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# **SUSTAINABLE DEVELOPMENT & ISLAMIC ECONOMICS PARADIGMS COMPARED**

## **ABSTRACT**

The article, in three parts, compares the divergences and convergences between the paradigms of sustainable development and Islamic economics. The first part of this article deals with the sustainable development paradigm. This paradigm is analyzed through its three-dimensional definition and the United Nations' Sustainable Development Goals. The second part characterizes the Islamic economics paradigm: Islamic economics is defined through a multidimensional approach and its objectives are outlined. The third section compares the two paradigms, revealing their divergence and convergence. The comparison shows that there is considerable conceptual convergence between these two paradigms and that their definitions and objectives converge insofar as they share the same universal ambition of achieving human well-being. These convergences can be observed in their theoretical models, dimensions, and values. They also share certain limitations, results, failures, and paradoxes.

**Keywords:** sustainable development, Islamic economics, environmental management, ethics, SDG.

**JEL Classification:** D64, H12, Q01, Q53, Q54, Q56, Q57.

## INTRODUCTION

The Anthropocene calls for a scientific revolution towards an economy that does not destroy the richness of life processes on Earth, but rather preserves and enhances them. This requires a focus on developing a unifying concept that aligns the goals of all organizational stakeholders around concerns for future generations and sustainability (Shrivastava *et al.*, 2019). To achieve this goal, it is necessary to design economic and financial systems that consider planetary limits, using the latest findings from the natural, social, and behavioral sciences. Kuhn's (1970) historical theory of the scientific structure of scientific revolutions (normal science, drift, crisis, revolution, paradigm shift) is built on the principle of circular causality highlighted by Ibn Khaldun (1377). Given that humanity is going through environmental, financial, and health crises, and that a scientific revolution is needed to change paradigms, this research proposes a comparative approach between the paradigms of sustainable development and Islamic economics, which share the same objectives of harmony and the achievement of human well-being.

To achieve this, we use the conceptual frameworks of sustainable development and Islamic economics. This study adopts a comparative approach that can serve as a basis for the development of a new archetype, in the Platonic sense of the term, as an ideal model for aligning the objectives of all stakeholders and ensuring human well-being while preserving natural equilibrium.

### 1. SUSTAINABLE DEVELOPMENT PRINCIPLES

#### 1.1 Three-dimensional definition of sustainable development

The term "sustainable" was first used in 1713 by Hans Carl von Carlowitz in his book *Sylvicultura oeconomica*, in which he criticized the over-exploitation of forests in Saxony. As for the term "*sustainable development*," it was first used by the United Nations World Commission on Environment and Development, which defined it in the Brundtland Report (1987) as:

*"Forms of development that meet the needs of the present without compromising the ability of future generations to meet their own needs."*

According to the same report, sustainable development is

*"A process of transformation in which the exploitation of resources, the direction of investments, the orientation of techniques and institutional changes are carried out in a harmonious way and reinforce the present and future potential to better respond to the needs and aspirations of humanity. In its broadest sense, sustainable development aims to foster a state of harmony between human beings and between man and nature."*

According to the Brundtland Report (1987), sustainable development is a process of change. It is not a fixed state of equilibrium and is a matter of asserted political will, which requires good governance that responds to the aspirations of all stakeholders by integrating concerted approaches and effective population participation. Within the framework of good governance, this approach offers environmental policies and development strategies involving economic and social change. The integration of the environment and development is a necessity in all countries, both rich and poor alike, making the integration of sustainable development into the national and international policies of all countries a global challenge.

Sustainable development is therefore based, within a framework of good governance, on a three-dimensional, long-term vision whose objective is the economic and social development of human society while respecting environmental constraints.

The purpose of the economic dimension is to create wealth to improve the material living conditions of humans. The United Nations World Commission on Environment and Development considers that widespread poverty is not inevitable, and that misery is evil. The idea of sustainable development calls for the basic needs of all human species to be met because a world in which poverty is endemic will always be prey to environmental disasters. To satisfy these basic needs, we must ensure economic growth and fair sharing of resources that enable this growth. Until now, economic growth has been a danger to the environment because of the pressure it exerts on the resources to exploit them. However, to ensure long-term growth without mortgaging the future, growth must not be achieved at any price, particularly when it does not respect the principles of sustainability and non-exploitation. In this case, the economic dimension alone cannot address the challenges and objectives of sustainable development. High productivity can coexist with extreme poverty. This is when the social dimension comes into its own.

