



Islam and Global Social Justice: Exploring the Teachings of Islamic Civilization in Responding to Modern Economic Inequality

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Abstract: *Growing global economic inequality has raised concerns over the failure of the conventional economic system to create social justice. In response to this issue, Islamic teachings offer an alternative approach that emphasizes the importance of wealth distribution, social solidarity, and moral balance as integral elements of an ethical economic system. This research explores the values of social justice in Islamic civilization and analyzes their relevance in addressing global economic inequality. It also examines the feasibility of implementing these principles and offers recommendations for developing Islamic-based redistributive policies. Using a qualitative approach, this study employs literature review and thematic analysis of both Islamic primary sources and academic literature, along with current global economic data. The findings suggest that core Islamic values, such as al-'adl (justice), maslahah (public interest), and ukhuwwah (brotherhood), play a fundamental role in shaping social justice frameworks. Instruments such as zakat and waqf have been demonstrated to be effective as sustainable wealth redistribution mechanisms, even outperforming conventional fiscal policies in some instances. Moreover, Islamic teachings provide a normative and practical foundation for developing a more ethical and humane global economic system. This study concludes that integrating Islamic values into global socio-economic policies could significantly contribute to addressing economic inequality more structurally and sustainably.*

Keywords: *Islamic social justice, zakat and waqf, global economic inequality, wealth redistribution, maqasid al-shariah, Islamic financial system.*

1. Introduction

Social justice is one of the primary pillars in the discourse of sustainable global development, particularly in addressing the widening economic inequality of the 21st century (Piketty, 2014; Stiglitz, 2012; UNDP, 2023). Amid this situation, Islamic teachings offer a holistic, ethical, and systemic approach to wealth distribution, community welfare, and social balance (Chapra, 2008; Sadeq, 2002; Asutay, 2007). In the context of neoliberal globalization, there is an urgent need to revisit Islamic values

as an alternative to the capitalistic economic system that has failed to overcome structural inequality (Fukuyama, 2018; Milanovic, 2019; Zucman, 2020).

Global economic inequality has reached a crisis point, with the wealthiest 10% of the population controlling more than 76% of the world's wealth (Oxfam, 2024; World Inequality Lab, 2023; IMF, 2022). Meanwhile, the vast majority of the world's population still lives in conditions of extreme poverty, without proper access to education, health, and employment (World Bank, 2023; UNDP, 2022; ILO, 2022). This reality underscores the need to examine ethical systems and redistributive policies in Islam, such as zakat, infaq, and the prohibition on usury, as concrete efforts to address economic injustice (Kuran, 2011; Obaidullah, 2008; Ahmed, 2004).

Islam views wealth as a trust that must be managed for the common good. Instruments such as zakat and waqf are considered effective in creating equitable wealth redistribution (Hassan & Tan, 2020; Ismail, 2007; Farooq, 2016). Based on data from the World Inequality Lab (2023), the following is a comparison of global wealth distribution inequality (Gini Index):

Table 1. Comparison of Global Wealth Distribution Inequality

World Region	Gini Index 2010	Gini Index 2022
North America	41.1	43.5
Western Europe	32.8	33.9
Middle East	48.3	49.7
South Asia	36.7	39.8

(Source: World Inequality Lab, 2023; Oxfam, 2024; IMF, 2022)

Numerous studies have been conducted on Islamic economics and social justice. For example, Asutay (2007) emphasized the importance of maqasid al-shariah in building a just economy. Meanwhile, a study by Mirakhor and Askari (2010) demonstrated that Islamic principles can contribute to macroeconomic stability. However, most of these studies are still limited to the normative level, not exploring how Islamic teachings can be implemented in a global scheme (Kamla, 2009; El-Gamal, 2006; Bashir, 2003).

