

Analysis of Economic Systems: Between Perception and Reality

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Abstract

This study attempts to analyze economic systems from the perspective of intellectual structure, methodology, components, ownership, and market dynamics, and to examine the extent of their application in reality. It explores the foundations, characteristics, advantages, and disadvantages of both the socialist and capitalist systems, as well as the relationship between democracy and socialism. It further investigates how the capitalist society managed to sustain itself within the framework of its doctrinal and scientific propositions. The study then introduces a third alternative: the Islamic economic system. It identifies its key features and how it addresses the essence of the economic problem, which constitutes the core of economics. The paper also addresses the domain of financial transactions due to their significance in the lives of individuals, institutions, society, and states, whose relations have become intertwined within a globalized system. Therefore, it has become imperative to understand contemporary issues and contribute scientifically to finding solutions to humanity's problems and anticipating its future. Among the key findings is the necessity of dealing with contemporary innovations through reflection and analysis in light of changing visions and strategies. There is an urgent need to revise theories and change ideas in accordance with the requirements of constants and the demands of public interest.

Keywords: Socialist System, Capitalist System, Islamic Economy.

Research importance and Objectives:

Research Significance The ongoing reformist attempts and tremors within the global scene raise critical questions and problematic issues concerning the reality of prevailing economic systems and the future of the economy. As states, nations, and communities have become entangled within a comprehensive system, there is an urgent need to understand contemporary issues, solve both private and public human problems, comprehend prevailing conditions to anticipate the future, and secure a sound environment for development.

The global arena is currently witnessing numerous transformations in all fields, particularly in the economic domain. Accordingly, the attempt to comprehend and internalise these changes has become a necessity that requires dealing with them through reflection and analysis in light of shifting visions and strategies.

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We are in dire need of modifying theories and changing ideas according to the requirements of constants and the demands of interests. This necessitates a reconsideration of the currently adopted economic thought through serious analysis, enlightened thinking, and an analytical understanding different from previous approaches.

Thus, this research comes to examine the extent to which economic development requires an economic methodology that is not merely a framework of social organization adopted by the state, but rather a salvation for humanity: Islam with its principles, philosophy, and rules.

To contribute to rationalising societal movement through producing effective knowledge in the fields of economics and sociology. To shed light on the incentives of the Islamic economy and the objectivity of its propositions as a means to overcome economic underdevelopment, are the research objectives.

Research Structure:

- 1/ The Subject of Economics and the Economic System.
- 2/ Marxism: Thought, Role, and Danger.
- 3/ Socialism and Democracy: Between Success and Failure
- 4/ How the Capitalist Society Managed to Resist.
- 5/ An Approach to the Islamic Economy.
 - A/ Features of the Islamic Economic Doctrine.
 - B/ Addressing the Economic Problem.
 - C/ The Financial System and Civil Law.
6. Conclusion.

Introduction.

This study presents a set of ideas that address the analysis of economic systems between perception and reality in light of the self-evident fact today: the continuous change the world is witnessing. This imposes upon us a rereading of theories, visions, and practices that have governed the treatment of economic problems, and requires diagnosing the nature of challenges facing societies and deriving lessons that serve as indicators for forming an idea of what may happen in the future.

Although the scope of this study is broad, it necessitates a review of the historical heritage as it currently stands, the emerging new developments, and the political and social dimensions of reality and the proposed project. It also requires the theoretical tools and their intellectual and cultural backgrounds that enable progress in analysing alternatives and their relative capacity to respond to the challenge of a better life.

From this standpoint, the study attempts to assess the extent to which economic systems contribute to addressing various economic problems, foremost among them underdevelopment, and their applicability. Thus, they constitute a framework for development in general.

The truth is that human thinking in meeting its needs in a rational manner is the problem that should concern anyone who wishes to research and analyze economic systems objectively. We must

also acknowledge that today we are dealing with a single human-historical horizon that drives some of its advocates toward a cultural-anthropological inquiry that believes in the eternity and legitimacy of Western civilization to impose its beliefs and standards on other societies.