The social dimension aims to develop society while satisfying the needs and aspirations of all people. It is a form of social justice that guarantees fair distribution of resources. At present, the essential needs of millions of people aspiring to a better life are not met at all. The Brundtland Report (1987) reminds us that a world in which poverty and injustice are endemic will always be prone to ecological crises. Therefore, integrating the social dimension allows us to play the environmental dimension, which is intended to frame the economic dimension.

Finally, there is an environmental dimension that provides a framework for economic and social development that must be respectful of the environment. The Brundtland report (1987) states that the affluent must adopt a lifestyle that respects the ecological limits of the planet and that sustainable development is only possible if economic growth evolves in harmony with the productive capacities of the ecosystem. Indeed, development tends to contribute to global warming and destroy biodiversity, thereby altering the legacy of future generations. Sustainable development, therefore, requires the conservation and preservation of nature, while minimizing the adverse effects on natural resources.

## **1.2 Sustainable Development Objectives**

With the realization that perpetual growth would lead to collapse (Meadows *et al.*, 1972), a theoretical representation of economic activity began to develop based on models from the natural sciences (Sachs, 1980). In terms of human history, the question of resource depletion is a recent one. The first English economist to address this issue was William Stanley Jevons (1866), who devoted a long study to depletion of mineral reserves. In the 1970s, analyses of non-renewable natural resource exploitation regimes and studies of intergenerational transfers began (Dasgupta & Heal, 1979).

The concept of sustainable development has become even more recent. It was forged and disseminated by the United Nations and shares with human rights the same "*philosophical axiom*" covering the same issues (Delzangles, 2019). Both concepts are reflected in Resolution 70/1 (*Transforming Our World: The 2030 Agenda for Sustainable Development*), which was adopted by the United Nations General Assembly on September 25, 2015. Agenda 2030, better known as the Sustainable Development Goals (SDGs), incorporates all the objectives set out in Agenda 21 of the United Nations Conference on Environment and Development (UNCED) adopted in Rio de Janeiro in 1992.

In keeping with the three-dimensional nature of sustainable development, the program works for humanity, the planet, and prosperity in a balanced and integrated manner. It seeks to strengthen peace throughout the world within a framework of greater freedom and sees the elimination of poverty as the greatest challenge and an indispensable condition for sustainable development. This action plan comprises 17 SDGs and 169 targets. Signatory states have pledged to work tirelessly to ensure that the program is fully implemented by 2030, so these goals and targets are global and universal in scope and are the result of public consultations and the mobilization of civil society as well as other stakeholders (United Nations, 2015).

The goals and targets are ambitious and transformative: eradication of poverty, hunger, disease, want, exploitation, violence, war, access to health, education, well-being, water, and energy. The Program enshrines on human rights and dignity, the rule of law, justice, equality and non-discrimination, and equity. Economic growth must be inclusive and sustainable as modes of consumption and production so that humanity can live in harmony in a protected environment. This is the first time that sustainable development and international human rights law have been combined, representing a "*conceptual leap*" (Delzangles, 2019).

## 2. ISLAMIC ECONOMICS PRINCIPLES

### 2.1 Multidimensional definition of Islamic economics

Chapra (1996) considers Islamic economics as follows.

*"That branch of knowledge which contributes to the achievement of human well-being through the realization of maqāṣid al-sharī'ah by enabling the allocation and distribution of limited resources in accordance with Islamic teachings."*

Islamic economics recognizes the role of the market in the efficient allocation of resources, but believes that competition is not sufficient to safeguard social interests (Chapra & Whaples, 2008).

The main function of Islamic economics is therefore to safeguard the social interest and lead to human well-being in accordance with the *maqāṣid al-sharī'ah*.<sup>1</sup> Al-Raysuni (2006) reports that Al-Shatibi (1320-1388), a famous Andalusian theologian and jurist specializing in *uṣul al-fiqh*, said that "*the [divinely revealed] laws have all been established to preserve the interests of human beings...*" and declared that the legislation on Islam was revealed, "*on the path of greatest moderation and that which directs an intermediate course between the two extremes to an unwavering extent.*"

In Islamic economics, human well-being does not solely depend on maximizing consumption and profit. It demands a balanced satisfaction of spirituality and material needs, and remains in line with Plato's philosophical view that everything material is always a means, never an end.

Indeed, in Islam, wealth has a special status, Muslim (875)<sup>2</sup> reports that the Prophet Muhammad ﷺ considered it not as opulence, but rather as contentment of the soul.

