

## **Comments on “How to Teach Intermediate Microeconomics in Islamic Perspective at Intermediate Level in an Undergraduate Program”\***

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I would like to start by congratulating Brother Khan for dealing successfully with such an important field. No doubt, initiating university-level research in Islamic economics will bear fruit. The present Islamic intellectual awakening will provide for us a path away from Western intellectual domination. Then our students will be able to pursue their studies, preparing the ground for generations of Islamic economists. If we can enrich economics departments in the Islamic universities by introducing Islamic economics programs, soon, we will witness a whole generation of Islamic economists from all over the Muslim world contributing profound research.

Realizing such ambitions is not easy. It is not possible to change the secular microeconomics curriculum into an Islamic one in method and content in a short time; but it is possible to change it step by step. Each subject needs to be systematically designed, taking into consideration all relevant elements, such as its importance, its fundamental relationship to the other subjects, as well as the means by which it will be infused with the Islamic character.

I think microeconomics represents the core of economics. So how to achieve such an important objective? Obviously, it cannot be achieved by the efforts of one researcher. It requires the combined efforts of many researchers. Whenever the subject is discussed the enormity of the task looms over the debate. The difficulties are many—a lack of funding, an absence of Islamic economics from the intellectual stage, etc. Presently, there is no serious scientific research being undertaken. Applied Islamic economics is nonexistent in the Muslim countries—they are dominated by secular economics. There are no specialists of Islamic economics.

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\* Translated from Arabic by the editor.

In the light of these facts, approaches to Islamization must be attempted. One approach is to teach the shari'ah as it relates to economic topics in parallel with secular economics. I contributed to this approach and was associated with it. At the time, it was a necessary beginning but now it is no longer sufficient. It did not produce the hoped-for Islamic economist; rather, it produced a person with two separate cultures, one from secular economics and the other from the shari'ah, without achieving the goal of an Islamic economist.

I believe it is necessary to rethink the problem in order to reach a more effective approach. Presently, the call for the Islamization of economics is urgent. Such a call gives the impression that what we need to do is examine secular economics from an Islamic point of view, eliminate what is not in accord with Islamic values, and then develop what accords, replacing those parts which were eliminated. This approach has many practical points. Already, we have a full-fledged economic science and it is a waste not to use the available literature, particularly when we know that wisdom is the lost property of the Muslim, he recovers it wheresoever he finds it."

There is another approach, and that is to rely totally on given Islamic principles and laws and what was developed by our scholars, then build on this heritage, completely overlooking the existing secular economic theory. Assuming that there has been no secular economics, we would have failed to develop the basis for new economic theory. This approach is quite intricate, but at the same time the outcome will be less influenced by the prevailing secular economics.

I think that the difference between these two approaches can be narrowed. I see no problem in benefiting from the existing secular economics. I even think that it is necessary to use the accumulated knowledge of secular economics, not only as a basis for developing Islamic economics, but also as an aid. The experience of teaching Islamic economics motivated some researchers to investigate the problems related to Islamic economics programs at Muslim Universities. The present paper is an important piece of work in that effort.

Now I would like to discuss the question of production. The author sees that Islam perceives the production function differently than the West. He adds that in secular economics the production function does not take into account the element of risk but that in Islamic economics, the elements of risk and uncertainty are present.

According to the author, in Islamic economics, factors of production do not earn fixed returns as they do in secular economics. I do not agree with that. The production function has only one setting. What differs is the cost line, that may take a different configuration from the 'well-known' cost line. The production function is similar in the two cases. We cannot, however, define the cost function in Islamic economics, because it is derived from the production function. In Western systems, one can derive the cost function because the factors of production receive fixed returns. In Islamic economics, this cannot be done because capital does not receive fixed returns. In fact, this problem deserves detailed treatment because there is no Islamic literature on the subject. Even in secular economics production theory is the weakest point in the science and the focus of much debate.

Khan is convinced that the theory of general equilibrium is not suitable for Islamic economics, where the market decides the allocation of resources. I think that market forces in Islamic economics will function well, because the definition of property rights in Islam will diminish the possible failure in the markets. In fact, they may function even better in Islamic economics.

Finally, I would like to applaud the successful efforts of Khan in this excellent contribution.