Research Problem. All acknowledge the conflict the world witnessed between the two major projects: the socialist (communist) and the capitalist (liberal). Societies entered into attempts to balance between them, not to achieve objectives, but to understand the means to reach them. What came to be termed "the Cold War" is nothing but an indicator of that conflict, which represented a strategic game.

The first party invested in the specter of "absolute and relative poverty" in capitalism, while the other invested in the myth of "communist slavery." This resulted in the transformation of political and social thought into fanatical thought in societies participating in this confrontation.

Over time, the liberal capitalist project began calling for the removal of all restrictions on the right to land ownership, for example. Land thus became a commodity like any other, subject to supply and demand, to be bought and sold. Its hidden dimension was the elimination of all human motives, foremost among them the value of individuals' attachment to their lands, which expresses their belonging to the nation, in favor of economic motives. The objective of the liberal project thus became to transform former nationals into "global citizens," if one may say so.

The process of detachment from national borders, traditions, customs, and sacred values came to correspond with detachment from all cultural specificities in favor of exchange value.

Conversely, the socialist (communist) system, as testified by its adherents, carried the seeds of its own demise within it due to its focus on "there is no god and life is matter." In it, the individual has no right to ownership but is merely a means of production for the benefit of the state. Whereas the economy is both spirit and matter, and is moderation and balance.

The difference between economic systems lies in the starting point and reference of their interpretation of the universe and humanity within the integrated system that seeks creativity in solving the economic problem and building a better life.

From this epistemological and intellectual background, the following questions are posed: Were Marxist thought and democratic socialism able to achieve societal welfare? How did capitalism (liberalism) manage to resist in light of its doctrinal and scientific ideas and produce the seduction of globalization or a globalized society? What are the mechanisms adopted by the Islamic economic approach to address the economic problem and the methods and interpretations that many researchers believe achieve wealth within the framework of sustainable development for societies?

Methodology.

To address the problem, given that it relates to an intellectual-economic issue with cultural and social dimensions, we deemed it appropriate to adopt the historical method, which allows for investigation into issues of modernization for development.

The comparative method was also used to identify the differences between the various economic systems adopted by societies and the way they addressed the economic problem. It clarifies the divergence that pushed societies in opposing directions, reflecting opportunities, challenges, and threats. On the other hand, it seeks to identify the possible alternative that responds to aspirations.

1. The Subject of Economics, Economic Doctrine, and Economic System.

Before detailing the various questions, it is important to first identify some economic ideas and opinions that formed the subject of economics, and to agree on the concept we mean by "economic doctrine" and the objective and content of the "economic system."

Economics is the science that studies, analyzes, and describes production, distribution, consumption, and the available economic resources to achieve these processes. In other words, it studies individual and social behavior that leads to the welfare of societies.

Hence, opinions vary among thinkers, researchers, and writers, forming a cumulative body of knowledge that reflects human thinking on economic phenomena and is imbued with scientific thinking.

Thus, science is confined to the method that leads to the knowledge of truth. The scientific inference we find at the beginning of political economy is indebted to the last few centuries. The contribution of every civilization to economic thought cannot be denied according to its capabilities.

From here we realize the extent of interaction between scientific thinking and doctrinal thinking to conclude with defining the purpose of Islamic economics, which this study attempts to address. As for "doctrine," it is the method by which societies conduct their economic life and the issues that constitute a challenge to their progress. The production and distribution of wealth depend on a method agreed upon in terms of its ideas and concepts.

The latter form the intellectual reservoir of the economic doctrine, which expresses the philosophy established in the cradle of development and the history that represents the collective cultural memory and the normative value system that plays the role of guiding collective and individual behavior.

Thus, they are three components that create the language of collective homogeneity with its values and sanctities. It expresses a stance toward society, the world, and the era with the characteristic of a comprehensive outlook and unity of thought within the framework of a structural interpretation of the whole and coordination of available knowledge to satisfy the spiritual and material demands of humans.