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<sup>1</sup> The science of *uṣul al-fiqh* aims to lay down the rules for deriving the Law (*ḥukm*) from the proofs (*dalīl*) contained in the foundations of Islamic jurisprudence. This discipline therefore designates the theoretical part that covers the methodology for ensuring legal production, but also designates the study of the purposes of the Law called *maqāṣid al-sharī'ah*. Thus, the ulama to test the validity of their rulings studied the aims of *sharī'ah* by identifying the causes of Islamic legal rulings, the underlying intentions, and purposes of the Law. They thus made it clear that every legal decision in Islam has a function it fulfills, a goal it achieves, a cause, either explicit or implicit, and an intention it seeks to accomplish. All this is intended to ensure the well-being of humankind and preserve it from harm and corruption.

<sup>2</sup> *Ḥadīth* no. 1051.

Central to this paradigm is the importance of the afterlife, which is ignored by conventional economics but is given significant importance in Islam and other major religions.

*Homoislamicus* places his interest in a long-term perspective whose center of gravity extends beyond his own earthly life: a man can only serve his individual interest in the hereafter and that of future generations by fulfilling his ethical and moral obligations. As the Nobel Prize-winning economist Maurice Allais wrote (1953), a "rational" individual may have a different scale of psychological values from the scale of monetary values. It is accepted that this is a question of psychology rather than rationality. This vision of the psychology of the *homoislamicus* is also different from that developed by Simon (1947) who, although having detached himself from the omniscient and perfect "substantive rationality" of the *homoeconomicus* of the French neoclassical and part of the Austrian school, assumed that individuals had sufficient "calculating" capacity to make optimal decisions. The idea of *homoislamicus* is closer to the vision developed by Aristotle, who considered that a man endowed with a good moral nature is happy, that no one wishes to harm himself, that everyone pursues what seems good to him, and that if someone wishes to suffer harm, it is because he considers this harm to be a good. This, moreover, is reiterated in the Koran<sup>3</sup>. Khan (2018) has shown that the discipline of economics began as a moral science, but that over time it detached itself from moral concerns to imitate the natural sciences and adopt positivism. Consequently, traditional economics assumes that people are sordidly selfish. The teachings of Islam, however, favor social preferences, whereby individuals prefer social outcomes. This author therefore replaced the selfish agent with a social agent and presented the results in a theorem called the *Third Fundamental Theorem of Welfare Economics*, which states that "when selfish agents are replaced by social agents, market outcomes are Pareto optimal, fair and unique."

One of the most important contributions of Islamic economics may be the adoption of a dynamic multidisciplinary approach, as formulated by Ibn Khaldun, one of the last great scholars to emerge in the 14th century at a time when the decline of the Muslim world began. He is known as one of the founding fathers in numerous disciplines, such as sociology, history, and political science. Working alongside the scholar and philosopher Al-Abuli, who introduced him to the ideas of Plato, Al-Farabi, and Avicenna, Ibn Khaldun developed a multifaceted way of thinking. This thinking unfolds in *Muqadimma*, which was intended to be a universal history. He proposed an empirical and dispassionate reading of history conceived as a series of repeated cycles. He defined and explained the laws governing the transformation of human society, and it is in this light that he is considered the father of modern sociology. In his work, Ibn Khaldun wrote on many critical economic issues, such as property rights, the pre-Smith division of labor, supply and demand, production, the role of the state in the economy, taxation and public finance, monetary policy, and economic growth (Rizkiah & Chachi, 2020). Thus, he developed a theory of production, value, distribution, and cycles, which combined into a coherent general economic theory that formed the framework of his story (Boulakia, 1971). This is because he discovered the virtues and necessity of division of labor before Smith, the principle of labor value before Ricardo, developed a theory of population before Malthus, and insisted on the role of the state in the economy before Keynes (Mac Caffrey, 2014). Some argue that he was the victim of epistemicide and that he deserves the title of the father of classical economics as a branch of social studies (Oweiss, 1988). The complex, polysemous concept of "*umrān*" invented by Ibn Khaldun comprises two main branches: that of "*ḥaḍārah*" (civilization) and "*thaqāfah*" (culture) associated with the history experienced by humans ("*tārīkh*"). The state of '*umrān*' is a prosperous society that is valued in all aspects of physical, mental, and spiritual matters.

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<sup>3</sup> Sura 2, verse 216.

