

The Social Political Economy according to Ghazali's Peripatetic Thought: Comparative Perspectives

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ABSTRACT--- *The articulation of an epistemologically premised, conceptual, consistent, and applied worldview of unified interrelationships between God, self, the world-system with its details, and the Hereafter describes Abū Ḥāmid Muḥammad ibn Muḥammad al-Ghazālī peripatetic worldview. This worldview can also be thought of as the cardinal model of the Islamic worldview as premised on its most central and indispensable epistemic foundation of unity of God and the unification of the learning world-system by the evolutionary learning on unity of knowledge. These elements of Ghazali's peripatetic worldview are used to configure the social political economy by implication and study of his works. The model of the social political economy is established by primordial reference to Ghazali's thought, written works, and by implication arising from these works. Besides, a comparative study of the literature introduces Ghazali's worldview to contemporary meanings in the areas of sustainable development, money, finance and real economy, individual and social preference formation, individual rational choice and social choice, and the objective criterion surrounding social wellbeing contra social welfare concept in the economic literature. A theory of endogenous ethics is derived. Through this entire investigative study Ghazali's thought is found to be profoundly current today as it was when he thought and wrote so profoundly. Because of the objective based on the Islamic construct of the moral and social elements of political economy the paper remains focused on three selective works only of Imam Ghazali in comparative perspectives of modern thinkers in political economy.*

Keywords---- history of economic thought; Ghazali's epistemology; Islamic political economy; methodology; comparative ethics and economics.

1. INTRODUCTION

Abū Ḥāmid Muḥammad ibn Muḥammad al-Ghazālī lived from AD 1058 to AD 1111. He was born in the town of Tus in North-Eastern Iran. During his lifetime Ghazali moved from Tus to Nishapur in Iraq; and then, to the University of Nizamiyya where he served as professor of Islamic theology and metaphysics. He also sojourned in Makkah, Madinah and Damascus in what he declared to be the search for the true understanding of reality. Over his lifetime Ghazali championed first the cause of peripatetic philosophy in the court of Nizam ul-Mulk in the University of Nizamiyya. But later on the search for the true understanding of reality brought him to write scathingly against peripatetic philosophy and the metaphysics of the school called Asharitism, the believers on monadism and atomism as the causation of *being* in the world. The result of such scholarly opposition made him write some of the great masterpieces – the *Intentions of the Philosophers (Maqasid as-Falisafah)*, followed by *Incoherence of the Philosophers (Tahafatul Falisafah)*. As a result of these powerful works and their influence on the populace during and after the reign of the Muslim dynasties of the Fatimides and Abbasides, peripatetic philosophy faded away in the Muslim World. Ghazali's ideas prevailed over the peripatetic Aristotelian thoughts of Avicenna, Farabi, and Averroes.

Abu Hamid Imam Ghazali wrote about 400 books, some in the form of volumes. Towards the end of his Islamic mission in debates and argumentations, Ghazali manifested his political economic thought contra sheer peripatetic philosophy and in presenting the true Islamic foundation of belief and practice in his *Niche of Lights (Mishkawat al-Anwar)* and overwhelmingly in his *Revivification of the Religious Sciences (Ihya Ulum Id-Din)*. By the time Ghazali wrote these latter works he became an accomplished expert of the Islamic Law (the *Shari'ah*). Thus over his life span he inculcated both his argumentation against the peripatetic philosophies of Muslim and non-Muslim scholasticism and the way to practice out of the true moorings of Islamic epistemology, the methodological worldview.

Ghazali thus fathomed deeply into the foundational episteme of Islamic reality. This was *Tawhid* Buchman (1998, p. xxxi) translates the meaning of *Tawhid* in the following words: "*Tawhid* is an Arabic noun that literally means 'unification and union'." The word is derived from the Arabic verb meaning to unite and unify, and to interrelate good things of life by circular causation (recursive organic unification). Thus, in the field of Islamic metaphysics (*kalam*) *Tawhid* means the metaphysical ontology together with the *functional* ontological meanings of oneness of God. *Tawhid* is therefore equated to the law of monotheism.

In practice, the application of the moral law as derived from the *Qur'an* combining the Prophetic guidance (*Sunnah*) towards understanding and applying the law of *Tawhid*, the true purpose and objective of the *shari'ah* (*maqasid as-shari'ah*) became functional. Ghazali considered such a practical insight to the meaning and application of *Tawhid* in practical issues of the world-system. Yet Ghazali was concerned much with religious (Islamic) psychology rather than religious (Islamic) sociology in his understanding and invocation of *Tawhid* in life. *Revivification* is thereby a massive treatise in four volumes with ten embedded books on Islamic psychology of belief and application according to the tenets of *Tawhid* (Zidan, 1997).

Out of the peripatetic legacy and its reformulation in Sufi thought and application Ghazali invoked an epistemological approach to the understanding of the role of morality and ethics in the world-system of self and *Tawhid*. In this regard Ghazali wrote (trans. Marmura, 1997, p. 217): "Whoever combines both virtues, the epistemological and the practical, is the worshipping "knower", the absolutely blissful one. Whoever has the epistemological virtue but not the practical is the knowledgeable [believing] sinner who will be tormented for a period, which [torment] will not last because his soul had been perfected through knowledge but bodily occurrences had tarnished [it] in an accidental manner opposed to the substance of the soul..... He who has practical virtue but not the epistemological is saved and delivered, but does not attain perfect bliss."

In this paper we are interested in focusing on those of Ghazali's peripatetic thought that contribute to the building elements of a social and moral political economy. The political economy is an embedded part of the world-system, and ethics and morality make this part in relation to its social embedding, ethically sensitive by way of inclusiveness. That is how the philosophers throughout the ages, and thereby Ghazali, thought of the moral and ethical inclusiveness of economic functions of the individual. Yet like Aristotle (trans. Barker, 1959) Ghazali's economic implications within the ethical and moral equation were at the level of the individual and the family. The social consequences are by implication of his peripatetic thought.

2. OBJECTIVE

The objective of this paper is first to explain Ghazali's epistemology and its implications in the construction of self and its psychological effect on market choices and market exchange. Secondly, this paper studies the moral and ethical derivation from Ghazali's epistemological ideas that contribute to the foundational elements of a moral and social political economy. The paper goes on to study the consequences of such moral and ethical derivations on individual behaviour in economic choices comparatively with several other contributions in the literature on individual preferences and social choices explained by their respective epistemological references. The third section of the paper will be to formalize the phenomenological model of Ghazali's thought in ethics and economics embedded in a socially inclusive world-system. The possible origin of a new methodological worldview of socially embedded economic system emerges. In it ethics is studied in two contrasting ways. These are namely exogenous ethics as in mainstream economic theory; and a theory of endogenous ethics in embedded economy of an inclusive social system. It is such an endogenously ethicised economy embedded in the social entirety along with its synergistic systemic relations that we will show is immanent in Ghazali's phenomenology and its generalized formulation in modern context. In the end thereby, the practical implications of Ghazali's ethicised social political economy are pointed out in comparative perspectives. In accordance with our focus on the study of moral and social nature of political economy we have stayed at selective studies by Ghazali in this paper to meet our objective. Thus we focus much, despite its pedagogical of nature, on his famous work entitled, *Revivification of the Religious Sciences*.

