

1) Introduction: Islamic Political System

Islamic political system is based on the framework of khilafat. In this system, Allah is the real sovereign, and man is his vicegerent. As political systems are critical to maintain social order, ensure sovereignty, and provide a decision making body for the state. Likewise, Islamic political system ensures all these dynamics along with some other principles that guarantee a welfare state. In Islamic system, after Allah the authority belongs to ruler if he is follower of Holy Quran and sunnah. Apart from this, there is system of consultation (shura) in decision making to maintain trust of public in the state. Additionally, justice, equality, religious freedom, tolerance and altruism are indispensable principles in Islamic political system. Any law against Quran and sunnah are not acceptable in Islamic state. This answer reflects the basic principles of Islamic political system.

(2) Fundamental Principles of the Islamic political system

(a) Allah Almighty is the real possessor of authority

He is the creator of everything. He posses real power, the Exalter. In islamic political system, all sovereignty belongs to Allah. It is illustrated in Surah Al-Maidah of Holy Quran

And who is better than Allah in judgement for the people

(Surah Al-Mai'dah)

(b) Man is the vicegerent of Allah and contains trust from Allah

As the real power belongs to Allah and man has to follow. So, man is khalifa of Allah to establish His ordainments on the earth. He has no authority to disobey Allah's commands. Allah says ~~that~~ in the Holy Quran that

And we have appointed you as their successors in the earth

(Surah Yunus)

(c) Consultation (shura) in decision making to maintain social order in the state

Consultation in decision making is an important principle in islamic state. It was practised by Hazrat Muhammad (PBUH). During Battle of Uhud, prophet

Muhammad consulted his companions and fought war outside of Mading. Similarly, Hazrat Abu Bakr (R.A) and Hazrat Umar (R.A) consulted with their companions at various instances. Likewise, Allah ~~He~~ clearly says in Surah Aal-e-Imran,

"And consult them in the matter"

(Surah Ali' Imran)

Through Shura, trust of public develops in the government, maintaining social order in the country.

(d) Authority belongs to Ruler; He should be followed

After Allah, Ruler is to be followed as he passes Amanah from Allah. The condition is that if ruler aligns with teachings of Islam. Whenever, the ruler deviates from Islamic law, the public is ordered to not follow his commands.

(e) Justice (Adl)

Justice is an important component of political system to maintain rule of law in the state. It is ^{one of the} fundamental Islamic principle evident from following Hadith,

The people before you were

destroyed because they punished
weak and spurred the powerful
[Hadith]

(f) Preaching good and forbidding evil

In an Islamic states, Muslims encourage good deeds and disparage evil acts. To reiterate on this, Allah mentioned in Holy Quran in Surah Bani Israel that

You are among the best Ummah
ever raised for mankind, You
preach good and forbid evil
[Surah Bani Israel]

(g) Religious freedom

As religion is ~~the~~ a spiritual aspect that people follow through heart and soul. Hence, in an Islamic state, it is forbidden to ^{use} force or violence for religion. It is explicitly mentioned in Surah Baqarah that

There is no compulsion
in the choice of religion
[Surah Al-Baqarah]

(h) Establishing Zakat and Prayer to please Allah

In an Islamic political system, it is mandatory to establish prayer (Namaz) and Zakat to gain mercy of Allah. In Surah Baqarah Allah says that

And establish prayer and give Zakat; and bow with those who bow in worship and obedience
(Surah Al-Baqarah)

(i) No legislation against teachings of Islam

The primary sources of Islam are Quran and Sunnah. In case of new issues, Allah has provided system of Ijma, Ijtihad and Qiyas (logical reasoning). These are concluded solutions according to Islamic law. Other than this, no laws are acceptable in an Islamic political system.

(ii) Equality: important aspect of Islamic political system

Islam teaches equality without discrimination of caste, colour, religion, and ethnicity. The rules, regulations and policies must be equally imposed without biasness.

(k) Religious tolerance

It is evident from Charter of Madinah, when prophet (PBUH) migrated to Madinah, there were many religions including Jews, Muslims, idolators. Through Charter of Madinah, he established message of tolerance and pluralism. Similarly, Islamic political system considers non-Muslims as Zimmi (the responsibility). Any kind of extremism or intolerance are clearly forbidden in Islam.

(l) Conclusion

To sum up, Islamic political system is a comprehensive system in which sovereignty belongs to Allah. In this system, man is Allah's vicegerent. The ruler is ordered to establish Islamic law. Additionally, ethical values such as justice, equality, consultation (shura) are indispensable to conclude decisions in the state. Tolerance and freedom in the religion are important factors to maintain social order. Apart from this, Muslims must establish prayer and zakat system to ensure welfare of public. In this way, through Islamic political system, Allah ensures a just and progressive society in the world.

(1) Introduction: Islamic Economic System as solution of Human Financial Problems

In today's era of materialism, human is embroiled in mammoth of problems. The financial problems of man include inequality and huge gap between poor and rich. This is mainly attributed to interest-based system. Interest-based loans create vicious cycle of debt for developing country. Additionally, ethical practices in finance like honest measurements, and consent in transaction are also fading from society. Due to structural flaw, human face market volatility, huge shocks and losses. These practices, enhance poverty and crime rates, further degrading human life. In this hapless system, Islamic financial system is a gleaming hope. It forbids interest (usury), and promote honesty, and ethical system. Islamic financial system guarantees alleviation of poverty through zakat and sadaqat. Additionally, it promotes risk sharing mechanism. These acts are the solution of human financial problems.