From a linguistic point of view, "*umrān*" derives from the Semitic root "*amara*," which gives the meaning of "*wealth*" and "*prosperity*." Simplistically, some translate the concepts of civilization and urbanization. For Ibn Khaldun, the state of '*umrān*' is formed naturally in accordance with the laws of the universe, whether with animate nature, such as human beings, animals, and plants, or with materials, such as water, soil, and air (Yahaya, 2017). Another interesting contribution of Khaldūnian theory is its multidisciplinary dynamic model of circular causality, which identifies the causes of a society's decline. These cycles do not, however, mean eternal recommendation or a return to the starting point, insofar as with each completion of the cycle, the phenomenon is amplified, which makes it possible to identify the spirals of vicious or virtuous circles. In his *Muqaddima*, Ibn Khaldun (1377) sought to introduce cause-and-effect relationships into the analysis and understanding of historical phenomena. In his analyses, human well-being depended not only on economic variables but also on the interrelated roles of moral, psychological, social, economic, political, demographic, and historical factors. In this way, he was able to show the influence of the standard of living and the environment on human well-being. This approach differs from the neoclassical liberal approach, which limits itself to a static, short-term analysis stripped of the moral basis of society, underlined by Aristotelian and Judeo-Christian philosophies. This has deprived them of the role that moral values and good governance can help society increase both efficiency and equity in the allocation and distribution of scarce resources needed to promote the well-being of all (Chapra & Whaples, 2008; Hasan, 2017).

According to Chapra and Whaples (2008), conventional economics and Islamic economics should not be seen as two entirely different disciplines, since they share the goal of allocating and distributing scarce resources, especially since the issue of good governance and meeting stakeholder expectations is now a shared one, and moral values are gradually penetrating economic orthodoxy. These authors also point out that many Islamic economic theorists have benefited from the analytical tools developed by neoclassical, Keynesian, social, humanist, and institutional economics as well as other social sciences, and will continue to do so in the future. It is likely that these two disciplines will converge and become one. If strengthened by justice and solidarity, they should help promote peaceful coexistence and enable humanity to achieve well-being.

## **2.2 The aims of Islamic economics**

Therefore, the main function of Islamic economics is to lead to human well-being through an approach operating at diverse levels, such as good governance, state economic policy, and economic development.

When it comes to good governance and the people best suited to governance, it is possible to divide men into three categories according to their relationship to economic resources. First, philanthropic and altruistic people are most deserving of command, as they will put themselves at the service of society and do not seek the satisfaction of their own self-interest. Then, greedy people without being predatory, who represent the common people who seek their own self-interest without seeking to harm others, and finally, the predatory people who seek to appropriate all wealth at the expense of others. From an Islamic perspective, what matters is that it is the right people who gain power, that is, philanthropic people whose concern is the pursuit of benevolence and fair sharing of resources. As an example, we can cite the measures taken by the second Caliph Omar Ibn al-Khattab (634-644), who introduced wealth limits for governors and civil servants, who could be dismissed if they showed an outward sign of pride or wealth that could distinguish them from other people. This was the first attempt to erase class distinctions that could inevitably lead to conflict. Omar Ibn al-Khattab also took steps to ensure that funds from the public treasury were not wasted on useless expenditure. He believed that

money was best spent on the benefits of the people. He introduced various welfare programs: during his time, equality was extended to all citizens. He believed that a person, no matter how important, should not live in a way that sets them apart from the rest of the population. In this Islamic conception of the exercise of power, it is not entrusted to the Caliph as a tyrant, but rather as a guardian of justice and respect for the law who is not placed at his service, but rather at that of the people so that they can enjoy their rights. In this sense, he serves as a servant of his constituents. This vision resembles the French conception of the exercise of power, where the term "*minister*" means "*servant*."