3. GHAZALI'S RELIGIOUS PSYCHOLOGY IN INDIVIDUAL CHOICES: KINDS OF RECOMMENDED AND BLAMEWORTHY TRANSACTIONS IN GOODS, SERVICES AND CAPITAL

Ghazali makes profuse references to the fundamental epistemology of Islamic belief and conduct of life in its material aspects (*muamalat*). The fundamental epistemology comprises the *Qur'an* and the *Sunnah*. The third premise is the interpretation (*fiqh*) on the laws derived from the *Qur'an* and the *Sunnah* on specific worldly matters. These three components of the Islamic epistemology with the third one once again referring permanently to the *Qur'an* and the *Sunnah* and not to juristic traditions *per se* in search of the objective and purpose of *shari'ah* is called the *maqasid as-shari'ah*.

3.1 Consumption

In goods and services there are several categories of choices in permissible consumption according to Ghazali: A permissible thing is that which is naturally permissible. Examples given are of water from the sky, fish from the sea, and things taken from one's own possession once these are lawful to the owner. Thus Ghazali categorized lawful things as those that are naturally free from unlawful things.

On the other hand, unlawful things are those on which there is doubt of lawfulness. Examples are intoxicants, wine, carcass, birds that die by falling, and those consumptions that are acquired by unlawful means as earnings taken by oppression, theft, and interest transactions. Ghazali said that an unlawful thing is that which is naturally unlawful for its own defect.

Three kinds of states of acceptance of goods and services exist. Ghazali quotes the Prophet Muhammad's saying (Karim, undated, p. 86): Lawful and unlawful things are clear in their own given states. In between these categories are the doubtful ones. Ghazali quoted the Prophet as having said that he who saves himself from the doubtful things upholds religious belief.

Ghazali points out four origins of doubtful things that ought to be avoided in the light of the *shari'ah*: (1) a thing that was determined as unlawful before is now considered to be possibly lawful. Such a thing should be declared as doubtful and hence unlawful. (2) A thing is known to be lawful; but under a changed situation its legality becomes in question. Such a thing should be avoided as unlawful. (3) A thing is known to be unlawful. But in a certain situation the thing becomes lawful, yet the doubt remains on such a matter of legality. Such a thing remains lawful unless proven to be unlawful. (4) A thing is lawful, but later on is declared to be unlawful by an interpretive ruling (*fiqh*). A doubt is created. Prevalence of doubt makes the thing unlawful. Ghazali pointed out those lawful and unlawful things if mixed together cause doubt as to their lawful and unlawful nature after all and become unlawful. However, if the mixture cannot be proportioned exactly between lawful and unlawful, the whole is considered to be lawful. Thus, if unlawfulness of a thing cannot be proven by strong proof and conclusively, that thing remains lawful in the *shari'ah*. Thus if the lawful and unlawful proportions of mixed goods are known to the owner, he is required to separate the two kinds of goods; and he must know the modes of spending in the lawful things.

On the production side of goods and services Ghazali points out the condition in Islamic Law to declare the defects¹ in goods of exchange, which is primarily among sellers. Likewise, neither a buyer nor a seller can earn his earnings by illegal means. The most reprehensible of such illegal earnings are those raised by interest based transactions. The taking and giving of interest rates are strictly prohibited in the Islamic Law on commerce and trade (*muamalat*).

Interest-based transactions and dealing fraudulently in weights and measures is considered as a dishonest practice in accordance with the *qur'anic* (83:1) law that states: "Woe to the defaulters in weights and measures, those who take full measure when they take from men and who give less when they measure out to them or weigh to them." Ghazali builds upon these injunctions in his *Book of Worldly Usages of Revivification* (Karim, op cit, pp. 53-96). He writes, "Know O dear readers, that nobody should forget his religion and the next world his destination during the course of his trade and commerce and earning livelihood." (Karim, p. 70).

Then there are also the choices of goods and services for consumption and production for selling and delivery in the market venue that must satisfy the recommendations of the *shari'ah*. Here too Ghazali points out the deep need to recognize the role of the *shari'ah* in guiding consumer choices and production menus. On this matter Ghazali uses the *qur'anic* direction (2:172): "O believers, eat of the good things We have provided you". Using this direction Ghazali wrote (Karim, p. 73), "Keep away from doubtful things even after giving up lawful things. Leave the place of the earnings of doubt and restrain yourself from eating doubtful things." Thus we find that the factor of doubt enters deeply in all matters of market exchange. This includes buying (consumption) and selling (production) using the kinds of resources, finances, and choices of goods and services in the light of the *shari'ah*. Ghazali championed the *shari'ah* on matters of worldly affairs, but from the individual psychological perspective, that is in microeconomic view.

3.2. Investment and capital

Islamic economic thought, which sounds in Ghazali's *Revivification (Book of Worldly Usages)*, premises economic wellbeing, commerce, trade, and development on investment as opposed to savings as in banks and financial intermediaries. Such bank savings must not be equated with those kinds that get mobilized into productive and permissible consumption and productive directions as discussed above. This approach on the importance of investments over *bank savings* in the *shari'ah* arises logically from the strict *shari'ah* rule of avoidance of interest transactions in all financial and economic dealings.² It is also necessary to create the worldly conditions under which wealth will be formed and enjoyed for the good purpose of life and livelihood. This means -- as in the case of consumption and production (buying and selling) -- sustaining a regime of necessities as opposed to luxuries and excesses. Ghazali writes using these rulings under the *shari'ah* on worldly matters.

¹ The Prophet Muhammad said: "It is unlawful to sell a thing without disclosing its defects and one who knows it will commit sin if he does not give precaution to him." Just on the other hand, the Prophet said: "When the buyer and seller tell truth and wish good, blessing is given to their transaction."

² *Qur'an* (2:278): "O believers, fear God and give up what remains of interest if you are believers". Furthermore (*Qur'an*, 2:289): "If you do not do it, then be prepared to fight with God and His Prophet". Also the verse (*Qur'an*, 2:275): "Those who devour interest will not stand except as stands one whom the Evil One by his touch has driven to madness. That is because they say: "Trade is like interest," but God has permitted trade and forbidden interest....."

On spending, contrary to hoarding of wealth, Ghazali writes (Karim, p. 201, *Book of Attachment of the World in Revivification*): The rich man encounters the conditions between hoarding and spending of wealth. Hoarding is bad; spending is good. In spending too, extravagance is bad; moderation is good. Ghazali characterized the good form of spending, even if it is in moderation, as that in (1) charity, (2) humility; (3) preserving honour; (4) remuneration in good and productive work. (Karim, p. 217). On the matter of goods and services of necessity being praiseworthy for acquiring, Ghazali writes quoting the Prophet Muhammad on the matter of needs against wants (Karim, p. 219): "There is no such man, rich or poor, who will not like to say on the Resurrection Day that only necessary food was sufficient for him in the world."³

Continuing on the virtue of spending as opposed to hoarding (miserliness) as two opposite and indispensable attributes of human character Ghazali prevails on the Prophet's saying that explains the meaning of spending not simply on amounts of giving, but more centrally on goodness and kindness of character. Spending like generosity is likened to a tree in Heaven. The generous (or the goodly spending) person holds on to a branch of the generous tree and does not leave it until he enters Heaven. Oppositely, a miser holds fast by the tree of miserliness (hoarding as in bank savings following the lure of interest). He would not leave it until he enters Hell."

Combining the above-mentioned attributes the investment function as also the consumption and production function are characterized in Ghazali's thought in terms of the virtues (Karim, p. 215): (1) knowledge as the gift of soul; (2) health and security as the gift of body and ability; (3) accumulation of wealth and the natural endowments contribute to wellbeing outside the body and soul. Of all these gifts, the gift of the soul, hence by its embodiment with knowledge is primal. The gift of bodily ability is next. The gift of wealth and its accumulation under the conditions of natural endowments (such as money breeding on money caused by the prevalence of interest transactions) is bad. It is then obvious that combining Ghazali's characterization of wellbeing earned in a regime of basic needs of consumption, production, investment, ownership, and distribution, neither is inordinate wealth possible for personal acquisition nor is its accumulation by the medium of hoarding (bank savings).