It differs from economics in seeking the meaning and value of the knowledge it arrives at, through which it also develops and progresses. It is self-evident that natural and social phenomena arise and develop according to rules, laws, and relations that link the various parts that constitute a homogeneous system called a "system."

Since society is a different phenomenon characterized by complexity compared to natural phenomena, and the reason for that is that its basic subject is the human resource with all its components, the laws of social life only operate through and by means of humans.

The economic system does not depart from this scope. It is a set of links between different elements of the economic process formed by preceding and cumulative events that repeat under certain conditions, derived from the historical development of a specific society whose center is human.

2. Marxism: Thought, Role, and Danger.

The discussion of Marxism in terms of intellectual structure is consistent with its general lines in light of its two fundamental principles: "dialectical materialism and historical materialism."

It believes that the economic condition of society determines its social, political, religious, and intellectual conditions, as well as the phenomena of social existence and general events in society, which develops through the contradiction within it.

Hence, a distinction is made between the "infrastructure," which consists of production relations (relations and form of ownership), and which in turn determines the nature of social relations and thus moves history. The "superstructure" consists of ideas, ideologies, and political and legal relations. Dialectical materialism excluded the actor in the name of the objective theory of the socialist human, considering it the guarantor of historical development, because history is one and has meaning.

It represents both a direction and a significance for humans, meaning a presentation of qualitative and comprehensive social growth instead of growth processes of a local and quantitative nature.

Many rejected this proposition on evolutionary historicism, such as Alain Touraine, who considered that history is a series of adventures of social movements. The attempt to reconstruct the comprehensive historical development process with a logic of genetic interpretations of a generalizing and non-mechanical nature also relatively excludes the determinism of causality.

In general, the non-mechanical rejects the purely material interpretation of social phenomena, i.e., it does not exclude the subjectivity of phenomena from consideration. Moreover, dialectical materialism in its method of interpreting facts contradicts positivism in its neglect of the epistemological obstacle for the sake of criticism that seeks to reconcile value judgments and reality judgments.

From the perspective of approaching reality and based on studying the trajectory of Russian society from its beginning in 1917 until 1952, we observe a policy based on reactions and self-defense in the face of capitalism (imperialism) instead of working to develop self-productive forces that would allow it to develop, despite it being the source of socialist (communist) thought.

The militarisation of production and society affected the productive forces and led the Soviet society to collapse.

For Marxist thought, wealth creation depends on the working class, which makes a revolution against the bourgeois class. In this sense, society is historically prior to thought, as it is established on the basis of owning the means of production, while ideas result from a social phenomenon: language.

The class that owns the means of production has the right to build the "state" that protects its economic interests. But the truth is that the complexities of civil life and the expansion of its various social and political functions... may explain the phenomenon of the emergence of the state, and the religious factor may also contribute to explaining the emergence of this phenomenon. These propositions and others are in fact far from scientific logic.

The dominance of one factor in a historical stage in a specific society is not necessarily the absolute rule of its individuality and dominance in all stages of history. There may be other reasons.

Finally, we note the danger of Marxism's famous saying: "Religion is the opium of the people." It gives religion a historical materialist interpretation resulting from class struggle. At times it considers it a narcotic used by the ruling exploiting class to divert the ruled class from its demands, and at other times it considers it a product of the ruled as an expression of an ideology that distracts them from their deteriorating condition.

This leads us to judge Marxism as incapable of explaining the emergence of religion in primitive societies that did not know class struggle, nor in Christian societies, nor among the scattered tribes in the Arabian Peninsula, each of which had its own god and united under one universal religion in a known society. If the universal god is the evolved image of tribal gods, how did the Arabs ascend from tribal gods made by their own hands to a universal, abstract God with all attributes of perfection.

3. Socialism and Democracy: Between Success and Failure

Defining concrete and precise options and comparing those that are possible is nothing but the use of thinking reason that controls social action, individual behavior, and directs their actions. It is worth saying that knowledge in its economic aspect works toward achieving comprehensive development, but within a political economy that allows for an intellectual structure that presupposes examining the propositions and results of the applied economic system and the future dimensions of societal projects and their strategy within their political dimension in particular.

