Islam and the Challenges of Western Capitalism

Edited by Murat Çizakça, Professor of Islamic Finance, Comparative Economic and Financial History, INCEIF University, Kuala Lumpur, Malaysia

This unique book brings together some of the finest minds in comparative economic / financial history and modern Islamic finance to discuss the rise, the decline and the contemporary efforts to regenerate Islamic capitalism. The collection features articles on the contribution of classical Muslim scholars to the history of economic thought, the institutions that translated these ideas into everyday life and whether these thoughts and institutions constitute a clash or a symbiosis of civilizations. The efforts of contemporary Muslim thinkers to design a modern Islamic economy are also carefully scrutinized.

"This impressive volume is long overdue. Its starting point is that historically the West met the challenge of Islamic civilization by developing its own form of capitalism and Islamic societies need to do likewise today, and the book provides a comparative analysis of the growth of modern Islamic institutions, assesses their achievements and outlines a blueprint for their future structure. The editor is a noted expert in these topics and, led by his own contributions, the collection of articles offers a well-organized and fascinating account."
– Mervyn K. Lewis, University of South Australia

"The relationship between Islam and capitalism is multifaceted, as it involves not only trade and financial flows, but also business organisation and culture. Causality is two way, as although in modern times capitalism has influenced Muslim economies, in the past capitalist practices were shaped by Islamic thinking. History may well be repeated given the emergence of Islamic finance as an alternative banking model and the development of Shari’ah compliant capital market instruments. Western critics of capitalism and its resultant inequalities, who have become increasingly interested in Islamic finance as an ethical alternative, should find this book of value. The excellent collection of articles reveals the breadth of the interaction of Islam with capitalism, which Murat Çizakça views as a symbiosis rather than a clash of civilizations. Hence by bringing together such divergent sources the editor provides a fresh perspective on this complex relationship. The categorisation of the articles is helpful and should guide future researchers interested in comparative economic systems as well as those primarily concerned with Islam. The volume should be an essential purchase not only for libraries with Islamic studies collections but also for those with political economy and history of economic thought sections."
– Rodney Wilson, Durham University, UK and INCEIF University, Malaysia

"Under a title inspired by the dichotomous histories of Islamic and Western capitalism, Çizakça and the individual authors navigate through a detailed examination of Islamic institutions and their role in the evolution of Western capitalism. Theoretically this book builds upon a variety of case studies from the birth of Islam in the seventh century to the contemporary Islamic financial networks nurtured by the Hajj. Equally convincing are the models of Islamic finance which illustrate its flexibility in the face of contemporary realities. The volume is highly instructive in examining the development of innovative community-centred financial initiatives like the cash waqf, while addressing the issue of convergence and divergence between Islamic capitalism and western capitalism. Çizakça, a leading expert on Islamic economics, thus makes a powerful case for its role in shaping the commanding heights of Western capitalism."
– Rajeswary Ampalavanar Brown, Royal Holloway College, University of London, UK