

(Q1) There remains no doubt that the muslim Ummah is in a predicament. The turmoil in many muslim majority countries such as Syria, Palestine etc. serves as a testament to this. There are many challenges that the Ummah at present faces. ~~It~~ Not only do these challenges include internal problems like political disunity, economic stagnancy, educational educational crisis, but also span external challenges such as Islamophobia and Dependency on the West. ~~Before~~ Before we jump to the challenges let us discuss what is meant by Ummah:

### What is meant by Ummah

Ummah is derived from an Arabic word which means 'community'. In Muslim Ummah refers to the diaspora or commonwealth of Believers, and thus the whole muslim world, irrespective of where they reside.



## Contemporary Challenges faced by the Muslim UMMAH

### a) Internal Challenges

#### → Political disunity

The Muslim countries suffer from a lack of unity. Many muslim majority countries prefer their own national interests and relegate the problems faced by their <sup>fellow</sup> Muslim countries to the back burner. Though, Islam places paramount importance to brotherhood, but there is attention given to this. Emphasising on the brotherhood of Muslims, Prophet <sup>Pbuh</sup> said:

"The parable of believers in their affection, ~~to~~ mercy, compassion for each other is like a body - when a limb aches, the whole body reacts with sleeplessness and fever"



## → Sectarianism :

The problem of sectarianism is rightly called 'The curse of the Ummah' by Mahatir Muhammad, former prime minister of Malaysia. Sects are created when a group of people develop practices, and distinct teachings and get attached to them to such an extent that they demand separate identity. The problem is worsened when individuals grow infallible to their practices and start calling other sects as 'Kafirs'. This is a serious sin in Islam, as the Prophet <sup>Pbuh</sup> said in this regard:

"When a believer calls another believer 'Kafir', surely one of them is such [Kafir]".

## → Ulethary

Another major problem of the Ummah is



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the pervasive illiteracy. Though there are many hadith ~~em~~ stressing upon the need of education, yet modern muslim countries fail to deliver quality education ~~#~~ to their citizens. The significance of education can be discerned by a hadith in which prophet <sup>pbuh</sup> said:

"The ink of the scholars is sacred  
than the blood of the martyrs"

→ Moral decadence of Muslims

Muslims have gone far away from Islamic principles and thus have lost all morals and values. Today, Muslim countries world wide have some of the highest corruption. ~~#~~ Reinforcing the belief  
Corruption Perception Index (CPI) ranks Pakistan 140 out of 180 countries



## b) External challenges

### → Islamophobia

According to OIC Islamophobia is

"The combination of hate, fear, and prejudice against Islam, against Muslims, and against anything associated with the religion such as Mosques, Islamic centers, Holy Quran, and Hijab".

Islamophobia is a major external challenge which Muslims, especially in the West, face. This problem excludes Muslims participation in social, political and economic spheres of life.

### → NO Veto Power in United Nations

None of the Muslim countries ~~have~~ are a part of UN Security Council,



let alone have the ability to veto.

This is why muslims interests are often sacrificed.

### → Dependency on west

#### → Military Dependency

Though some of the muslim countries have capable militaries, they are no as capable as western militaries.

This is why many muslim countries like Saudi Arabia have to import defense systems from the west.

#### → Economic Dependency

Muslim countries are heavily dependent on trade with the west. Though the Middle East serves as the global oil provider, still major source



income is earned through with the west.

## Solutions for Muslim Ummah

### → Effective Role of OIC:

Muslims should use the OIC platform to inculcate ~~the~~ islamic unity and therefore collectively fight against the common challenges. Regarding Islamic unity, Quran says:

"And hold firmly to the rope of Allah, and do not become divided".

### → Focus on Education

Muslims countries should put education on top of their priority lists. countries should ensure they provide efficient, quality and affordable education to all its ~~education~~.



citizens. ~~It~~ ~~is~~ Also muslims should also focus on their education. The following hadith should act as an impetus for them to do so:

" Seeking education is mandatory on every muslim "

→ Improve Trade with Muslim countries

Muslim countries should also work to enhance trade with other muslim countries. Many of the muslim majority countries rely heavily on trade with Europe and America. However, with some effort, Muslim countries can change their trade preferences from west to other muslim countries.

→ collective efforts to combat Islamophobia

Muslim countries should unite and



we pursue the mission of combating Islamophobia collectively. Muslims should convey the message to the West and the rest of the world that they are a major force comprising almost a quarter of the world's population and hence any uncalled for prejudices or hatred should be ignored.