Most of the literature remains sectoral and has not fully integrated the teachings of Islamic civilization as a whole into the framework of global social justice (Bakhash, 2014; Khan, 2013; Zaman, 2015). In addition, there are still few studies that compare the effectiveness of Islamic financial instruments in reducing economic inequality with that of conventional instruments (Hassan et al., 2018; Farooq & Muhammed, 2020; Ahmed & Khan, 2016). This suggests there is ample room for theoretical and empirical exploration.

This research differs from existing works by providing a more comprehensive approach that examines Islamic teachings not just as a value system, but as a normative foundation for reconstructing a just global economic order. Unlike

previous studies, which have either focused on isolated Islamic economic principles or theoretical frameworks, this study explores how these principles can be integrated into current global economic structures to address the systemic inequalities of the modern world. The comparative approach used in this research, particularly in examining the practices of Islamic-based redistributive policies, offers a new contribution to the field of global social justice literature (Asutay, 2012; Siddiqi, 2004; El-Ashker & Wilson, 2006).

This research aims to explore the values of social justice in Islamic civilization, analyze the relevance and implementability of these values in the current global context, and provide recommendations for Islamic-based policies in addressing global economic inequality (Obaidullah & Khan, 2008; Chapra, 2000; Sadeq, 1997).

2. Method

Research Approach

This research employs a descriptive qualitative approach, utilizing a library research method. This approach was chosen because it is well-suited for exploring the normative concepts, ethical principles, and philosophical frameworks of Islamic teachings related to social justice and their relevance in addressing global economic inequality (Creswell, 2014; George & Bennett, 2005; Alwasilah, 2003). Qualitative research facilitates a deeper understanding of the values and moral arguments embedded in Islamic texts, enabling a critical examination of how these values intersect with contemporary economic issues. The primary focus of the research is to review and interpret Islamic authoritative sources, as well as contemporary academic literature, that discuss wealth distribution systems and social justice.

Data Type and Source

The data used in this research is secondary data, which is obtained from:

- a. Islamic primary sources: al-Qur'an, Hadith, and classical Islamic literature (tafsir, fiqh, maqasid al-shariah)
- b. Secondary sources: reputable journal articles (Scopus/WoS), academic books, reports of international organizations (UNDP, Oxfam, World Bank), and related dissertations (Miles & Huberman, 1994; Bowen, 2009; Booth et al., 2016).

Data Collection Technique

Data collection techniques were conducted through systematic document analysis. The researcher identified, categorized, and evaluated relevant documents using thematic synthesis strategies and a concept based coding system (Flick, 2018; Yin, 2016; Krippendorff, 2013). To maintain validity, source reliability criteria and inter-literature triangulation were used.

Data Analysis Technique

Data were analyzed using thematic content analysis and critical discourse analysis of Islamic texts and global economic policy documents (Braun & Clarke, 2006; Fairclough, 2010; Schreier, 2012). The analysis procedure involves:

- a. Data reduction: sorting out topics and categories such as zakat, infaq, prohibition of usury, the concept of 'adl (justice), and maqasid al-shariah;
- b. Data presentation: structuring categories in thematic analysis tables;
- c. Conclusion: synthesis of Islamic values and their relevance to the global practice of wealth redistribution.

Table 2. Example of Thematic Analysis Category Template

Main Theme	The concept of Islam	Global Context	Recommendation
Redistribution	Zakat, infaq, waqf	Progressive tax, UBI	System integration
Economic justice	'Adl, ihsan, maslahah	Gini index reduction	Policy reform
Prohibition of exploitation	Riba, gharar, monopolistic	Derivatives, high interest	Islamic banking

(Source: Authors' analysis, based on primary and secondary sources, 2025)

Data Validity and Validity

To ensure the validity of the data, source triangulation techniques and peer review of the initial analysis results were used. Additionally, an audit trail process was implemented to document each step of the methodological decision-making process (Lincoln & Guba, 1985; Patton, 2002; Merriam, 2009).

One limitation of this research is the timeframe for accessing specific historical manuscripts and contemporary studies, which may affect the scope of data used in this study. Additionally, while a wide array of sources has been reviewed, the availability of recent scholarly works may have limited the full exploration of newer interpretations of Islamic economic principles in the context of modern economic inequality. Future research could benefit from broader empirical data and comparative case studies of regions that have implemented Islamic economic policies.