3.3. Earnings, coins, wealth and capital formation

Ghazali's characterization of a basic needs regime of consumption, production, investment and ownership under the conditions of goodness and virtue mentioned above implies that, inordinate wealth production and its accumulation is not possible in such a social system. Wealth does not reproduce wealth. Rather, productivity in the good things of life according to the *shari'ah* generates earnings, as in the case of disposable income. Then the savings part of it is mobilized in sustaining and advancing the dynamic basic-needs regime of development. This is how wealth is increased. On this theme Ghazali writes abundantly on earnings of all kinds, lawful and unlawful according to the *shari'ah* (Karim, *Revivification, The Book of Worldly Usages*, pp. 53-74):

God made the next world the place of rewards and punishments and this world the place of efforts, troubles and earnings. Earning is not the aim of human life but it is a means to an end. The world is the seed ground for the Hereafter and the door to enter it.

Ghazali continues on in the theme of earnings (Karim, p. 53):

He who does not adopt the straight path in earning livelihood will not get the pleasure of straight path. He who takes the world as the means of earning the next world adopts the rates and regulations of the *shari'ah* in search of it and gets the pleasure of the middle path.

Along with lawful earnings are included interest-free transactions, selling, production, investment, and ownership. These are all taken in the lawful sense as explained in the foregoing sections of this paper. Thus productive activities in the good things of life avoiding interest transactions, and thereby the medium of bank-savings, which was akin to Ghazali's concept of hoarding as saving, must necessarily occur due to production, trade and commerce. In a dynamic basic-needs regime of development earnings would necessarily be a causality in relation to moderate wealth, directly caused by earnings and not capital accumulation by way of hoarding (bank saving). Ghazali writes on this issue (Karim, p. 56): "The object of trade and commerce is to gain either necessary livelihood or to gain enormous wealth. The latter is the root of attachment to the world, which is the basis of all sins."

On the means of trade and commerce that enable the attainment of lawful earnings Ghazali pointed out the following kinds of goods and services in the light of their acceptance by the *shari'ah* in all of consumption, production, investment, ownership and earnings (Karim, *Revivification, The Book of Worldly Usages*, p. 57-58): (1) Such exchanged

³ Imam Al-Ghazali further quotes the Prophet's saying: "There is no real contentment in enormous wealth. The real contentment is that of mind. O people, take care, search for power in a legal manner, as man will get nothing except what has been decreed for him."

things must be pure. (2) They must be beneficial needs. (3) Commodities of sale must be in the possession of the seller. (4) Particular goods must be transferable according to the *shari'ah*. (5) Things for sale must be known, fixed and certain. (6) On intertemporal delivery of goods and services Ghazali writes "It is unlawful to receive in cash the value of a certain thing whose delivery will be in the future."

Ghazali considered interest rates as a form of counterfeiting or defacing the true value of money. Besides this, the usual meaning of counterfeiting the currency was shown to be a grave sin in Islamic financial arrangement. In regards to these two viewpoints Ghazali wrote that, the first man who uses counterfeit coins will get the sins of every person who transfers it to others. Counterfeit is seen to be worse than theft of coins, for such counterfeit coins circulate over long periods of time, thereby devaluing the true value of currency. Consequently, it is unlawful to exchange even a large quantity of counterfeit coins for a small quantity of pure coins in economic exchange of any kind – consumption, production, investment and earnings.

Financial transactions based on interest rates were considered by Ghazali to be equivalent to devaluation of pure currency value. Ghazali wrote on this matter following the Prophet's saying: "A counterfeit coin is one which has nothing of gold and silver. The coin in which there is something of gold or silver cannot be called counterfeit." Now referring to the circulation of pure currencies according to the gold standard, the stable value of the currency and its mobilization in the good and productive activities equates to the use of currency in financing good spending and shuns bank savings. Saving was equivalent to hoarding in Ghazali's time.

3.4 Implicating market-institution interrelations: Ghazali's social political economy

Ghazali's religio-economic thoughts were exclusively at the microeconomic level. He studied and prescribed guidance in the light of the *shari'ah* exclusively to the discernment of lawful and unlawful activities of consumption, production, investment, ownership, earnings, wealth, and capital formation. On the theme of relationships between the *shari'ah*, economic behaviour, and market process Ghazali took up a deontological stand. In this regard he writes (Karim, *Revivification BDE*, p. 216): "Wealth is good and bad according to intention. As is the intention so is the condition of wealth. If the intention is good, wealth is also good. If it is bad, wealth is bad." The other perspective, namely the *social actions*, instead of individual actions, that impact upon collective behaviour in social preference formation, aggregate production menus, national and global spending, wealth and earnings is not to be found in Ghazali's religio-economic thought.

While the market process is promoted in preference to institutional interference the role of the *shari'ah* in its institutional context of moral-social transformation is not to be found in Ghazali's thought. It is difficult to conceive of all or a large section of the populace to turn into optimum beings to practice Ghazali's religious and virtuous prescriptions. Indeed, the *shari'ah* governs not simply the individual behaviour. It is also a social moral law.

Ghazali's explanation of the cybernetic process of learning rising towards God is still a hidden transliteration of the institutional and market and other processes comprising the system model of social political economy (Holton, 1992). Such a deepening experience in knowing the quiddity of God starts from the seat of the heart and expands out by knowledge towards the comprehension of outer reality. In the latter case the faculty of mind (reason) is combined with the faculty of the originary truth. On this issue Ghazali (Buchman, 1998, p. 12) writes:

For when someone is in the world of dominion, he is with God, "and with Him are the keys to the unseen" (*Qur'an*, 6:59). In other words, from God the secondary causes of existed things descend into the visible world, while the visible world is one of the effects of the world of dominion....

Ghazali explains the learning process from the world of dominion to the world of secondary causes as an endless cybernetic process. Hence, in the case of market-institutional relations as an example, the prevalence of God's quiddity over all unravels the inner systemic dynamics of knowing the structure of the social political economy. This is a derivation by the consequences of the following explanation of a cybernetic knowing of the learning relationship between quiddity (knowledge of oneness of God, i.e. *Tawhid*) and its external unravelling by knowledge in relation to the world-system (Karim, *Revivification: Book of Constructive Virtues*, undated, pp. 237-238, edited):

The first stage is like outer cover of a cocoanut. The second stage is the inner cover of a cocoanut. The third stage is the kernel of a cocoanut. The fourth stage is the oil of the kernel. The first stage of *Tawhid* is to utter by tongue, "There is no deity but God." The second stage is to confirm it by heart. The third stage is like the kernel, which can be seen by inner light or by the way of *kashf* (purity of heart). This is the stage of those who are near to God. The fourth stage is like oil in kernel. He sees nothing but God. This is the stage of the truthful. The experience is called *fana-fi-Tawhid* or to lose oneself in *Tawhid* (the monotheistic quiddity).

Ghazali's peripatetic thought applied to behaviour, markets, and institutions as embodiment of rules, regulations and purpose with goals (*maqasid as-shari'ah*) is a landmark in the study of ethics and the social political economy. Thus

Ghazali's peripatetic ideas concerning God, virtue, goodness and the construction of individual ethical preferences become the construct of an ethically induced social political economy. God, hence morality and ethics, are central attributes of the social political economy. These are the derivations from Ghazali's socioeconomic thought.

