad Baqir Ash-Sadr, financial issues stem from inequality and

unequal distribution due to an economic system that allows the strong to be used against the weak while the strong have access to resources and power to enrich themselves. During this time, poor people do not have access to help, so they become inferior. Departing from this thought, Muhammad Baqir Ash-Sadr disagreed with the existing economic idea but replaced it with the term *Iqtishad*, which means balance, justice, neutrality, and justice must be the basis for a developing financial system. Furthermore, by defining Islamic economics. Muhammad Baqir Ash-Sadr tries to give a new interpretation that can be described as the original. The definition starts by building a basic framework by making a significant difference between economics and economic theory.

According to Sadr, economics is a science that explains economic life, its events, external phenomena (phenomena), and the relationship between events and phenomena and their causes, general factors, and general factors that influence them. If this definition is related to the conventional model, it can be found in Samuelson's thinking, which states that:

"Economics is the science of how humans and society make choices with or without money to use scarce productive resources that can have alternative uses to produce various goods and share them for consumption both now and in the future that will come to various groups and groups; in society."

Economic doctrine is a way or method adopted and accepted by society to solve all practical financial problems faced by humanity. In this case, Sadr added that the significant difference between the two terms is that economic theory contains all the basic rules of economic life related to ideology, such as public and physical values. Meanwhile, economics has any theory explaining the reality of economic life independent of the ideological framework. These values of justice are the milestones for Sadr between the ideas of economic theory and scientific, economic theory. Sadr concludes that Islamic economics is a doctrine and not a science because it is the path advocated by Islam to pursue economic life, not the interpretation that follows it, in which Islam explains the events that occur in economic life and the laws that apply to it.

In a capitalist democracy, individuals are increasingly becoming more materialistic at the expense of non-materialistic tendencies, such as religion and spirituality. This trend has gradually led Europe or the West to look "to the earth and not to the sky," thus "creating value for material things, wealth and possessions by that attitude. Focusing on the earth rather than the sky, the mind is alienated from it. Europeans from every consciousness thought of a higher value or restriction imposed on themselves from outside their domain. This, in turn, prompted individuals to desire a higher degree of freedom and independence. Moreover, the broad notion of individual freedom paved the way for the idea that competition for each individual by mere existence can limit the freedom of others.

The main aim of society becomes the broad provision of freedom as a means of satisfying individual interests. This goal is based on the capitalist belief that by providing the necessary conditions for fulfilling individual claims, the achievement of these goals will directly or indirectly achieve social interest (Reda 2014). The developing capitalist system finally expresses itself in glaring tragedy through various forms of greed and oppression. One form is the commoditization of human life within the boundaries of the labor market. Another case concerns the history of colonialism by European powers, primarily driven by the capitalist spirit. Moreover, as economic freedom paved the way for unbridled competition in the market, the more assertive parties in this struggle gradually attained monopoly status.

This problem is only a logical result of a distorted morality that sanctifies the individual at the expense of society. More importantly, the assumption of an effective network between individual and social interests is highly questionable to Sadr. He argues that any potential relationship between personal and social interests in a social context can only be conceptualized and realized if it is based on defined moral or religious grounds. In other words, social goods must be defined to express identified social goals. This requires a substantial justification for the restriction or restriction of personal freedom. But by allowing every limit of space, capitalism compromises a lot of philosophical doctrines. Therefore, privilege assumes more than an important role but becomes the ultimate goal. The main aim of the capitalist can then be stated as the most probable granting of individual freedom.

### **Islamic State Principles Against Global Economic Competition**

The Islamic State and the true Muslim community are consistently wary of economic liberalization, which is undergoing a long process of economic and political exploitation and external competition from global powers. This is because Islamic countries prioritize the concept of social justice. The State advocates establishing a kind of "fair" economic order through state involvement in an Islamic form of the economy as an alternative to neoliberal global capitalism. It will discuss the social component of justice in the economy, which suggests more excellent state instruction in economic policy than the orientation of traditional Islamic thought while avoiding extremes of financial socialization.