As far as state economic policy is concerned, Islam has based the resources and expenditure of fiscal policy on the principles of justice, equality, compassion, and reconciliation between the general interests of citizens and the interests of state officials. For example, Omar Ibn al-Khattab's innovative social reforms included the introduction of social security with the introduction of unemployment insurance, which, it should be remembered, only appeared in the modern world in the 19<sup>e</sup> century. Whenever citizens are injured or lose their ability to work, it becomes the state's responsibility to ensure that their basic needs are met. Thus, disabled people and their families receive an allowance from the public treasury. Retirement pensions were provided to elderly people who had retired and who could count on receiving an allowance from the public treasury. Other reforms of this nature also occurred later on in the Umayyad caliphate. Soldiers with disabilities in service received a disability pension, while similar provisions were made for people with disabilities and the poor in general. Omar Ibn al-Khattab also introduced the concept of public guardianship and public ownership when he implemented the *waqf* regime, a system allowing the transfer of wealth from the individual or a few to a collective social property for the purpose of providing services to the community. During the Great Famine of 18 A.H., Omar Ibn al-Khattab introduced other reforms, such as food rationing using coupons given to those in need, which could be exchanged for wheat and flour. Another innovative concept was the definition of a poverty line, with all efforts made to ensure a minimum standard of living so that no citizens living in Islamic lands would have to go hungry. Consequently, Ibn al-Khattab ordered that the poor receive a monthly food ration of flour. However, to prevent ill-intentioned citizens from taking advantage of government services, begging and laziness were not tolerated and those receiving government benefits had to be active members of the community. Caliph Al-Walid I, allocated resources, and services to the needy that included money for the poor, guides for the blind, officials for people with disabilities, as well as pensions for all disabled people so that they never needed to beg. The caliphs Al-Walid II and Umar Ibn Abdul Aziz provided money and clothing for the blind and crippled, as well as officials to assist them. This continued with the administration of Abbasid Caliph Al Mahdi.

The mission of Islamic economics and finance is to ensure justice and real well-being for all members of the human family. To achieve this goal, all sectors of society are required to contribute as much as possible. The financial system is no exception. It can fulfill this role in two important ways: first, by encouraging the financier and entrepreneur to share the risks incurred by the business, and second, by ensuring that the benefits of all financial resources mobilized by financial institutions are equally distributed among all stakeholders. That said, Islamic economics and finance are still a long way to achieve the desired objective, since their contribution to solving the economic problems of Muslim societies is minimal. It is worth pointing out that the focus on Islamic finance has led to the false impression that interest-free financing is all that Islamic economics must offer. Moreover, Islamic finance is unable to eliminate the influence of conventional finance. It is therefore important to focus on the socio-economic problems facing humanity and to show how adopting a balanced, morally oriented strategy can help solve them (Chapra, 1997).



### 3. COMPARISON OF SUSTAINABLE DEVELOPMENT AND ISLAMIC ECONOMICS PARADIGMS

Islamic economics has emerged as a new paradigm that could have a significant impact on financial theory, showing that the principle of profit and loss-sharing advocates in place of interest could improve investment by reducing informational asymmetries (Presley & Sessions, 1994). If we compare sustainable development with the criteria defined by Kuhn (1970) with regard to paradigms, it appears that we cannot consider it to be a general paradigm in the Kuhnian sense of the term, but rather, due to its multidisciplinary and transversality, as a multiparadigmatic element introducing "*modifications in research objects and methods*" (Zaccai, 2007) as well as internal paradigm shifts linked to multidisciplinary. In this sense, sustainable development can also be seen as an attempt to unify and converge science in the services of humanity and the environment. This is in line with the Islamic vision of oneness (*tawhīd*) inherent in the paradigm of Islamic economics, which aspires to the realization of human well-being with a view to preservation.

#### 3.1 Differences between the paradigms of sustainable development and Islamic economics

With regard to human needs and the sharing of wealth, the Islamic Economics Paradigm (IEP) goes beyond the Sustainable Development Paradigm (SDP), as addressed in the Brundtland Report (1987), which stipulates that the affluent must respect the ecological limits of the planet, whereas the IEP, as a normative social science (Mannan, 1983), mandatorily introduces the sharing of wealth and prohibits its monopolization, speculation, hoarding, monopoly situations, and waste (Ahmad, 1979; Siddiqi, 1981; Çizakça, 2012).

If we compare the three economic, social, and environmental dimensions of the SDP, we see that the IEP has certain additional specificities, imposes more constraints to safeguarding social interest, and is not limited to these three dimensions alone. Indeed, in the IEP, preserving social interest and leading to human well-being depends on multiple factors (Ibn Khaldun, 1377).