4. SOCIAL POLITICAL ECONOMY

The meaning of the term social political economy, implied in this paper to Ghazali's peripatetic thought, is a complex system of interrelationships on the evolutionary learning plane that causally establish interactive patterns between the peripatetic domain of epistemology, law, behaviour, and the world. This totality comprises the purpose and objective of the Islamic Law (*shari'ah*) and is referred to as *maqasid as-shari'ah*, on which Ghazali dwelled extensively. The sustainability of the immanent evolutionary learning process by causality in the system and cybernetic pattern of moral, ethical, social and economic interrelations with the presence of individual preferences and social transformation -- as a peripatetic implication of this paper -- has its prime objective that is premised on the episteme of divine oneness of the moral law (*Tawhid*) and its practice by individual and social behaviour in the world of appearances. Examples of the latter are economy, markets, institutions, society, and the overarching development process.

The term of social political economy derived in its peripatetic sense of interrelationship between the realm of Godly dominion, the monotheistic episteme, and the world of cognition (appearance and experience), is quite contrary to the received idea of political economy. In mainstream literature (Staniland, 1985; Mill, ed. Riley, 1994; George, 1897) political economy is a positivistic field for studying the conflict and alliances that ensue between interest groups on the production, ownership and distribution of wealth.

Political economy then studies the conditions of power that enable such conflicting goals and objectives to be attained in a self-maximizing world-system. The field is embedded in the massive morass of power, conflict, and acquisition, in a self-maximizing world of wants. Thereby, when poverty-centred political economy of development is studied (World Bank, 2000), factors like the rich and the poor, the powerful and the deprived, economic growth (efficiency related goals), social/distributive justice, and the like, are considered to be opposite sides of a perpetual conflict. This inherent development theory in its positivistic and normative forms is intrinsic to the field of political economy of development.

This idea is alien to Ghazali in his conceptualization of the poverty-centred social political economy of development. In Ghazali's model there is the possibility of coexistence between *all* factors. The rich and the poor, the powerful and the deprived, economic efficiency (growth) and social/distributive justice, and the like, are not oppositely poised in conflicts. Instead, there is coexistence everywhere and among all via the establishment of a basic-needs regime of development in the context of a behavioural moral and ethical transformation of society. Ghazali wrote on this theme of moral and ethical social actualization (Karim, BCV, p. 229): "Limited wealth is necessary for livelihood. The earning man should give up earning if he has got necessary things for a day. This is the condition of renunciation. If one crosses this limit, he surpasses the ways of the Prophet and goes out of the lowest stage of renunciation". The condition of giving up earning beyond satisfying life-fulfilment needs is to practice charity and the social purpose and objective of giving in the good causes. This can include collection by the state by way of what is called in Islamic mandatory charity as *zakat*, meaning a specified take from the rich for the poor and the social good (*maslaha*). This is considered as an act of piety (*islah*) in a poverty-centred basic-needs regime of development contra maximizing in the regime of wants and self.

A progression of certainty of the inner and outer properties of the social economy is realized by the perpetual recalling of *Tawhid* at every stage of the evolutionary learning process. Such evolutionary learning processes are perpetually premised in the episteme of unity of knowledge and the unified world-system so constructed. Figures 1 and 2 delineate a meaning of the creative stages of Ghazali's social political economy.

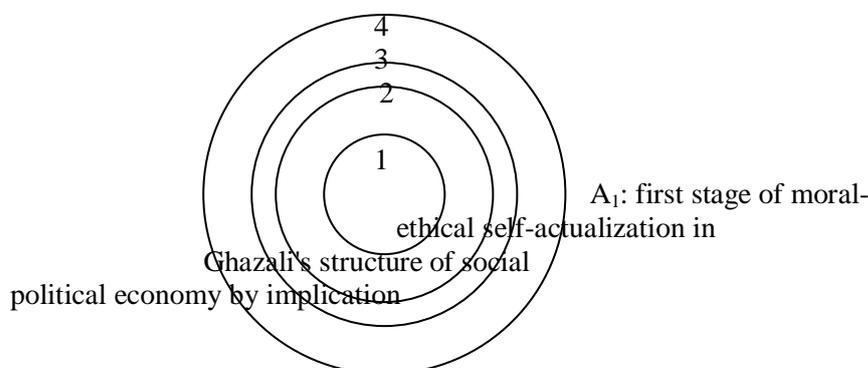
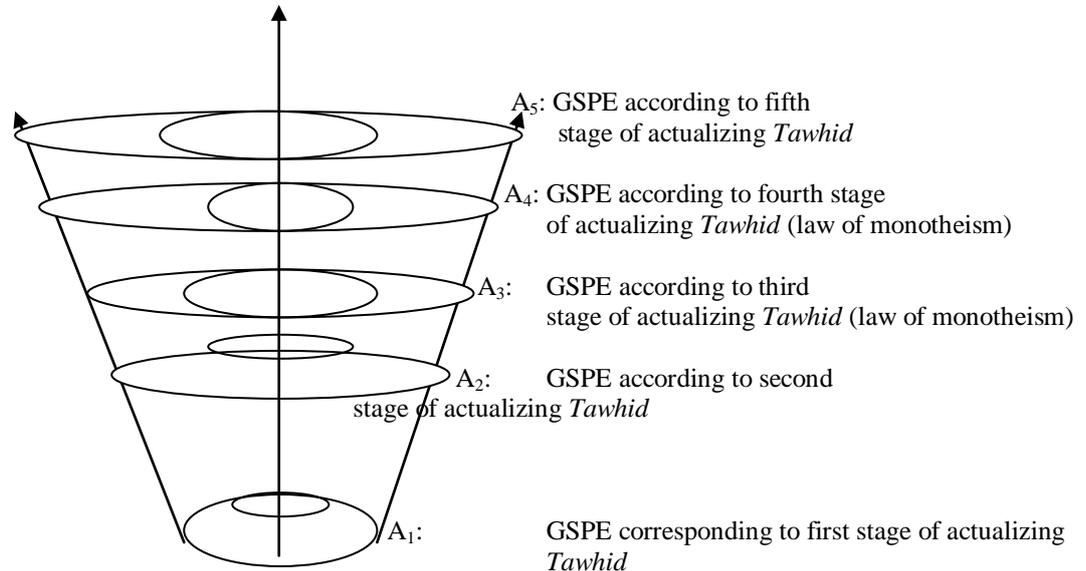


Figure 1: Ghazali's *Tawhidi* (Monotheistic) Social Political Economy

- Legend:**
- 1: *Tawhidi* episteme comprising the *Qur'an* and the *Sunnah*
 - 2: Attributes of goodness and virtue derived from the *tawhidi* law (law of monotheism)
 3. Worldly affairs (*muamalat*) in the light of the *maqasid as-shari'ah*
 4. Overarching market-institutional embedded relations by implication

**Evolutionary learning processes of Ghazali's social political economy (GSPE)
in the *Tawhidi* (monotheistic episteme)**



**Figure 2: Ghazali's Evolutionary Social Political Economy
in *Tawhidi* (Monotheistic) Episteme**

5. INFERENCE

In the end, we note that, Ghazali's economic and financial dealings in terms of their composition of the just and virtuous values yielded the meaning of the social political economy. The central driving force of Ghazali's social political economy is knowledge as of the soul in action in the relations of the political economy linking God to the World and the Hereafter in circular causation. In this regard Ghazali wrote (Karim, *BWU*, p. 70): "Know, O dear readers that, nobody should forget his religion and the next world – his destination during the course of his trade and commerce and earning livelihood." Through this kind of interrelations between knowledge, soul, goodness and goal of religion and the Hereafter, the worldly affairs are interactively organized for attaining the ultimate wellbeing in this world and the Hereafter. Ghazali prevails on the Prophet's sayings on such interrelated matters of his social political economy: "Fear God wherever you are: Markets, mosques, and houses are all the same for those who fear God."