Thus, it has become necessary to analyze the theory and ideology related to issues of democracy in particular as a strategy expressed in more than one context, and to evaluate its capacity to support socialism on the one hand and its response to the challenge of development and progress on the other.

All societies experienced remarkable economic, social, and political transformations after the World War as a result of the intervention of new historical actors represented by the working classes with their legitimate demands supporting socialism or liberation movements.

After some time, the new world order resulted, part of which consists of societal projects that still believe in the socialist system and did not work to deepen democracy because it includes socialism, and there is no real democracy except in socialism according to their convictions.

From here we note the contradiction between what socialism brought, which pushes for radical change through revolution to establish democracy, and the complete democrat who considers any reconstruction corrupt at its roots no matter his acceptance of it on other grounds. The attempt to force people to accept something believed to be good and great but which they do not actually want is the distinguishing feature of undemocratic belief, even if one can expect that the people will love it when they experience its results. In other words, we are faced with an undemocratic action in order to achieve democracy. Even talking about a socialist party that forms a socialist state seizing power... Many countries that claim to be socialist turned against labor unions and persecuted adherents of religions other than their own.

From here we say that democracy is nothing but political rule that produces legislation and administrative laws as a result of conflict over political office, and is not necessarily acceptable to the nation. This justifies the repeated phrases here and there among politicians: "dealing with votes" and nothing more.

4. How the Capitalist Society Managed to Resist.

The core of capitalism, as is known, lies in the exploitation of money within the framework of global trade, where profits are achieved from trade rather than from rationalizing production. Therefore, its impact on society was limited. With industrial expansion, profitability depended on labor power (especially child labor).

With the development of industrial capitalism, conflict over wages took on political and social dimensions. The freedom available to wage labor became controlled by employers, and it was a virtual and illusory freedom, in addition to linking production to consumption. Since the means of production are owned by individuals driven by self-interest aimed at achieving profits, with no state intervention, and the mechanism of supply and demand is what works to balance the market... this expression and others are prevalent in capitalist economic thought.

In his famous book "The Wealth of Nations," Adam Smith used the term "the invisible hand" that works to organise the market by automatically transforming the work of individuals who seek only their own interest into the interest of society. It became a common concept and its use increased over time to later become "the invisible dictatorship," as it alone had the right to control economic and social action. Its author, Adam Smith, came to be nicknamed the Prophet of Capitalism (1), which tried to reconcile individual and societal interests. Even individual freedom pushes society to achieve its benefits.

From this perspective, the value of individual freedom and the abolition of the value system are sufficient to achieve comprehensive societal development. There is no importance to the moralization of economic action. The competitive advantage that works to destroy the other is sufficient to guarantee "survival of the fittest" and "laissez-faire." The criterion of freedom became a strong weapon for the owners of the means and forces of production.

Moreover, destructive monopoly is a prominent feature in the capitalist economy, as production projects are not equal in the field of free competition, which leads to the elimination of small projects. The freedom that constitutes the basis of capitalism is social freedom that provides the individual with owning the price of the commodity and its availability in the market without the right to monopoly. The latter curbs production and mortgages individual freedom.

In the absence of agreement on non-intervention by the state and its role in limiting behaviors and actions contrary to the ethics of honest economic and financial dealings, the normative system becomes the sole guarantor of protecting rights. This explains the development witnessed in economic legislation after the spread of the phenomenon of corruption among politicians and businessmen and the scandals that topped newspapers in various capitalist societies.

Even under the development of capitalism, the economy experienced disturbances, instability, and recurrent crises. When analysing the crisis of the seventies, for example, neoliberalism emerged as a method and doctrine. This gave rise to forms of liberalism among

capitalist societies due to international differences that widened and the gap between the richest and poorest countries increased.

Despite all this, we found the term "globalized society" or "global capitalism" being circulated... where it became a phenomenon, although its roots originally extend deep into history and there is nothing preventing the repetition of the performance of the past. It is by nature not merely an economic process but also a social change, and rational thinking or rational behavior and building a civilisation do not include the absence of a normative system that benefits with insufficient information and technology.