3. Result & Discussion

The Concept of Social Justice in Islamic Teachings

Social justice (*al-'adl*) is a central principle in Islamic law, encompassing wealth distribution, social rights and obligations, and collective responsibility for the welfare of the community (Chapra, 2000; Asutay, 2007; Kamali, 2008). This concept is emphasized in the Qur'an, among others, in QS. An-Nahl [16]:90, which states that Allah commands justice and goodness (*ihsan*), and prohibits injustice. In muamalah fiqh, social justice is reflected in the fair distribution of wealth, whether through zakat,

the prohibition of usury, or waqf mechanisms (Hassan & Lewis, 2007; Siddiqi, 2004; Kahf, 1999).

This principle of justice is further developed in the concept of *maqasid al-shariah*, which places the protection of property, soul, mind, offspring, and religion as the foundation of public good (*maslahah ammah*) (Dusuki & Abozaid, 2007; Al-Ghazali, 2005; Ibn Ashur, 2006). Thus, justice in Islam encompasses not only a legal aspect but also a social and moral system designed to regulate the relationships between individuals, society, and the state (Obaidullah, 2008; Sadeq, 2002; Zaman, 2015).

Zakat and Waqf as Instruments of Wealth Redistribution

One of the primary instruments in the Islamic economic system is zakat, which serves as a mandatory mechanism for redistributing wealth from the rich to the needy. Zakat is not just an individual act of worship, but rather a fundamental component of the Islamic economic system, designed to create social justice and balance (Kahf, 1999; Ahmed, 2004; Obaidullah & Khan, 2008) in QS. At-Taubah [9]:103, zakat is mentioned as a way to "purify" wealth and soul, stating, "Take from their wealth a charity to purify and cleanse them" (al-zakat). This reflects the essential role of zakat in promoting social solidarity.

Waqf, on the other hand, is a long-term social investment mechanism used to finance education, health, and public services. Waqf institutions in the history of Islamic civilization succeeded in creating equitable access to education and social services, even before the modern state was present (Çizakça, 2000; Hassan & Tan, 2020; Ismail, 2007). The combination of zakat and waqf provides a sustainable Islamic economic framework to address structural inequality.

Table 3. Comparison of Social Functions of Zakat and Waqf

Instrument	Economic Objectives	Distribution Mechanism	Social Impact
Zakat	Direct redistribution	Recipients of 8 groups (QS 9:60)	Direct poverty reduction
Waqf	Social investment	Social project financing	Education, sustainable public services

Source: Adapted from Obaidullah & Khan (2008); Çizakça (2000); Ismail (2007)

Global Economic Inequality: Challenges and Critiques from an Islamic Perspective

Global economic inequality is increasing, driven by a neoliberal capitalist system that tends to concentrate wealth in a small elite (Piketty, 2014; Stiglitz, 2012; Zucman, 2020). The World Inequality Lab report (2023) shows that 10% of the world's population now controls more than 76% of the wealth, while most people live on less than \$5.50 a day (Oxfam, 2024; World Bank, 2023; UNDP, 2023).

From an Islamic perspective, such inequality is considered a form of *zulm* (structural injustice) that must be prevented through fair fiscal and economic policies.

Islam prohibits the accumulation of wealth without equitable distribution and prohibits exploitation in the form of usury, monopoly, and gharar (Asutay, 2007; Chapra, 2000; Ahmed, 2004). The concept of *kifayah* in Islam even emphasizes that meeting the basic needs of all citizens is the collective responsibility of the state and society (Zaman, 2015; Farooq, 2016; Siddiqi, 2004).