Mohiuddin (2019, 70) says that "Islamic groups oppose new forms of globalization and move to challenge the authority of the ruling regime, which has failed to provide social capital as well as social welfare gaps within it. This shows how the lack of the State has not only strengthened the grip of Islamic groups by undermining the regime's authoritarian political legitimacy but has also provided advantages for Islamic organizations that allow them to express themselves in the name of opposing the hegemony of globalization and foreign domination. This is because the Islamic community is more moral in using social networks based on sharia economics and following teachings derived from the Qur'an and Hadith that form a community in doing business.

Muslim scholars have long argued that it is necessary to envision an alternative economic system that incorporates Islamic values and ethics into Islamic financial transaction practices. However, they differ on the degree to which such transactions are permitted. They are based on a reasoned interpretation of canonical authoritative texts to understand an Islamic economy's fundamental rules. The writings of some Muslim intellectuals expressing a lack of interest in the economic tools developed in Western countries have attempted to define the heuristics of the field. However, they disagree about "whether capitalism can be utilized for the benefit of Islamic society without radically and ethically transforming it into discussed (Keskin 2011, 33).

Capitalists who are affiliated with Islam or can also be said to be Eastern capitalists think that Western capitalists do not consider usury. Because Western capitalists prioritize profits derived from usury rather than the equitable distribution of results. The Islamic financial system uses the concept of participation in the company by utilizing risky funds on a profit and loss basis. This implies that investing with Islamic financial institutions necessarily gives rise to speculation because speculative risks can be overcome by careful investment policies, risk diversification, and careful management. The main aim of Islamic economics is to develop an effective and practical way of an economic system that will be seen as

an alternative to the neoliberal free-market capitalist financial system and morally preferable against exploitation in all its forms.

Muhammad Muhammad Baqir Ash-Sadr (1984) says that Muslim scholars agree that economic development is only desirable when economic activity aligns with Islamic ethical and normative values. However, they know that Islamic financial institutions must use modern economic tools to compete in the global market. Despite using the sharia system, Muslim capitalists must-have modern innovations based on current technology that can compete with Western capitalists. This will add value to the economic competition between Western capitalists and Eastern capitalists.

One example is establishing the largest bank in the East, founded in October 1975, namely the Islamic Development Bank (IDB), now headquartered in Jeddah, Saudi Arabia. The establishment of the IDB prompted many Muslim countries to establish Islamic financial institutions. Islamic institutions that emerged after the birth of the IDB can be divided into two categories: First, Islamic commercial banks, such as Faisal Islamic Bank (Mesir and Sudan), Kuwait Finance House, Dubai Islamic Bank, Jordan Islamic Bank for Finance and Investment, Bahrain Islamic Bank, Islamic International Bank for Investment and Development (Mesir). Second, the category of investment institutions in the form of international holding companies, such as Daar Al-Islami (Jenewa), Islamic Investment Company of the Gulf, Islamic Investment Company (Bahama), Islamic Investment Company (Sudan), Bahrain Islamic Investment Bank (Manama), Islamic Investment House (Amman) (Raharjo and Jamal 2018, 970–71).

The case examples above show that Eastern capitalist countries must be able to open their economic access to participate in investing in countries in Asia, Europe, and America because these places are the suitable arena for global economic competition. Some researchers argue that it is necessary to apply the rules of social justice to a capitalistic financial system that will develop into a justification of Islamic economics based on the argument "that free competition and the prohibition of monopolies are central to the true Islamic economy" (Tripp 2006, 3).

Mohiuddin (2019, 83) said that the basic rules of the moral and economic system make it an ethical regulation of financial transactions that do not only lead to the restoration of the Islamic order. Eastern capitalism will provide a substantial basis for personal spiritual rejuvenation, which will, in turn, create social solidarity. Consequently, the question of property ownership in the context of reinvention in the modern era, especially when surrounded by the conventions of Islamic law to ensure proper regulation of its boundaries, incorporates the material under its ethical re-establishment.

The results of research by Raharjo and Jamal (2018, 979) show that the rise of Islamic banking is starting to show its opportunities in several Middle Eastern countries. Conventional banks have now opened Islamic branches in these countries. The innovation of banking products in Middle Eastern countries that are increasingly modern and diversified is the next challenge for developing the global sharia economy. Convenience and modernity are inevitable requirements for the banking world in today's digital era. Several Islamic banking products are growing but experiencing problems, including insurance, which has become a new idol in Yemen, attracting 80% of customers insurance.