5. An Approach to the Islamic Economy.

A/ Features of the Islamic Economic Doctrine It is almost superfluous to address the concept of Islamic economics, which represents the set of rules relied upon when undertaking any economic activity, including the process of wealth distribution and ownership, and solving the problems and issues facing individuals, institutions, society, and the state in the fields of production and exchange... within the framework of Islamic rulings and teachings.

Despite the novelty of the term, its roots are linked to the emergence of Islamic Sharia, which came to elevate humanity through practical and realistic legislation that guarantees the protection of society and sets binding frameworks that individuals may not transgress so that their lives become higher than pure materialism.

Here, spirit and matter were combined by drawing the general framework for human society as a whole according to human nature, which is characterized by disparity in capabilities, talents, and qualifications... that lead to disparity in roles and thus disparity in wealth.

From here, integration occurs through the division of labor based on self-efficiency. The disparity in wealth is affirmed as it is considered a necessity of society and the system of life on earth. The truth is that within this economic vision, Islam did not make money the basis of life or the basis of differentiation among individuals in society; rather, there is absolute equality among people. Scholars' writings have pointed out in their economic analyses many issues aimed at raising the level of production: financial transactions, buying, selling, money...

In his book "Revival of Religious Sciences," for example, Abu Hamid Al-Ghazali addresses the issue of barter and the importance and functions of money. Abu Yusuf also presents a plan for financial and economic reform and achieving economic development. Ibn Khaldun's "Muqaddimah" also included a set of pioneering analyses with an economic dimension, as he studied in detail the real motives that form the background of the actions and behaviors of economic individuals and groups.

Some scholars addressed the study of financial and administrative corruption in the ninth century through discussing the causes and effects of rising prices. In the modern era, some addressed the comparison of contemporary economic systems with the Islamic economic system, such as Abul A'la Maududi and others. Notably, the principles upon which the Islamic economy was built, the principle of freedom restricted by general controls, the principle of achieving economic balance under collective responsibility to achieve a decent life for all, and the principle of private ownership, despite their fewness, are constant and applicable at all times and places regardless of the degree of economic development.

From this perspective lies the independence of this system from the aforementioned and other economic systems. Even if it meets with them in some matters, it differs from them in

the structural reference, which is the basis of all development: divine source based on correct creed that presupposes the worship of God and that all actions undertaken by humans are supposed to be righteous and acceptable to all.

Humans are honored, free, and possess free will, and the reference for their actions, behaviors, and perceptions is Islamic legislation.

The system that frames their economic activity is the normative system that works to preserve the major objectives of life: religion, reason, life, honor, and wealth. Work is also considered one of the most important features of the Islamic economy as it is the basis of value and wealth. The more an individual contributes to society, the higher he rises in responsibility, which is considered a corollary of authority, which in turn is one of the requirements of bearing trust among people.

The more beneficial, knowledgeable, and practicing of what he knows he is, the higher his status, regardless of gender, type, or class. After affirming the right to work for every human being, Islam was keen to confirm dignity through the labor contract, the sanctity of wages, and the criminalization of those who consume the worker's right. It also considers his fatigue and makes him feel the fruit of his effort at the most appropriate times when he needs it.

The minimum wage is determined according to the environment in which the worker is present and is equal to the food and clothing of the employer and all members of his family. Both parties to the labor contract are regulated by worship and self-monitoring as two fundamental criteria upon which individuals' behaviors and actions in any economic activity are built.

Among the features also emphasized by the Islamic economy is the freedom of ownership, which expresses the external form of dignity and security, where the individual works to observe the right of the community in it, and this is obligatory, not voluntary. Based on that, it is not absolute but rather restricted by directing it to the purpose for which it was legislated.

Also, not everything is subject to individual ownership except within the conditionality of a lawful source. To protect the freedom of ownership, Islam imposed state supervision over sources of wealth or property.