6. DEDUCING THE MEANING AND FORM OF SOCIOECONOMIC DEVELOPMENT FROM GHAZALI'S THOUGHT

Ghazali's structure of social political economy implied from his peripatetic thought has deep implications in socioeconomic development (Mehmet, 1997). The derivation of a dynamic basic-needs regime of development logically imports into the theory of socioeconomic development the central role of morality and ethics in the choice of goods, services, technology, and the sustainable use of various kinds of resources. Ghazali promoted the idea of development with less resource -- not for any profit and output maximizing objective. Rather, this prescription was in accord with Ghazali's moral worldview of moderation and peaceful coexistence in an Islamic social order. For this reason Ghazali was consistent with many other Islamic scholars and jurists on the idea of social wellbeing by the social choice and individual acceptance of such necessities that bring about the common good on a scale of equality, honour and security, all together establishing the sustainable social order. This kind of individual choices and their conversion into social choices is the mark of a good society, as being opposed to an acquisitive society. Such a society is said to have wellbeing (*maslaha*) out of truth and purity (*islah*).

The principle of the good society out of the wellbeing objective has been in the works of the greatest Islamic scholars. Among them are Imam Shatibi (Draz, undated)⁴, Ibn Taimiyyah (trans. Holland, 1982)⁵, and Shah Waliullah (trans. Jalbani, undated)⁶. When this principle is taken down to the level of individual moral and ethical possibility, Ghazali recommended a down-to-earth socioeconomic development though with harsh trials in the material renunciation of life for the goal of attaining a peaceful society that surrenders to God at its centre. In this regard, Ghazali centred his model of a good society on the following principles: (1) God centred, which he called *Tawhid* (oneness of God and of the divine law) and *tawwakul* (God-reliance). On this principle Ghazali wrote in his *Book of Constructive Virtues (BCV) in Revivification* (Karim, p. 234): The meaning of God-reliance is intellect (knowledge), the *shari'ah* and law of monotheism (*Tawhid*) – the intermingling of these three elements in a continuous manner. Ghazali continues to write, "In other words, if a man believes that anything has got power over the actions of a man, he cannot be counted as a true monotheist."

7. IMAM GHAZALI ON POVERTY ALLEVIATION IN HIS TAWHIDI PERIPATETIC WORLDVIEW

With the cardinal principle of *Tawhid* and *tawwakul* (God-reliance) Ghazali modelled his poverty-centred socioeconomic development worldview. Ghazali defined poverty not as human alienation and conflict between the rich and the poor as irreconcilable groups. Rather, Ghazali's definition of poverty was centred on the limits of a basic-needs regime of moral and ethical premise of socioeconomic development. He wrote (*BCV*) (Karim, p. 173-174): "Know, O dear readers that, the meaning of poverty is not to possess what is necessary to remove wants. Not to have a thing what is not necessary is not poverty. If you have what is necessary and if you have got control over it you are not a poor man. In this sense, everyone is poor except God, as he is ever-living. So God alone is above wants and everybody is dependent on Him." It is also along this line of understanding poverty as being caused by the limits of needs against wants that the Prophet prayed to God to live with the poor, to die with the poor, and to be raised in the next world with the poor.

Ghazali categorized six types of states of poverty along which the basic-needs regime of development can be constructed and sustained in his moral and ethically evolutionary learning system of social political economy (Chapter IV, "Poverty and Renunciation"). (1) Poverty is caused by renouncing the world; a man does not want riches despite their appearance to him. (2) Poverty is caused by a man aspiring to free himself from want despite that he does not shun wealth. (3) A man who loves wealth but does not belabour himself to its acquisition. Such a person is a poor person with love for wealth. (4) Poverty is caused by greed for wealth and its acquisition but cannot accomplish these. (5) A person is unable to acquire his needs due to paucity of wealth. (6) Poverty is caused by one's indifference to wealth. If wealth comes to him he is not pleased. But if wealth does not come, he is not displeased. Such a person has self-satisfaction. God adorns his heart with the attribute of self-satisfaction.

Such attributes of the contented moral and ethical society that Ghazali envisioned in his socioeconomic development theory, by implication in this paper, point out that to develop with fewer resources is an act of various categories of renouncing wants not needs in a moral and good social order. It affirms the strong condition of sustainability within a basic-needs regime of social political economy. Its objective criterion is wellbeing that springs from the foundation of *Tawhid* and *tawwakul* (God-reliance); and then through the evolutionary learning progression of the heart and mind, life-fulfilment progresses along Ghazali's peripatetic phenomenology of reality. This combines the realm of the dominion of *Tawhid* and *tawwakul* (God-reliance) with the actions of living experience (world).

In reference to his God-centred social political economy of development Ghazali points out the basic-needs basket for a good society and for individual acceptance by inculcating knowledge. Such a basket comprises guarantee of sustenance in food, clothing, housing, family, and wealth within the limits of basic needs avoiding wants. Each of these elements when interacted by causality between them is grounded on the perspective of the poverty-centred model of development in the sense of self-satisfaction within a basic-needs regime of development.

The irrelevance of maximizing behaviour in Ghazali's evolutionary learning perspective of development at the grassroots presents a dynamic model of *islah* (goodness and good society). Such a society is fired by the knowledge

⁴ Imam Ghazali and Imam Ibn Taimiyyah (trans. Holland, 1982) both prescribed the limits of the three kinds of necessities in the social goods basket: necessities (*dururiyath*), comforts (*hajiyyath*), refinements (*tahsaniyyath*). These categories of the basic needs basket of goods cover also services and the entire gamut of consumption, production, investment and earnings categories both at the level of individual choices and their social manifestation.

⁵ Imam Ibn Taimiyyah's great work but of a small size (Holland, 1982) was his *Public Duties in Islam (Al-Hisbah fil Islam)*. In this the same idea of *islah* and *maslaha* have been provided with the aim of realizing the social regulation of the market process.

⁶ Shah Waliullah (trans. Jalbani, 1979) made his great contribution on the basic needs principle of development in the model of a progressive Islamic society. It bears the principle of socioeconomic development that is good for all societies, reminding the development planner on the inevitability of the basic needs regime of development for a sustainable society (Streeten, 1981).

premise (*ilm*) of *Tawhid* and *tawwakul* (God-reliance) (epistemological aspect) as opposed to an acquisitive society on which, in much later times, wrote Tawney (1948). In the end we note the emergence of a moral and ethical behavioural model of the social political economy arising from Ghazali's peripatetic thought in his *Revivification* and other great works.

8. A REVIEW OF THE LITERATURE: SOCIAL CHOICE AND INDIVIDUAL VALUES PREMISED ON MORALITY AND ETHICS

In the acquisitive world, where God and the moral foundation of a mature society remain absent, some would argue that Ghazali's social political economy premised on his peripatetic thought is an outmoded Utopia. This point of reaction can be challenged.

Firstly, the review of the literature of the classical and modern times point out abundantly that leading minds have thought about and continue to think along the lines of the moral and common good earned in states of moderation, basic needs, and sustainability. Secondly, Ghazali's prescriptive worldview provides a normative policy model for emulation in some important institutions that have matured today, such as the Islamic banking system and development in the eyes of the Islamic discursive institutional system called the *shura*. Thirdly, in a world today of much turmoil even in the face of affluence and tremendous growth, the widening gap between the haves and have-nots spell out the need for a morally reconstructed alternative future in all spheres. Here we think of the moral reconstruction of economy, finance, and society.