It is undeniable that although capitalism is synonymous with injustice, the owners of capital are kings and rulers, and it does not mean that there is no justice felt by the lower classes. For example, the application of sharia-based savings and loans that do not recognize interest or usury can benefit

consumers in developing their businesses. Of course, this can work because of the globally agreed sharia law rules that Western capitalists have recognized as the substance of the Eastern capitalist economy. Some people consider it worthy of being considered in global economic activities. In other words, the owners of capital implement a profit-sharing system which is a policy that thinks about the benefit of the people in this world and the hereafter.

Based on the author's analysis results, Muhammad Baqir Ash-Sadr's thoughts on seeing the Eastern capitalist economy are very well applied. They have been tested in the current era of globalization. The results of Bahri's research (2021) show that the development of Islamic studies in various elements of educational institutions encourages the development of Islamic economic studies, making it an opportunity and challenge for the world of Islamic economics to produce professional human beings so that they can run a sharia-based system. The strength of the system of various Islamic financial institutions, which now turns out to be eager to spread its wings globally.

Eastern capitalists are currently very aggressive in conducting a market economy, so their wealth is abundant. For example, if you look at large companies from Eastern capitalists, namely Saudi Arabia, Dubai, Egypt, Qatar, Lebanon, Yemen, and others. We see examples of large companies such as the Saudi Arabian Oil Company (Saudi Aramco), the largest oil company globally, Qatar National Bank (QNB), the largest bank in the Arab country, and Ooredoo, the largest telecommunications company in Qatar. Emirates is a company engaged in In the world of airlines, they have penetrated various continental nations of Europe, Asia, and America, they have begun to expand from sponsorship of the English league jersey, very luxurious and super-majestic football stadiums, a prosperous oil industry, and the best transportation services, as well as trendy tourist destinations.

From several large companies originating from the Middle East, it is shown that the globalization offered by Eastern capitalists does not necessarily just sit idly by with its sharia principles as proposed by Weber, but is one of the capitalist giants that Western capitalists must respect. In other words, Muhammad Baqir Ash-Sadr's thoughts show us that Eastern capitalists can also compete with Western capitalists in the era of the industrial revolution 5.0. There are still many other countries, especially third world countries, poisoned by the thoughts of Karl Max and Weber as consumptive people who are too dependent on developed countries, so they do not believe in their own country and allow natural resources to be taken by foreign parties as if the State It has yet to find its identity as a great country and capable of becoming a capitalist giant like the developed countries in the Middle East.

## Conclusion

The controversy over Weber's thinking emphasizes that a Calvinist understanding that emphasizes economic growth will work well if there is an affirmation of discipline, cooperation, and regularity in the division of labor by their respective fields. Meanwhile, Muhammad Baqir Ash-Sadr emphasized the teachings of Islam as a guide for global economic development. If the teachings of Islam are applied by the Shari'a, then everything that leads to the progress and welfare of society will be achieved properly.

The author analyzes that it turns out that Muhammad Baqir Ash-Sadr denies the empirical theory of Marxism, which does not believe in the space for metaphysical matters, thus preferring the philosophy of

science and dialectical materialism as important arguments in viewing globalization. Muhammad Baqir Ash-Sadr criticizes that if Marxism denies things related to metaphysical philosophy, then Marxism has separated itself from things not related to science. With that, too, Marxism limits itself from the supernatural events that often occur in one's philosophical experience.

Islamic countries collaborate with non-Islamic governments by introducing sharia products that benefit consumers by using the principles of fundamental values and Islamic religious norms, which they consider inseparable from economic activities and daily life, which of course, have innovation, and first-class technology. The best in the world. This is because the principle of an Islamic financial system cannot be underestimated. After all, competition in the arena of globalization shows that the role of Eastern capitalists is very influential in the global economy.

This article has weaknesses and limitations in thinking, so it requires further research and ideas, especially in the Eastern capitalist aspect, according to the thoughts of Muhammad Baqir Ash-Sadr. As for the other study, namely: How far is the world's recognition of the existence of Eastern capitalists in the global economy? How many countries have succeeded in implementing the Islamic economic system in the world? How far is the success rate of Western capitalists in implementing the Islamic financial system

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