Hence, the difference of the Islamic economy from the capitalist system appears, where that ownership was not absolute from the outputs of surplus profits that led to the exploitation of the working class. Rather, Islam urged directing it to public benefit. Among the well-known rules in this field is that when purchasing power inflates due to high prices and excess money leaks into banks, the state has the right to intervene and withdraw it through legitimate means and spend it on what benefits society.

Islam also affirmed public ownership through the nationalisation of means of production and organized it in a way that guarantees the right of individuals, the public sector, and the private sector as long as it belongs to the people. Islam also works to reconcile individual motives and the public interests of society. It does not prioritize individual interests at the expense of societal issues (as capitalism does), nor does it abolish the individual's need for ownership and private work, motivated by preserving public ownership and fighting classism (as socialism does).

Rather, it preserves the rights of each side in balance and harmony. Among the features also is the principle of social justice, whose pillar is social solidarity, which it placed first within the

family. In case of incapacity, it comes from the local community, and if that fails, the role of the state comes.

Social balance will not be achieved except by achieving justice in the distribution of wealth and redistributing it whenever there is a disruption in this balance, to guarantee equal opportunities for all members of society. Social balance means achieving equal employment for all members of society. In the case where economic activity operates with a limited number of available labor power, we are in a state of imbalance.

B/ Addressing the Economic Problem from the Perspective of Islamic Economics It is an established fact in economics that humans are part of nature and in constant interaction with it to provide their needs, which increase and diversify with the development of life and its scientific, technical, and informational revolution... They are unlimited.

In contrast, nature cannot provide all that ready-made, with the development of production tools and social thinking that increased their capabilities and skills... Production works to transform natural materials into other materials through production tools, and it is a process of combining a set of elements in a way that allows for material outputs necessary for the continuity of human life. Labor, capital, land, in addition to organisation, are factors of production that are coordinated to provide various goods that satisfy human unlimited desires.

Usually, these elements agreed upon as basic in the production process are limited and characterized by scarcity, and the scarcer they are, the higher their price.

It should be noted here that humans are the primary target in Islam, as they are the first influencer on the other elements. Therefore, their status remains preserved in all stages of economic activity, no matter how far technological development reaches. As they are capable of addressing scarcity, which constitutes the essence of the economic problem that works to reach the best alternative and option that enables the best life.

The economic problem in capitalist thought was fundamentally linked to the factor of relative scarcity of limited economic resources and the unlimited nature of human needs. The marginal school made the economic problem the basis of the subject of economics, preceded by the classical school, where the idea crystallized of the inability of limited natural resources to provide the necessities of life for increasing populations (Malthus's population theory) and David Ricardo's increasing pessimism that agricultural lands were unable to meet the needs of the population (theory of rent).

In the socialist system, it was linked to the contradiction between the form of production and distribution relations.

From the Islamic economic perspective, it pushes humans to exploit natural resources without fear of their depletion, due to the guarantee of the One who created them, which is God, with the necessity of exploiting them in a rational manner that allows providing the right to life for all members of society without a small group having the right to monopolize them.

Therefore, the distribution process was based on work and need, contrary to capitalism, which considers work a tool for producing work and not a tool for distribution, and need is what determines the way in which goods are distributed to members of society.

Thus, the share of distribution differs according to the difference in their needs and not according to their work. In the socialist system, distribution is according to the value of work and not that material has value.

The first resource that must be exploited is land, which represents all material natural resources. Production cannot be carried out without its existence, and Islam prohibits leaving it idle without investment and development. Herein lies its value. The value of any material lies in the outcome of the general social desire to obtain it. Capital also enters into a partnership in the production process between its owner and the worker, so that both parties bear profit and loss.

The return to the owner of capital is profit as he is an organizer in case profits are achieved. Since interest rate is a real cost added to other production costs, the prices of goods and services will increase in case capital is separated from the other elements, and that increase in price is not met with an increase in value, considering that money is a measure of values and not a producer of them.