8.1 Evolutionary design of the social universe

We will sparingly note some leading comparative works in the literature to establish the similarity in moral and social reconstruction being thought of in the history of social and economic development for attaining the common social good. The idea of the common social good is taken in its evolutionary learning context to mean the explanation, formulation and policy and programmatic utilization of a behavioural index of wellbeing. Such evolutionary design of the socially universal inter-systemic model of learning between coexisting things for the common social good, is taken up in the sense of Figure A1 (Appendix) along intra-systemic learning and inter-systemic evolution across intersecting domains and time. In this respect the words of Inglott (1990, p. 18) are interesting to note: "The future generations in the developed world are the natural allies of the present generation in the developing world. It is in the interest of both that another pattern of development be adopted by mankind than that historically pursued over the past few centuries, at least."

8.2 Ghazali, Hume and Kant: contrasting episteme in reference to the social political economy of money and real economy, the Quantity Theory of money and prices

On the basis of the differences between Kant, Hume and Ghazali's thoughts we can now investigate how the problem of interrelations between money and the 'real' economy, as an example in social political economy, can be conceived in terms of the different epistemic thoughts.

It is well-known in mainstream economics that the origin of the idea of Quantity Theory of Money came first from David Hume (Blaug, 1968). In his version of the idea of Quantity Theory of Money, Hume argued against the Mercantilist economic doctrine that their pamphleteering idea to buy cheap in the import of goods and services from the British colonies and sell them expensive in the form of exports. This would be a contrary policy for external-sector stability of England. Such an act if adopted would mean exporting bullions and exchanging it with low valued currency at the expense of foreign reserve. It was thereby recommended to enter into a regime of balanced trade. In this situation, the aggregate value of exports would equal the aggregate value of imports. Thereby, only that much of national stock of money would be used proportionately to meet the reciprocal value of import.

In the Equation of Exchange of Quantity Theory of Money the proportion of money in circulation to produce exportable would amount to the Monetary Stock multiplied by the Velocity of Money Circulation (Friedman, 1989). This would then equate with the value of spending in imports. In the case of a disparate gold backed and paper backed currency in circulation, gold through exports would be drained off its value by low valued paper currency in circulation in imports. If however, gold standard was practiced in both exporting and importing countries then balanced trade would bring about prosperity to both countries.⁷

⁷ The Exchange Equation of Quantity Theory of Money is now divided into two parts in a dual monetary system, one in asset backing by gold; the other in paper denominated monetary stock. The example is that of Malaysia, which is proposing such a dual monetary system (Billington, 2002). In this dual monetary system the Exchange Equation assumes the form, $MV + \sum M_i = PY + \sum P_i Y_i$, with M as monetary stock in the paper-backed monetary sector. M_i denotes monetary stocks by projects, $i = 1, 2, \dots, n$. P denotes price of output Y in the paper-backed sector. P_i denotes prices of outputs

Kantian world-system with its differentiation between *a priori* and *a posteriori* analysis, noumena and phenomena, pure reason and practical reason (Kant trans. Friedrich 1949; Seidel, 1986) reflect the condition of separation of the monetary sector from the 'real economy'. The financial instruments in the middle of this lose their participatory function due to the holding back of resource mobilization. Indeed, Keynes too always wondered about the predicament (Ventelou, 2005) linked with marginal rate of savings as an indicator of withdrawal from the income multiplier.

The nature of Kantian differentiation in socio-scientific thinking is depicted in Figure 3. In it we also point out the existence of such differentiation both in respect of epistemological questions of science and religion, and for money, finance and real economy. Kant's theoretical constructs fail to apply to the organic need for methodological continuum in thought, thus denying causality to prevail continuously in the dimensions of knowledge, space, and time.

The consequence is utterly destructive for modern socio-scientific reasoning. The differentiated impression one gets is that the entire domain of the sciences has always viewed an isolated existence of its own, separated from any endogenous theory of morality, ethics, and sociality in it. Social Darwinism is invoked thoroughly to explain the idea of 'processes' in scientific theory (Hull, 1988). Competition, conflict, methodological individualism, postulate of scarcity, maximization behavior, and biological differentiation are found to fully color the organic relational domains in social Darwinism. Contrarily, symbiosis in socio-scientific processes is meant to explain the continuum of endogenously embedded forces of competition, conflict, methodological individualism and differentiation (Holton, 1992). Such a fallen state of the world is then followed by the moral and social reconstruction according to the normative new.

The result of the differentiated worldview is resource scarcity, which causally relates and enhances in the continued systemic constrictions of its own. Learning cannot be realized *res extensa*, as it should be. This is due to its own consequences of the failure to attain sustainability by embedded and continuous evolutionary learning. Thus now, there is the pressing epistemological need to examine, study, and to implement a new historical perspective based on the endogenous nature of unity of knowledge and of the world-systems.

In the case of Ghazali's thought on currency, gold and silver backing, avoidance of counterfeit coins and devaluation, and shunning interest-based transactions, the gold-backing and the gold-standard of today play central role for stability and wellbeing. This condition is in accordance with the historical observation stated by Al-Maqrizi on money and the gold standard (Allouche, 1994, p.55): "According to all reports, either valid or invalid, no nation or group of people is ever known to have paid for goods or remuneration for works in ancient or recent times in a currency other than that of gold and silver. In fact, it is said that the first to mint the Dinar and the Dirham was (Prophet) Adam, who said that life is not enjoyable without these two currencies."

Thus according to the explanation in the footnote respecting external sector stability using the gold standard and trading in the good things of life to balance trade with proportionate basic needs and not wants, the gold standard helps out. Yet this is not to be found in the philosophical underpinnings of money, finance and the real economy either in Kant or Hume (Choudhury, 2010).⁸

generated in the *i*th monetary sector by projects, though not identically. That is because there may exist central bank policy to allow monetary stock to flow between the two sectors to stabilize the economy when needed. In the gold-backed monetary sector monetary flow is project specific ($i = 1, 2, \dots, n$). Each project can be subdivided into smaller projects and aggregated over projects as well. Thus monetary stock is fully mobilized by projects in the gold-backed monetary sector. Consequently, the velocity of project-specific monetary flow is unity.

On the side of paper-backed monetary sector, $V < 1$. Therefore, $M > PY$. Whereas, in the gold-backed monetary sector with the over all gold backing in the trading countries, $V = 1$, and $\sum M_i = \sum P_i Y_i$, though not identically by *i*-specific projects. That is in the paper-backed monetary sector export value (of bullions) exceeds the value of imports in currency backing. In the gold-backed monetary sector prevailing in the trading countries, export value equals import value causing balanced trade.

⁸ Trade here implies trade in real good and services for money in exchange at specified points in time when the trade occurs, not in anticipation of the future at present time. In the latter case, the time preference rates that arise are equivalent to interest rates. Ghazali abhors this in exchange according to the *shari'ah* rule on economic affairs (*muamalat*). The original form of the Quantity Theory of money and prices upheld this view. The latter days' version as of Friedman's (1989) includes interest rates as the price of financial instruments in the equation of exchange.

along the unification path integrating the consciousness regarding God, the World-System, and the Hereafter is sustained.