For example, regarding the economic dimension, the role of the market in the IEP is recognized in the efficient allocation of resources, yet competition is considered insufficient to safeguard social interests (Siddiqi, 1981; Chapra & Whaples, 2008). In addition, participatory modes of financing, such as generalized risk-sharing and equitable profit-sharing, should be the norm (Iqbal & Khan, 1981; Nienhaus, 2013). It is easy to see why the IEP goes further than the SDP in terms of its economic value. Since the Industrial Revolution, there has been a link between population growth and economic growth, as well as a link between economic growth and greenhouse gas emissions that contribute to climate change. However, point 64 of United Nations Resolution 70/1 on means of implementation states that "*International trade is an engine of economic growth for all and a means of reducing poverty; it contributes to sustainable development.*" International trade is certainly an engine of economic growth, but this is not enough to claim that it contributes to sustainable development insofar as it contributes to more greenhouse gas emissions, and therefore contributes to global warming and the destruction of biodiversity. From this point of view, it is contrary to Goal 13 of sustainable development. Although both paradigms share the desire to ensure prosperity and equality as well as the goal of eradicating poverty and hunger, the IEP uses religious values to achieve this objective, as well as specific tools such as Islamic microfinance, *zakāh*, and *waqf* (Ahmad, 1984; Iqbal, 1986, 2002; Cizakca, 1998; Al-Jarhi & Zarqa, 2007; Obaidullah & Khan, 2008; Ahmed *et al.*, 2015).

In the context of the social dimension of the SDP, which is a form of social justice guaranteeing a fair distribution of resources, the IEP incorporates the dimension of a "*social order*" capable of providing practical solutions to contemporary economic problems conceptualized by Muhammad Iqbal and Muhammad Asad. However, Islamic economics goes beyond the three-

dimensional, long-term vision of the SDP developed in the Brundtland Report (1987) since it aims to provide a holistic solution to contemporary problems (Maududi, 1976). Another important divergence between the two paradigms concerns the psychology of individuals, since in the IEP, *homoeconomicus* is replaced by a *homoislamicus* who pursues his own self-interest, to which the constraints of social interest are added (Siddiqi, 1981; Khan, 2018).

With regard to the environmental dimension, the Brundtland Report (1987) states that it provides a framework for economic and social development that must be respectful of the environment. This ties in with the IEP insofar as Islam advocates moderation in consumption and avoidance of wasting natural resources (Hasan, 2017, 2020). In terms of environmental values, the adoption of a *fatwā* as early as 2009 by the Fiqh Academy prohibiting, in accordance with the principle of damage prevention, the cause of environmental damage that harms the ecological balance or uses resources in an unsustainable manner and does not consider the interests of future generations was a decisive act (OIC, 2009). The *fatwā* also stated that it was mandatory to remove all weapons of mass destruction from all countries and that anything that led to the release of gases contributing to ozone depletion or environmental pollution was also forbidden by Islam. Thus, environmental protection and energy conservation policies have become religious obligations (Jaelani *et al.*, 2017). We note here that the IEP, by integrating the issue of weapons of mass destruction, also extends beyond the SDP, which focuses on environmental protection and the fight against global warming.

### **3.2 Convergences Between the Paradigms of Sustainable Development and Islamic Economics**

First, there is conceptual convergence insofar as the concept of sustainable development, as defined in the Brundtland Report (1987), is not unlike that of the *maqāṣid al-sharī'ah*, which must favor everything that contributes to the preservation of creation, paying particular attention to future generations (Hasan, 2017). These concepts can also converge insofar as anything that may threaten the human species with extinction is considered in the IEP to be formally forbidden by the Creator (Ibn Khaldun, 1377).

We also note that the original objectives of SDP converge with the definition of Islamic economics. Indeed, the Brundtland Report (1987) states that sustainable development aims to foster a state of harmony between human beings and nature, whereas Chapra (1996) defines Islamic economics as a branch of knowledge that contributes to the realization of human well-being.

Theoretical models of the SDP (Zaccai, 2007; Baechler, 2009; Delzangles, 2019; Lagoarde-Segot, 2020) and IEP (Jan *et al.*, 2015) are based on a paradigm shift. On the other hand, the issue of satisfying human needs, as developed in the IEP, which advocates moderation and rejects waste (Siddiqi, 1981; Chapra, 1996), provides a solution to the observations made in the theoretical model of the SDP, which considers that the current development model is unsustainable for the planet (Zaccai, 2007; Baechler, 2009; Delzangles, 2019).

There are important similarities between the two paradigms when it comes to the issue of public governance: in the SDP governance must respond to the aspirations of all stakeholders through the integration of concerted approaches and the effective participation of populations (Brundtland, 1987; Delzangles, 2019), while in the IEP, Iqbal and Mirakhor (2004) write that Islam offers theoretical foundations for recognizing the rights of all stakeholders. For Chapra (2015), a strong, fair, and legitimate government is necessary, which also converges with Zaccai's (2007) position in the socio-political field that a dynamic will impose sustainable development as a positive innovation.