(2) Overview of Human

Financial Problems

(a) Interest-based economy widens gap between rich and poor

Interest (usury) is an exploitative system in today's era. It makes rich, the richer and poor poorer. Hence gradually, it increases gap between rich and poor. So, interest-based finance is one of the important problems.

(b) Volatility in market system; Risk of huge losses

Due to usury and control of market through elite business, there is extreme volatility of market in today's era. This is evident from 2008 global financial crisis.

(c) Debt crisis in developing countries

Debt crisis also rises due to interest based loans. This challenges state's sovereignty and decision making. According to Economic Survey of Pakistan (2024-25), Pakistan's debt is 51% of its GDP. This illustrates seriousness of situation, reflecting it as one of the critical human problems today.

(d) Increasing poverty rate

Due to widening poor-rich gap, poverty

is also main issue. Human lack finances even for their basic necessities of health, food, clean water, and education. According to report of World Bank, Pakistan's 45% of public remains under the poverty line, proving it as main financial issue of human.

(3) Islamic financial system is the solution of the human financial Problems

(a) Prohibition of Interest (Usury); Prophet Muhammad (PBUH) has cursed 4 people. One who takes, gives, records and witnesses usury. This highlights that interest is a curse strictly forbidden for muslims. Allah says this explicitly in Holy Quran that

O people who believe, don't consume usury, making it double and redouble

(Surah Aal-e-Imran)

Interest (usury) prevents widening of gap and exploitation of the poor, leading the state towards prosperity.

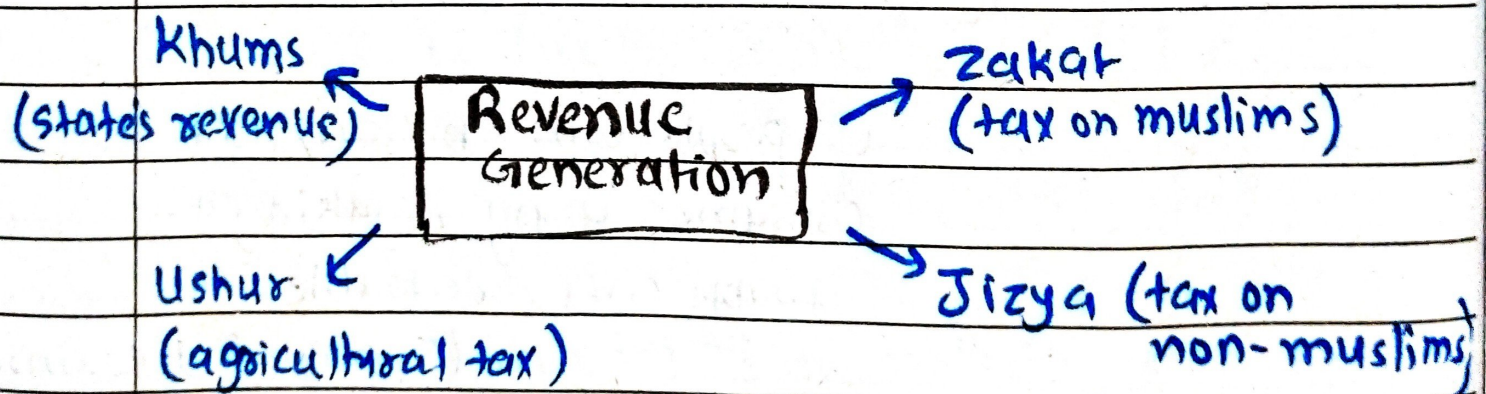
(b) Encouraging risk-sharing and profit

sharing to prevent market shocks

Islam encourage risk-sharing mechanism to avoid huge losses. The prime examples are Models like Mudarabah and Musharakah (Joint ventures). In these models, investors share financial losses and benefits on the basis of pre-determined percentages. Therefore, it enhance prediction in market system, resolving major financial problem of human.

(c) Supporting Communities through Mal-e-Ghanimat (Public treasury)

Islamic economic system encourage Zakat, Sadaqat and spending in the way of Allah. Through system of Zakat, Ushur, Khums and Jizya, revenue is generated



Through this revenue, state works for welfare supporting old, orphans, and weak humans in a community. In this way, islam solves human financial problems.

(d) Alleviation of poverty through Islamic Economic system

As poverty is one of the main financial problem impeding basic necessities. Through system of Zakat, Islamic system redistributes wealth among rich and poor. Additionally, Allah has guaranteed alleviation of poverty through this system.

(e) Encouraging ethical measures in trade and Commerce

Islamic economic system encourages honesty, consent in decision making and just measurements. The nation of Aad and Thodd (A.S) was destroyed because they used to change measurements. Allah Almighty poured rain of fire and destroyed them with earthquake. It illustrates strict penalty in Allah's sight. Hence, Islam promotes honesty, leading to a just and welfare society.

(f) Prohibition of deceit in Financial matters

Today's people easily cheat through online frauds, lying and manipulation. Once Prophet Muhammad (PBUH) was taking round of market. He saw a man

hiding wet grains below dry wheat grain.
 Prophet (SAW) Muhammad (SAW) said that

One who deceits is not
 one of us

[Hadi]

This incident clearly shows significance
 of honest trade
 through

(4) Conclusion

To conclude, human financial problems
 exist mainly due to interest-based economy
 and unethical practices such as deceit,
 dishonesty, lying, and unsustainable market
 mechanisms. To counter these problems,
 Islamic economic system can resolve if
 it is implemented in a state. In this system,
 interest is strictly forbidden. Islam
 fosters risk sharing, honesty and just
 measurements in commerce and trade.
 Additionally, public treasury encourages
 welfare of community, reducing poverty.
 Subsequently, Islamic system resolves all
 financial problem of human.