Such a learning process along the evolutionary form of the social political economy yields the essential meaning of sustainability. The reproductive nature of inter-causality in the unification of the deductive reasoning and the inductive reasoning is the cause and effect of the epistemic unity of knowledge in the moral law. By the same methodology, different segments, markets, institutions, and money and the real economy as examples sail together along the trajectory of unification of knowledge (complementarities). Ghazali's thought on *Tawhid* as the law of epistemic oneness implies the unification of reasoning and the consequential realization of the unity of consciousness in the world of forms. Buchman (op cit, p. xxxi) points out this aspect of Ghazali's teaching in *Revivification*: "As in *The Revivification* Ghazali asserts that this search for God is only possible through unifying the outer and inner teachings of Islam in faith and practice."

8.4 Sen and Ghazali's deontological consequentialism

We discuss now the implications of Ghazali's peripatetic thought in Sen's endogenous ethical theory of deontological behavior and consequentialism. Sen (1990) defines the idea of deontological consequentialism as the broad spectrum of generalized evaluative interrelationships associated with a domain of consequences of rule-based acts and their rewards or penalties in the light of moral law. In Islam the moral law is of *Tawhid*. This is reflected in the objective and purpose of Islamic Law (*shari'ah*) -- the *maqasid as-shari'ah*.

We explain the Islamic deontological-consequentialist idea further as follows: According to the moral text there is a one-to-one relationship between an Act and its reverse relationship of Consequences. This means also that, with every Consequence we can associate a prior Act. Such a relationship then defines Duty in respect of an Act and Reward or Censure in regards to Consequences.

We will now use the above discussion to expound the concept of deontological consequentialism in Ghazali's social political economy. By using Ghazali's primal epistemology (*Tawhid*) in relation to worldly affairs it is understood that in Ghazali's evolutionary learning processes, the properties of interaction, integration and creative rediscovery or evolution, remain permanent.⁹ This last feature together with the total knowledge-induced concept of epistemology and world-systems causes the widest field of interaction, integration, and creative evolution to appear in world-systems. Such is the essence of a process-oriented order of learning in Ghazali's implied social political economy. It causally springs from the roots of divine unity as the invariant stock of full and complete knowledge and leads to evolutionary knowledge-flows in all the details of world-systems premised on the universal framework of unity. We refer to the institution that activates the discursive phenomenon in society at large as the consultative body (*shura* in the *Qur'an*) and its evolutionary learning dynamics of the discursive process, as the *shuratic* process.

9. APPLIED PERSPECTIVE IN CONCLUSION

Ghazali invoked the common values and sentiments of all people, not simply of Muslims, to build upon his moral psychology a conceptual, consistent, and applied theory of a unified world-system that worships God in the entire order of things. This precept of universality in the constructive dynamics of an evolutionary learning universe premised solely on the epistemic oneness interrelating God, the World-System, and the Hereafter is a message embraceable by all peoples despite their interpretive differences and beliefs. This kind of unification of knowledge in the moral-social (re)construction of the world-system is a subtle intellection that belongs to the sages.

Within the evolutionary learning perspective of the social political economy derived from Ghazali's theory of personal and social-political psychology we can consider the cases that we have examined in this paper. These are the organic unity and evolutionary learning on unification of knowledge and the world-system. One unravels deep synergistic relationships between various themes. The socially induced individual preferences ethicized by knowledge premised on the tenets of unity of knowledge forms the social preferences and wellbeing criterion of the common good. Such a moral-social construction proceeds by extensive participatory discourse of a learning society. The logical result of such a framework of moral-social reconstruction is through the medium of basic-needs regime of development. Socioeconomic development is now defined in its multifarious forms directed to the preservation of the moral law everywhere, always, and in everything. Such meaningful socioeconomic development necessarily requires mobilization of all kinds of resources for the sustainability of the development system. Among such resources importantly are money,

⁹Imam Ghazali wrote on this issue by referring to the cosmic pen that conveys knowledge and unravels the world to the learner in *Tawhid* (Karim, p. 245, edited): "When knowledge was puffed up in his (treader in the path of religion) heart, his oil was kindled. Then light upon light came to him. Then light said to him: Value this moment greatly. Open your eyes, so that you may find the path. When he opened his eyes, he found the pen of God as described. It is not made of reed, it has no head. It is incessantly writing in the mind and soul of men. He said being surprised at it: What a good thing is knowledge."

finance and the ethico-economic artifacts of the 'real' economy. The principle of unity of being and becoming in the total development sustainability requires complementarities between money, finance and the 'real economy' through the use of interest-free financing instruments (Choudhury, 1997). The sustainability of Ghazali's social political economy is established by the continuous function of organic relationship between the above-mentioned purpose and objectives of the moral law in action in the experiential world-system.

This is the abiding message of Ghazali's theory of the social political economy and of the wider peripatetic implications of Ghazali's thought on the moral-social reconstruction of the world-system. Mehmet (1997, p. 1217, edited) concludes in this regard: "... The development economist needs to be inspired by the humanism of great thinkers like Ghazali and work towards the goal of integrating economics with ethics. Internationally, the challenge for the contemporary development economist is the promotion of global equity built on *de facto* shared prosperity for all shareholders in a one world as global village. The principles for good global governance for the task articulated by Ghazali a thousand years ago remain as valid today as the day they were written."

10. APPENDIX A1

THE LEARNING DYNAMICS OF UNITY OF KNOWLEDGE (*TAWHID*)

We explain the interactive and integrative learning dynamics of unity of knowledge in relation to the world-system in expression (A1).

$$\begin{array}{ccccccc}
 [P^*] & \rightarrow & P_1 & \rightarrow & P_2 & \rightarrow & P_3 \rightarrow \text{etc.} & (A1) \\
 \\
 [\Omega \rightarrow_s \{\theta^*\}] & \rightarrow_{s1} & \{\theta_{ijk}^{*1}\} & \rightarrow_{fs1} & \{X_{ijk}^{*1}\} & \rightarrow_{s2} & \{\theta_{ijk}^{*2}\} & \rightarrow_{hs2} & \{X_{ijk}^{*2}\} & \rightarrow & \text{continuity} \\
 & & \uparrow & & \uparrow & & & & & & \\
 & & & & W_1(\theta_{ijk}^1, X_{jk}^1(\theta_{ijk}^1)) & & & & W_2(\theta_{ijk}^2, X_{ijk}^2(\theta_{ijk}^2)) & &
 \end{array}$$

Figure A.1: Formalism of the Generalized *Tawhidi* Interactive, Integrative, and Evolutionary Learning Processes *a la* Ghazali’s Social Political Economy

In the chain of recursive relationships in Figure A1 the following symbols are defined: Ω denotes the fundamental epistemology of unity and is understood as the super-cardinal topology (‘large cardinality’ of Rudy Rucker, 1983) of the divine law (i.e. complete and invariant). This is the axiomatic foundation of Islamic epistemological thought.

From Ω emerges $\{\theta^*\}$, the most authentic *Sunnah* and *hadith* (teachings of the Prophet Muhammad). These are taken as the well-defined relations denoted by ‘s’, as the *functional* ontology (Gruber, 1993) for deriving flows of knowledge on worldly affairs, denoted by $\{\theta_{ijk}^1\}$, derived from Ω . Yet we note that, while $\{\theta^*\}$ and ‘s’ are invariant as the most authentically recorded ways and modes of deriving knowledge from the *Qur’an*, ‘s’ is subject to discourse in expression (1). $i = 1, 2, \dots$, represents interaction across systems; $j = 1, 2, \dots$, stands for agents; $k = 1, 2, \dots$ etc. for systems.