A comparison of the values of the dimensions specific to the Sustainable Development Goals (SDGs) as set out in UN Resolution 70/1 (2015) shows that they are shared with those of the IEP.

In terms of governance, the IEP seeks to increase transparency and strengthen education and intra- and intergenerational equity (Naqvi, 1994), which is in line with the SDP's values of cooperation, solidarity, and resource sharing.

The economic dimension of the SDP, as formulated in the Brundtland Report (1987) regarding wealth creation to improve human material living conditions, is perfectly in line with the achievement of the IEP's holistic prosperity objectives (Ahmad, 1984; Iqbal, 1986, 2002; Cizakca, 1998; Al-Jarhi & Zarqa, 2007; Obaidullah & Khan, 2008, 2010; Ahmed *et al.*, 2015). The view that economic growth should not be achieved unless it respects the principles of sustainability and non-exploitation of others is also in line with the Islamic principle of "*la ḍarar wa lā ḍirār*," which encourages humans to commit no harm to themselves or to others.<sup>4</sup>

The social values of the two paradigms fully converge insofar as the values of justice, peace, inclusion, and dignity advocated in the SDP coincide with the justice and elimination of oppression and inequality that the IEP aims for (Zaman, 2015). As normative social science (Mannan, 1983), a moral filter such as *ḥisba* is suggested in the IEP to regulate the market. The Islamic economic system aims to create a balance between scarce resources and unlimited needs through a moral filter system that produces a socially and financially optimal economic state (Asutay, 2007b).

With regard to the environmental dimension, the Brundtland Report (1987) states that it provides a framework for economic and social development that must be respectful of the environment. This ties in with the IEP insofar as Islam advocates moderation in consumption and avoidance of wasting natural resources (Hasan, 2017, 2020).

The Brundtland Report (1987) states that the SDP limits are not absolute, but rather depend on techniques, social organization, and the biosphere's capacity to withstand the effects of anthropogenic activities, while authors such as Daly (1991) note that there is an absolute limit to the physical size of the human economy, and that the environmental crisis marks the limits of science and technological progress and calls them into question.

On the other hand, just as Choudhury (2008) points out, the moral perspective of the IEP fails to articulate its methodology in actual practice, and the SDP can be seen as a discourse for manipulating reality to make the Western model of economic growth development sustainable. In fact, any attempt to change economic policy in line with Islamic principles is confronted with the reality of conflict with commercial interests, and the SDP is no exception to this rule. Thus, in their common goal of a paradigm shift, the SDP and IEP encounter similar difficulties when they come into conflict with commercial interests. Moreover, there are limits to financing the SDP and banks' ability to create money (Lagoarde-Segot, 2020).

The SDP and IEP share common failures. According to Kuran (1995), there is no viable Islamic economic system. Islamic economics and finance are still far from their intended objectives, since their contribution to solving the economic problems of Muslim societies is minimal (Chapra, 1997). Islamic economists have been unable to produce rigorous theories of public finance (Kahf, 2005) and micro-currency (Choudhury, 2018). The implementation of Islamic banking in Pakistan was a failure (Mansoor Khan & Bhatti, 2006), and the transformation of *homoeconomicus* into *homoislamicus* has not been successfully achieved (Asutay, 2007b). Instead, in practice, we have replicated conventional instruments for risk-free fixed-return

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<sup>4</sup> A legal maxim, which can be translated as: "All harm is unlawful: whether involuntary [*ḍarar*] or voluntary [*ḍirār*]".

transactions (Asutay, 2012; Nienhaus, 2013). Thus, Nienhaus (2013) notes a failure to develop a new IEP although this process is not, however, irreversible. An encouraging example is the strong relationship between *ṣukūk* emissions and economic growth in all emitting countries (Smaoui & Nechi, 2017). On the SDP side, the verdict handed down by the United Nations (2020) is unambiguous: environmental deterioration, food insecurity, and inequalities continue to grow. Owing to unsustainable production and consumption patterns, environmental degradation and global warming continue. The current levels of investment are not sufficient to cover the needs estimated to be between 5,000 and 7,000 billion dollars per year.

These two paradigms share several paradoxes.