C/ The Financial System and Civil Law. Islam gave money its due importance in its system. It concerned itself with forms of money such as trade and framed it with rules and set guarantees for it to ensure correct dealing, as it is one of the most important resources for wealth formation.

The first of these guarantees is the normative system that works to achieve cooperation and prevent harm between individuals and societies. It also fought monopoly and considered it a crime against humanity due to the harm it causes to society through alliances that arise between poles of money at the local and global levels, controlling price determination, especially for societies that live on their raw materials.

The process became merely chasing the collection of money, which became an end in itself and kills the spirit of cooperation that leads to creativity in production.

Islamic legislation is distinguished by conducting transactions within a value system, foremost of which is commitment to pricing voluntarily by the individual to remove hardship and combat fraud in times of crisis without coercion and under the rule of "no harm and no reciprocating harm." If employers refrain from selling goods despite people's need for them and raise their price, the ruler may price at the fair value, and if necessary, the same rule applies to artisans and craftsmen: performing their work at a fair wage.

Legislation guarantees, in the case of an insolvent debtor, that necessities are not seized in fulfillment of debts, as is the case in other economic systems. Rather, he will benefit from Zakat to pay his debt instead of driving him to bankruptcy. A set of controls were also set to regulate transactions.

Islamic legislation gave covenants and contracts a special kind of attention due to the destructive effects that result from breaching their conditions on society, the individual, and institutions. In the contract of sale, for example, Islam was keen to distance it from any suspicion of uncertainty (gharar) and usury (riba).

Similarly, the installment sale contract, which consists of selling a commodity with immediate payment at one price and deferred payment at a higher price due to limited income and the inability of the purchaser at the time, as there is no harm such as usury and ambiguity, nor uncertainty...It also prohibited the contract of selling a commodity that is not usually present

with the seller at the time of the salam contract, which is a loan contract in exchange for a commodity with specific specifications to be delivered at a known future date.

The real purpose of this contract is to complete the sale of the commodity when the contract term is due, meaning the sale of a known thing for a known future date but without the intention of delivery. The contract of pledge (rahn) was permitted, provided that the pledge is a guarantee for the right of the pledgee and not a means to unlawful gain or usurious transactions that exploit the need of the debtor pledgor.

If the objective of any economic system is to bring about social balance, the Islamic economic system has concerned itself with this aspect through the Zakat system, which leads to an increase in wealth without monetary inflation and works to address many phenomena, including poverty. Zakat is the first tax that was among the first duties of the state, in addition to jizya, one-fifth of spoils, and tithes on trade. If Zakat has positive effects on societies, then usury does not increase the general wealth of society, although economic systems advocate it and believe that with this system financial transactions are rectified.

The truth is that the results of most studies have agreed that the main cause of economic crises is usurious transactions.

Conclusion:

I wished to expand on the subject of "Analysis of Economic Systems: Between Perception and Reality" and shed light on many points that we believe place us in the picture of comparison between different economic systems and the process of enabling the correct propositions that show the sound foundations for the stability of any system in the world as a sacred duty.

Comparison is not only from the perspective of theoretical approach and its intellectual content, but also the field of application and its ability to solve problems and issues facing individuals and groups.

We examined the justifications of the propositions of each system, where capitalism proclaimed the power of individual freedom in achieving development and the success of the free economy, while materialism, through the development of its philosophical and economic thought, proclaimed for centuries that wealth is also achieved by individualism, but by transforming it into class individualism. No two people differ that the feeling of individualism is completely contrary to human responsibility and rather generates conflict and monopoly... which leads to collapse. The socialist system carried the seeds of its demise within it, as expressed by its proponents, and capitalist economic thought is in a real predicament before and after globalization as it entails instability and a deficiency in the optimal use of human and economic resources.

As for the economic doctrine in Islam, it embodied methods of organising human life in its economic aspect within an intellectual framework free of contradictions, accepted by reason and logic, and characterized by applicability without causing any harm to anyone. Economic action is governed by scientific ideas and a normative system linked to the complete organic structure of Islam.

Conflict of interest: No

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