### Conclusion

In a nutshell, The ummah faces many problems. ~~At the~~ ~~world~~ These challenges might seem daunting, but by meticulous and unwavering efforts they can be overcome. The solutions embodied in this answer can go a long way in addressing some of the challenges. This is, without a doubt, an arduous journey, but inspiration should be drawn from the example of prophet <sup>Pbuh</sup>, who despite many challenges, made Islamic ummah an unmatched power at the time



Q2) Much like how Islam extensively covers the contours of every major aspect of human life, it does not leave an important ~~facet~~ pillar such as the economic system solely to human intellect. Economic system refers to the distribution, redistribution, production and allocation of the resources. Furthermore, it can vary according to the ideology a particular country follows, e.g. In America, capitalism is followed where people have the right to own private properties, whereas others such as China as influenced by Karl Marx's theory of communism/Marxism, where the state owns properties and people work for the state. Some of the key principles of Islamic financial system are as under:

## Principles of Islamic Financial System



## → The Right to own Property

Islam recognises private property of individuals and does not grant state the authority to deprive people from this right. The Quran says:

"For men is a share of what they have earned, and for women is a share of what they have earned".

## → Encourages circulation of wealth :

Islam encourages the circulation of wealth. Islam prohibits any rules or policies that prevent the circulation. Moreover, this circulation is to be done between the rich and the poor. Islam has made practices such as zakat obligatory to ensure that the wealth from the rich reaches the



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Poor. The Quran says in this regard:

"Those who spend in the way of Allah by night and <sup>by</sup> day, secretly and publically - they will have their reward with their Lord"

→ Economic activities with non-muslims  
Allowed :

Islam permits having trade and other financial dealings with non-muslims. Even during the time of prophet <sup>Pbuh</sup>, muslims used to engage in trade with jews. However, it should also be noted that trade ~~is~~ with muslims or non-muslims should be according to the guideline of Islam.

→ Islam recognizes inequality in wealth :

Though the rubric of Islam stresses



upon charity and circulation of wealth, it also recognizes ~~that~~ that some people have more wealth than others, and the aim of charitable practices is to reduce this economic disparity rather than completely removing it. In this regard, Quran says:

"He has made you successors on earth and raised some of you in ranks over others in order to test you through what God has given you"

→ Money not to be created out of Money (Interest):

Islam prohibits making/earning money out of money. This comes under the category of interest, which Quran has prohibited in many verses, with a notable verse being:



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"Allah destroys interest and gives increase for charities, and Allah does not like any ungrateful evildoers".

→ Practicing Temperance in Spending:

Islam encourages temperance in spending. prodigal practices should be ignored, rather the believers are encouraged to be careful about where and on what they spend. The Quran says in this regard:

"And those who, when they spend are neither wasteful nor stingy but choose a middle course between that"

→ Jizya Tax on Minorities:

Jizya is a ~~tax~~ tax obligatory on Minorities living in Muslim majority states. ~~Since~~ Since zakat is not made



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Obligatory ~~of~~ on non-muslims in Muslim states, Jizya tax is imposed on them to contribute their share towards the state/community

## Is Interest free Financial System possible in 21<sup>st</sup> Century

Yes, it is possible. Interest based system is ~~#~~ prevalent due to western hegemony. Many regions of the world have inherited/copied western ~~base~~ based financial system in hopes of reaching economic prosperity that the western countries have reached. Furthermore, even at the time of Prophet <sup>Pbuh</sup>, interest based earnings were pervasive. It was <sup>only</sup> after muslims migrated to Madinah and established a society based purely on Islamic principles that interest was prohibited. Even when the society was newly formed and still weak, interest was ubiquitous else where in Arab. However, this did not demoralised the muslims or



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made them think of resuming interest-based dealings. Muslims, though very poor and in desperate need of finance, especially the Muhajireen from Makkah, remained unwavered, in their faith on Allah and His divine command to forsake interest based practices. And, as recorded in history, those bedouins slowly emerged as the biggest uncontested power ~~at the~~ of the time, surpassing others in political, military, social as well as economic spheres. Similarly, though the process would be arduous and daunting, if muslim countries collectively decide to eliminate interest-based practices it is in all probability possible. Muslims should draw inspiration from prophet <sup>Pbuh</sup> and ~~at~~ his <sup>Pbuh</sup>'s companions. The following verse should also act as a warning who defy Allah and continue such haram activities.

"Allah declares war on those who deal with Riba"



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## Conclusion

In a nutshell, Islamic financial system can be characterised by, circulation of wealth, shunning riba, temperance in spending, engaging in lawful trade. Though, the Islamic financial system has slowly eroded from Muslim countries, the pervasive inequality and economic turmoil in muslim countries should provide a ~~the~~ stimulus to do so.