Implications of Islamic Teachings for Global Redistributive Policies

Islamic teachings can contribute to the design of a more equitable global fiscal policy through the principles of redistribution, social responsibility, and ownership ethics. The implementation of the zakat principle can be combined with the concept of progressive tax and *universal basic income* (UBI) in contemporary social policy (Stark, 2006; Zaman, 2015; Obaidullah, 2008). Some countries with Islamic economic systems (such as Malaysia and Indonesia) have started to integrate zakat into national poverty reduction strategies (Hassan et al., 2018; Tan & Basri, 2015; Ismail, 2007).

However, to make a global impact, the Islamic approach needs to be reformulated within an international public policy framework that is inclusive and contextualized. For example, a usury-free Islamic financial system can be an alternative to the high-interest credit system that exacerbates inequality in developing countries (El-Gamal, 2006; Kamla, 2009; Mirakhor & Askari, 2010).

Table 4. Comparison of Conventional and Islamic Redistribution Systems

Aspects	Conventional System	Islamic System
Tax	Compulsory, secular	Zakat (worship & social)
Flowers	Legal, normalized	Usury: Strictly prohibited
Redistribution	Social subsidy, UBI	Zakat, infaq, waqf
Ownership Ethics	Individualist	Trustworthiness, social responsibility

Source: Adaptation of El-Gamal (2006); Obaidullah (2008); Kamla (2009)

Relevance and Transformation of Islamic Values in Answering Inequality

In an increasingly complex global context, Islamic values have the potential to shape a global ethic of economic justice that is more humane and sustainable. Values such as *maslahah*, *'adl*, and *ukhuwwah* can serve as ethical foundations for macro and microeconomic policy-making (Siddiqi, 2004; Chapra, 2008; Asutay, 2012). This is becoming increasingly important amid growing public distrust of conventional economic institutions and the international financial system (Milanovic, 2019; Zucman, 2020; Fukuyama, 2018).

This transformation will require interdisciplinary and interreligious cooperation. Islamic approaches to social justice require development through global dialogue, academic cooperation, and the application of technology to expand the reach of ethical economic systems (Kamla, 2009; Dusuki, 2011; Obaidullah, 2008). This research is part of a collective effort to reconstruct a more just, participatory, and humanitarian oriented global system.

4. Conclusion

This research demonstrates that Islamic teachings possess strong normative and practical foundations for building a global social justice system. Values such as al-'adl (justice), maslahah (benefit), and ukhuwwah (social solidarity) are not only theological, but also operational through economic instruments, including zakat, infaq, and waqf. These principles, if translated into modern public policy, can offer alternative solutions to the increasingly complex issue of global economic inequality. This finding answers the first objective of the research, which is to explore the values of social justice in Islamic civilization, encompassing normative, spiritual, and structural aspects.

Furthermore, the analysis demonstrates that Islamic economic instruments are historically and theoretically relevant for application in the contemporary context, both locally and globally. Instruments such as zakat and waqf, when integrated with modern redistribution policies such as progressive taxation and UBI, can strengthen the fairness of wealth distribution amidst the dominance of the neoliberal capitalist system. Moreover, Islam's ethical approach to wealth ownership and accumulation can encourage structural reforms in the international economic system. Thus, this research not only strengthens the relevance of Islamic teachings but also offers academic and practical contributions in formulating a redistributive policy model based on Islamic civilizational values, in line with the second and third objectives of this research.

While this research provides a strong theoretical framework, one limitation is its reliance on secondary data from literature and existing reports. The study does not explore empirical case studies or practical applications of Islamic economic principles in real world policy frameworks. Additionally, the research is limited by the scope of available data on the integration of zakat into modern policy structures, particularly in regions outside of the Muslim-majority countries where the practice of zakat is institutionalized.

Future research could benefit from case studies on the integration of zakat and waqf into modern public policy frameworks in both Muslim-majority and non-Muslim majority countries. This would provide empirical evidence on how Islamic redistributive instruments are being applied or could be effectively integrated into contemporary economic systems. Additionally, further research on the comparative effectiveness of Islamic redistributive systems versus conventional fiscal policies, particularly in addressing global wealth inequality, could provide valuable insights to inform global economic policy.

5. References

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