First, each aspires to a paradigm shift but takes a capitalist and productivist direction. Indeed, in the SDP, Rist (1996) points out that the need to preserve biodiversity and natural resources is recognized while maintaining the same development model, which, paradoxically, has only increased inequalities and endangered the environment. Moreover, the origin of the concept is environmental, yet it is "*development*" that appears to be "*sustainable*" (Marhold *et al.*, 2009). Asutay (2007a) writes that Islamic economics has argued that the capitalist economic order was responsible for the failure of economic development and environmental problems in developing countries, yet Islamic finance has moved away in its direction. For example, it should be noted that there was no difference between the performance of Islamic and conventional banks during the last global financial crisis due to Islamic banks' failure to adhere to Islamic principles (Bourkhis & Nabi, 2013).

Furthermore, the two paradigms share another antonym paradox that translates into either weakness or excess normativity. Although the notion of "*sustainable development*" is widely accepted as vague and indefinite, its legal character in international law is still a matter of debate (Delzangles, 2019), whereas in the IEP, normativity through rigid legalism can paradoxically become the primary brake on the realization of the Islamic ideal, a fossilized form of the original message in full contradiction with Quranic dynamism (Coste, 2017).

Finally, the two paradigms share a third common paradox in their ability to formulate problems, while being incapable of solving them. Currently total investment in developing countries amounts to \$1.4 trillion leaving an annual investment gap of \$3.1 trillion to achieve the SDGs, according to the Islamic Development Bank. However, investment in SDGs makes economic sense insofar as achieving them should create almost 380 million new jobs by 2030 and generate \$12,000 billion in trade (United Nations, 2020). The IEP provides ideal solutions but not yet practical solutions (Khan, 2019).

## CONCLUSION

Humanity spends more than its annual biological budget. Since 1970, the ecological footprint has exceeded the Earth's rate of regeneration. This overshoot deteriorates the planet's health and, with it, humanity's prospects. Natural resources and human demand are distributed unevenly across Earth. The level of human consumption of these resources does not consider their availability as they are not consumed at the place of extraction. Short product life cycles are beneficial for generating sales and profits, but not for the environment. The gravity of the environmental situation demands immediate action and a profound transformation of our relationship with Earth.

Like the IEP, the Brundtland Report criticizes the excessive indebtedness and debt servicing of many countries, particularly Africa and Latin America, as incompatible with sustainable development. As debtors are forced to use trade surpluses to make repayments, they are forced to draw heavily on nonrenewable resources. The Brundtland Report insists that urgent action is needed to "*reduce the debt burden in ways that will ensure a more equitable sharing of responsibilities and burdens between debtors and lenders.*" Here again, we note that the IEP can enrich the SDP by providing a solution to this problem by prohibiting interest-bearing loans and replacing them with financing methods based on profit and loss-sharing.

Another problem is the accounting logic imposed by financiers (bankers and investors); many unprofitable activities can be useful to society, and many profitable activities can be detrimental to it. The questions raised by Islamic economics are practical and philosophical. Can the UN's SDGs eliminate greed that leads to exploitation, poverty, and instability? Should material or spiritual values guide society? Should people live to work, or work to live?

Even though our research has shown that there are significant convergences between the two paradigms, the three-dimensionality of sustainable development appears insufficient to meet these environmental and societal challenges and answer these questions. The IEP is not limited to just three dimensions, as may be the case with SDP. The IEP takes a broader normative approach, addressing issues of social justice in greater depth and considering the individual as a moral being. The possible contributory properties of Islamic economics include universally acceptable aspects and compatibility with human nature, where social, political, economic, and environmental issues are not neglected. With its multidimensional approach and its principle of "*la ḍarar wa lā ḍirār*," which encourages humans to commit no harm in line with the ideal of preservation carried by the *maqāṣid al-sharī'ah*, which must favor everything that contributes to the preservation of creation, paying particular attention to future generations, our analysis showed that the IEP had a broader approach than that carried by the SDP.

Islamic economics forcefully affirms, by making the living sacred in the name of the spirit that animates it, that the spirit must always govern matter, the letter must guide the number, and human beings must establish justice.

The Arabic root of the Arabic term '*adl*, which can be translated as "*justice*," implies equity, balance, and righteousness, and gives verbs to balance, adjust, and redress. Establishing justice means adopting a balanced approach. In this archetype, human functions establish justice, balance, and harmony. To achieve this general objective of balance, which is rooted in justice, we must frame the number in the letter. This is why a normative and philosophical approach to Islamic economics is useful. The damage done to nature since the Industrial Revolution is precisely because, through the positivist approach, the number has managed to free itself from the letter's tutelage. In other words, the matter is taken over from the spirit.

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