This first level of knowledge formation, indicated by the superscript ‘1’, leads to knowledge-induced cognizant forms, physical or conceptual (i.e. relations and topological functions), $\{X_{ijk}^1\}$. In the second stage of the learning process, $\{X_{ijk}^1\}$ leads to the evolution of new knowledge-flows, $\{\theta_{ijk}^2\}$, via the relation given by, f_{s2} . This is the function, f , for deriving rules from the ontology of ‘s’, which in turn is primordially premised on Ω . This methodology thus establishes a field of discourse defined by interactions that lead to consensus. The stage of consensus in selecting knowledge-flows impacts upon the emergent forms as shown by the asterisked symbols in the above expression.

The completion of the process $P_1: \Omega \rightarrow_s \{\theta^*\} \rightarrow_{s1} \{\theta_{ijk}^{*1}\} \rightarrow_{fs1} \{X_{ijk}^{*1}\}$ is followed by the creative evolution of a new and similar process, $P_2: [\Omega \rightarrow_s \{\theta^*\}] \rightarrow_{s2} \{\theta_{ijk}^{*2}\} \rightarrow_{hs2} \{X_{ijk}^{*2}\}$. This too depends upon the invariant premise, $[P^*] = [\Omega \rightarrow_s \{\theta^*\}]$. Thus, there is a compounding of the transmission mappings of knowledge-flows premised on the fundamental epistemology of epistemic unity.

The proof of the above attributes being carried by $s(\theta^*)$ into cognitive forms and their interrelationship in the world-system is evaluated by means of the social wellbeing function, $\{W_1(\theta_{ijk}^1, X_{jk}^1(\theta_{ijk}^1))\}$, where l takes integral values across processes $\{P_l\}$. From the complementary nature of the knowledge-induced variables that enter the social wellbeing function, it is clear that, the basis of evaluation is the degree to which complementarities are attained by a particular arrangement of systemic interrelationships in the social political economy. This principle of universal or pervasive complementarities manifests the essence of observed unity in the real world. The emergence of the post-evaluative function of wellbeing occurs at the end of every process, say P_{i-1} , and at the juncture of commencement of the next process, P_i , $i = 1, 2, \dots$

The rest of the process-based evolution of knowledge-induced world-systems remains similar. We have thus arrived at a very important result through the complex relationship among the various s -functions, all being premised on the epistemology of divine unity and the functional ontology of the *Sunnah*. The result is to annul the dichotomy between deductive and inductive methodology and instead to unify them in reference to the unique and invariant premise of fundamental unity of reasoning. This same precept of unity also generates pervasive knowledge-induced complementarities among knowledge-flows and their knowledge-induced forms.

We have thereby the meaning of interaction (I), which is seen as the continuous generation of knowledge-flows through discourse within and across all specific domains. The result is a consensual knowledge value and its immanent material form. This is the meaning of integration (I). It occurs across all systems that are now found to complement each other. Finally, the dynamics of interaction leading to integration are further evolved by creative knowledge-induced evolution (E). Hence, the processes denoted by $\{P_i\}$, $i = 1, 2, \dots$ are equivalently the *shuratic* processes or equivalently the **Interactive, Integrative, and Evolutionary (IIE)** processes. One notes here that we have extended the understanding of *shura* (discourse), and thereby of *ijtihad* (interaction) and *ijma* (consensus = integration) – in *qur’anic* terminology -- to the universal meaning of such mediums of knowledge formation in relation to ‘everything’ (Barrow, 1991).

11. APPENDIX A2

NON-PARAMETRIC TREATMENT IN GHAZALI TYPE SOCIAL POLITICAL ECONOMY: INTEGRATING RELIGION AND ECONOMICS BY SPATIAL DOMAIN METHOD

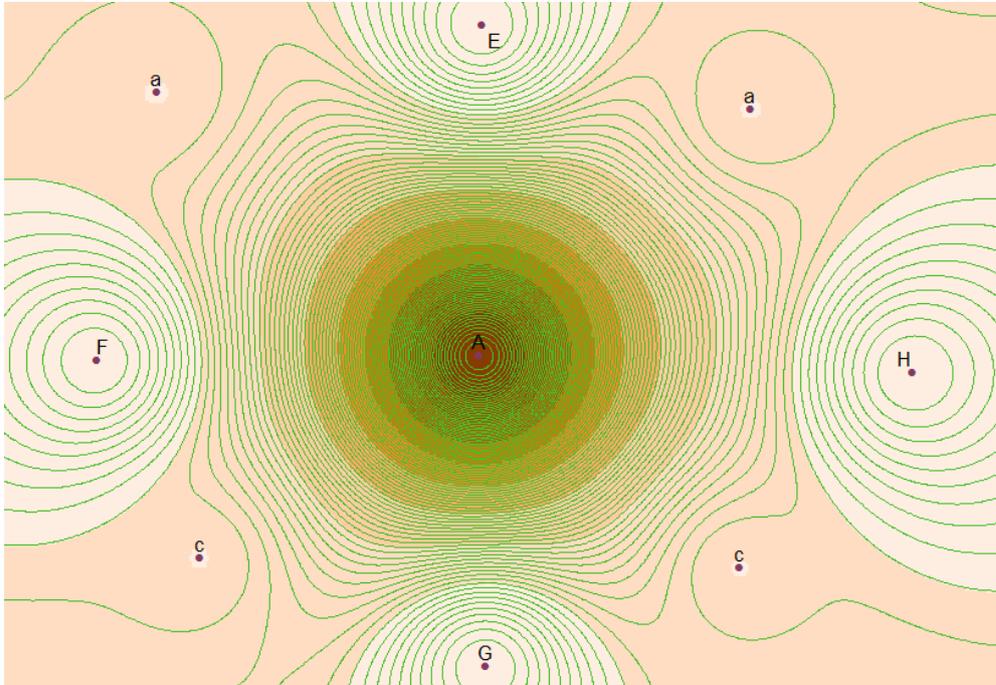


Figure A.2: Spatial Domain Form of Non-Parametric Representation of Pervasive Complementarities in Ghazali's Social Political Economy – Tawhidi Learning Worldview

10.2.1 Explanation:

Spatial Domain Analysis is a special study in the Geographical Information System, which this paper adapts to socio-scientific topography as human ecology that is governed by the epistemology of unity of knowledge. In this case, SDA maps numerical values of estimated coefficients onto the topography of interrelating fields of systems. The intent is to bring out the improving complementarities between such systems by choosing appropriate values of the simulated coefficients out of the estimated ones. That is, either the negatively related coefficients between variables that imply marginal rate of substitution between them are changed to positive values, or are estimated into positively related coefficients between such relational variables. Thereby, the estimated coefficients may also be further improved as desired to generate systemic unity. But such choices must be discrete according to the possibility of change, as every such change draws upon resource availability and involves costs.

In Figure A2, origins like E, F, G, H denote the centers of four systems, which the method of circular causation applied to the inter-causal variables of simulation of wellbeing function applies to attain better complementarities between the variables as they are governed by the *maqasid as-shari'ah* (Ghazali's moral choice). Thus regions overarching 'aacc' denote the continuously dynamic numerical results of the simulated coefficients generating interaction, integration, and evolutionary learning processes. The IIE altogether moves the regions towards the region around A. This region A is the knowledge-induced complementary target of the IIE-processes as they emanate from E, F, G, H, and traverse the regions like 'aacc', and move towards the process-based target around A. $A = [\{aa\uparrow\} \cap \{cc\uparrow\}][\theta]$.

The final effect of the continuous values of evolutionary learning denoted by $[\theta]$ is to make the intersected region around A evolve continuously. Along with this the intra- and inter-systemic variables expand continuously as well. Figure A2 is a non-parametric representation of the circular causation idea.

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